CAP S.A. AND SUBSIDIARIES

Consolidated financial statements for the years ended December 31, 2015 and 2014 and independent auditors' report

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Directors of
CAP S.A.

We have audited the accompanying consolidated financial statements of CAP S.A. and Subsidiaries, which include the consolidated statement of financial position at December 31, 2015 and 2014, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows, for the years 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 financial statements in accordance with the instructions and standards for the preparation and presentation of financial information issued by the Superintendency of Securities and Insurance described in Note 3 to the consolidated financial statements. Management is also responsible for 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 audits. We performed our audits in accordance with auditing standards generally accepted in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the entity's 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 do not express such opinion. An audit also includes assessing the appropriateness of the accounting policies used and the reasonableness of the significant estimates made by the Company's Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion on the regulatory basis of accounting

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of CAP S.A. and Subsidiaries at December 31, 2015 and 2014 and the results of its operations and its cash flows for the years then ended, in accordance with the instructions and standards for the preparation and presentation of financial information issued by the Superintendency of Securities and Insurance described in Note 3.

Basis of accounting

As described in Note 3 to the consolidated financial statements, by virtue of its authority, the Superintendency of Securities and Insurance on October 17, 2014 issued Circular Nº 856 instructing the supervised entities to record against equity, in the year 2014, the differences in deferred tax assets and liabilities that arise as a direct effect of the increase in the first category tax rate introduced by Law 20,780, changing the framework for the preparation and presentation of financial information adopted up to that date, given that the previous framework (IFRS) requires that it be adopted in an integral, explicit and unreserved manner.

However, notwithstanding that they were prepared on the same basis of accounting, the consolidated statements of comprehensive income and the conformation of the consolidated statements of changes in equity for the years ended December 31, 2015 and 2014, as regards the registration of differences of assets and liabilities for deferred taxes are not comparative according to explained in the previous paragraph and whose effect is explained in Note 3.

The accompanying consolidated financial statements have been translated into English solely for the convenience of readers outside Chile.

Deloitte

Santiago, Chile
March 4, 2016

Daniel Fernandez P.
Rut: 10.048.063-8

CAP S.A. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

IN THOUSANDS OF UNITED STATES DOLLARS

This document consists of the following sections:

- **Independent Auditor's Report**
- **Consolidated Financial Statements**
- **Notes to the Consolidated Financial Statements**

CAP S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION, CLASSIFIED
AS OF DECEMBER 31, 2015 AND 2014
(IN THOUSANDS OF U.S. DOLLARS - ThUS$)

Assets	Note	12.31.2015 ThUS$	12.31.2014 ThUS$
Current assets			
Cash and cash equivalents	6	227.734	131.156
Other financial assets, current	6	440.166	217.004
Other non-financial assets, current	12	10.820	12.336
Trade and other current receivable, current	7	166.853	268.449
Accounts receivable from related entities, current	8	11.305	3.124
Inventories, current	9	326.837	362.123
Tax assets, current	11	75.813	165.713
		1.259.528	**1.159.905**
Total current assets other than assets or disposal groups classified as held for sale or held for distribution to owners			
Total non current assets other than assets or disposal groups classified as held for sale or held for distribution to owners	17	**-**	**7.841**
Total current assets		**1.259.528**	**1.167.746**
Non-current assets			
Other financial assets, non current	6	37.984	36.963
Other non-financial assets, non-current	12	19.708	29.673
Non-current receivables	7	23.569	9.421
Investments accounted for using the equity method	14	35	7.858
Intangible assets other than goodwill	15	746.024	774.188
Goodwill		1.767	1.767
Property, plant and equipment	16	3.588.306	3.691.706
Investment property	18	6.694	6.649
Deferred tax assets	19	24.926	19.036
Total non-current assets		**4.449.013**	**4.577.261**
Total assets		**5.708.541**	**5.745.007**

The accompanying notes are an integral part of these consolidated financial statements

CAP S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION, CLASSIFIED
AS OF DECEMBER 31, 2015 AND 2014
(IN THOUSANDS OF U.S. DOLLARS - ThUS$)

Equity and liabilities	Note	12.31.2015 ThUS$	12.31.2014 ThUS$
Liabilities			
Current liabilities			
Other financial liabilities, current	20	377,285	367,690
Trade and other current payables	22	282,305	469,540
Accounts payable to related entities , current	8	33,359	50,759
Other short-term provisions	23	5,736	8,357
Current tax liabilities	11	6,353	5,419
Current provisions for employee benefits	25	10,981	21,556
Other current non-financial liabilities	24	1,523	3,354
Total current liabilities other than liabilities included in disposal groups classified as held for sale		**717,542**	**926,675**
Total current liabilities		**717,542**	**926,675**
Non-current liabilities			
Other non-current financial liabilities	20	1,101,502	902,290
Accounts payable to related entities , no current		1,636	-
Other long-term provisions	23	57,347	23,274
Deferred tax liabilities	19	486,965	463,083
Non-current provisions for employee benefits	25	63,077	84,411
Other non-current non-financial liabilities	24	119,694	185,617
Total non-current liabilities		**1,830,221**	**1,658,675**
Total liabilities		**2,547,763**	**2,585,350**
Equity			
Issued capital	26	379,444	379,444
Retained earnings (accumulated losses)	26	1,484,894	1,487,838
Other reserves	26	(13,147)	(13,968)
Equity attributable to owners of parent		**1,851,191**	**1,853,314**
Non-controlling interest	27	1,309,587	1,306,343
Total equity		**3,160,778**	**3,159,657**
Total equity & liabilities		**5,708,541**	**5,745,007**

The accompanying notes are an integral part of these consolidated financial statements

CAP S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE RESULTS, BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(IN THOUSANDS OF U.S. DOLLARS – ThUS$)

Income statement	**Note**	**01.01.2015 12.31.2015 ThUS$**	**01.01.2014 12.31.2014 ThUS$**
Profit (Loss)			
Revenues	28	1,475,260	1,789,755
Cost of sales	9	(1,285,470)	(1,479,482)
Gross profit		**189,790**	**310,273**
Other income	28	15,188	18,898
Distribution Costs		(19,591)	(20,238)
Administrative expenses		(82,262)	(86,770)
Other expenses	28	(29,930)	(60,258)
Other gains (losses)	28	8,803	6,205
Profit (loss) from operating activities		**81,998**	**168,110**
Financial income	29	4,019	5,311
Financial costs	30	(60,513)	(69,615)
Share of profit (loss) of associates and joint ventures accounted for using the equity method	14	(1,071)	(2,037)
Exchange differences	36	754	1,854
Results for indexation units	36	1,669	2,400
Profit (loss) before tax		**26,856**	**106,023**
Income tax expense	19	(14,793)	(21,315)
Profit (loss) from continuing operations		**12,063**	**84,708**
Profit (loss)		**12,063**	**84,708**
Profit (loss) attributable to:			
Profit (loss), attributable to owners of the parent	26	2,149	55,514
Profit (loss), attributable to non-controlling interests	27	9,914	29,194
Profit (loss)		**12,063**	**84,708**
Earnings per share			
Basic earnings (loss) per share from continuing operations		US$	US$
Basic earnings (loss) per share from continuing operations		0,014380	0.371460
Basic earnings per share from discontinued operations		-	-
Basic earnings (loss) per share		**0,014380**	**0.371460**

The accompanying notes are an integral part of these consolidated financial statements

CAP S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE RESULTS, BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(IN THOUSANDS OF U.S. DOLLARS – ThUS$)

Statement of other comprehensive income	Note	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
Profit (loss)		**12,063**	**84,708**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss, before tax			
Remeasurement of defined benefit obligation		(1,230)	(138)
Other comprehensive income will not be reclassified subsequently to profit or loss, before tax		**(1,230)**	**(138)**
Item that may be reclassified subsequently to profit or loss			
Exchange difference on translating :			
Exchange differences arising during the year, before tax		(1,415)	(1,514)
Other comprehensive income, before tax, exchange differences on conversion		**(1,415)**	**(1,514)**
Available-for-sale financial assets			
Cash flow hedge			
Gain (loss) on cash flow hedge, before tax		4,261	6,976
Other comprehensive income, before tax, cash flow hedge		**4,261**	**6,976**
Hedges of net investments in foreign operations		-	-
Other comprehensive income that may be reclassified subsequently to profit or loss, before tax		2,846	5,462
Other comprehensive income, before tax		**1,616**	**5,324**
Income tax relating to components of other comprehensive income is not reclassified to profit or loss			
Income tax relating remeasurement of defined benefit obligation		277	29
Income tax relating to components of other comprehensive income is not reclassified to profit or loss		**277**	**29**
Income tax relating to components of other comprehensive income is reclassified to profit or loss			
Income tax related to cash flow hedges of other comprehensive income		(959)	(1,465)
Income tax relating to components of other comprehensive income is reclassified to profit or loss		**(959)**	**(1,465)**
Other comprehensive income		**934**	**3,888**
Total comprehensive income		**12,997**	**88,596**
Comprehensive income attributable to			
Comprehensive income, attributable to owners of parent		3,083	59,402
Comprehensive income, attributable to non-controlling interests		9,914	29,194
Total comprehensive income		**12,997**	**88,596**

The accompanying notes are an integral part of these consolidated financial statements

CAP S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS, DIRECT,
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(IN THOUSANDS OF U.S. DOLLARS – ThUS$)

Statement of cash flows	Note	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
Cash flows from (used in) operating activities			
Classes of cash receipts from operating activities:			
Receipts from sales of goods and rendering of services		1,424,701	2,071,743
Other cash receipts from operating activities		5,205	1,062
Classes of cash payments			
Payments to suppliers for goods and services		(1,078,585)	(1,551,136)
Payments to and on behalf of employees		(186,328)	(265,467)
Cash flow from (used in) operating activities		164,993	256,202
Interest received		1,367	2,972
Income tax refund (paid)		41,297	36,635
Other inflows (outflows) of cash		30,971	(33,675)
Net cash flow from (used in) operating activities		238,628	262,134
Cash flows from (used in) investing activities			
Cash flows used in acquisitions of non- controlling interests		(1,213)	-
Other payments for acquiring equity or debt instruments of other entities		-	(1)
Other payments to acquire interests in joint ventures		6,806	-
Proceeds of sales of property, plant & equipment		13,646	1,739
Purchases of property, plant & equipment		(60,200)	(450,184)
Cash advances and loans to third		(133)	(538)
Payments derived from contracts of future, to term, of options and of financial barter		(9,135)	(4,231)
Interest received		216	248
Other inflows (outflows) of cash	6	(232,274)	(21,118)
Net cash flow from (used in) investment activities		(282,287)	(474,085)
Cash flows from (used in) financing activities			
Proceeds from issuing shares		-	10,245
Total proceeds from borrowings		**745,301**	**539,332**
Proceeds of long-term loans		312,366	330,375
Proceeds from short-term borrowings		432,935	208,957
Repayments of borrowings		(497,538)	(185,883)
Payments of finance lease liabilities		(27,594)	(6,589)
Dividends paid		(46,772)	(105,134)
Interest paid		(31,025)	(19,854)
Net cash flow from (used in) financing activities		142,372	232,117
Net increase (decrease) in cash and cash equivalents before the effect of exchange rate changes		98,713	20,166
Effects of exchange rate change on cash and cash equivalents			
Effects of exchange rate change on cash and cash equivalents		(2,135)	(203)
Net increase (decrease) in cash and cash equivalents		**96,578**	**19,963**
Cash and cash equivalents at beginning of period		131,156	111,193
Cash & cash equivalents at end of period	**6**	**227,734**	**131,156**

The accompanying notes are an integral part of these consolidated financial statements

CAP S.A. AND SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(IN THOUSANDS OF U.S. DOLLARS – ThUS$)

As of December 31, 2015	Note N°	Capital shares ThUS$	Foreing currency translation reserve ThUS$	Cash Flow hedging reserve ThUS$	Equity- settled employee benefits reserve ThUS$	Other Reserve ThUS$	Total Reserve ThUS$	Retained earnings ThUS$	Attributable to owners of the parent ThUS$	Non- controlling interest ThUS$	Total ThUS$
Opening balance at 01.01.2015	**26**	**379,444**	**1,415**	**(15,288)**	**(586)**	**491**	**(13,968)**	**1,487,838**	**1,853,314**	**1,306,343**	**3,159,657**
Increase (decrease) from changes in accounting policies		-	-	-	-	-	-	-	-	-	-
Increase (decrease) through correction		-	-	-	-	-	-	-	-	-	-
Beginning Balance Restated		**379,444**	**1,415**	**(15,288)**	**(586)**	**491**	**(13,968)**	**1,487,838**	**1,853,314**	**1,306,343**	**3,159,657**
Changes in equity											
Comprehensive income											
Profit (loss)								2,149	2,149	9,914	12,063
Other comprehensive income			(1,415)	3,302	(953)		934		934		934
Comprehensive income									3,083	9,914	12,997
Dividends paid	**26**							(4,858)	(4,858)	(6,670)	(11,528)
Increase (decrease) through transfers and other changes, equity						(113)	(113)	(235)	(348)		(348)
Total Changes in equity		**-**	**(1,415)**	**3,302**	**(953)**	**(113)**	**821**	**(2,944)**	**(2,123)**	**3,244**	**1,121**
Closing balance To December 31, 2015	**26**	**379,444**	**-**	**(11,986)**	**(1,539)**	**378**	**(13,147)**	**1,484,894**	**1,851,191**	**1,309,587**	**3,160,778**

The accompanying notes are an integral part of these consolidated financial statements

CAP S.A. AND SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014
(IN THOUSANDS OF U.S. DOLLARS – ThUS$)

As of December 31, 2014	Note N°	Capital shares ThUS$	Foreing currency translation reserve ThUS$	Cash Flow hedging reserve ThUS$	Changes in Equity- settled employee benefits reserve ThUS$	Other Reserve ThUS$	Total Reserve ThUS$	Retained earnings ThUS$	Attributable to owners of the parent ThUS$	Non-controlling interest ThUS$	Total ThUS$
Opening balance at 01.01.2014	**26**	**379,444**	**2,929**	**(20,799)**	**(477)**	**491**	**(17,856)**	**1,562,797**	**1,924,385**	**1,315,274**	**3,229,659**
Increase (decrease) from changes in accounting policies		-	-	-	-	-	-	-	-	-	-
Increase (decrease) through correction		-	-	-	-	-	-	(1,454)	(1,454)	(513)	(1,967)
Beginning Balance Restated		**379,444**	**2,929**	**(20,799)**	**(477)**	**491**	**(17,856)**	**1,561,343**	**1,922,931**	**1,314,761**	**3,227,692**
Changes in equity											
Comprehensive income											
Profit (loss)								55,514	55,514	29,194	84,708
Other comprehensive income			(1,514)	5,511	(109)		3,888		3,888		3,888
Comprehensive income									59,402	29,194	88,596
Dividends paid	**26**							(45,895)	(45,895)	(25,149)	(71,044)
Increase (decrease) through transfers and other changes, equity								(83,124)	(83,124)	(12,463)	(95,587)
Total Changes in equity		**-**	**(1,514)**	**5,511**	**(109)**	**-**	**3,888**	**(73,505)**	**(69,617)**	**(8,418)**	**(78,035)**
Closing balance To December 31, 2014	**26**	**379,444**	**1,415**	**(15,288)**	**(586)**	**491**	**(13,968)**	**1,487,838**	**1,853,314**	**1,306,343**	**3,149,657**

The accompanying notes are an integral part of these financial statements

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1. General information

CAP S.A. (hereinafter "Company") was established in Chile by public deed dated April 27, 1946 under the name of Compañía de Acero del Pacífico S.A., being legally declared as established by the Finance Ministry Decree No. 3418. Subsequently, in February 1981 it was renamed Compañía de Acero del Pacífico S.A. de Inversiones and in May 1991 it adopted the name of CAP S.A., currently used.

CAP S.A. is a publicly traded corporation, its Tax ID number is 91,297,000-0, it is registered in the Securities Registry of the Superintendency of Securities and Insurance under No. 0131 and its legal registered address is No. 220 Gertrudis Echenique, Las Condes, Santiago de Chile.

The majority shareholder of CAP S.A. is Invercap S.A. with 31.32% of its ownership interest, as such it is in a position to exercise significant influence, but it has no control over the investee, as it is not exposed and has no right to the variable returns of the involvement in the investee and has no power to affect the investee returns.

For the purpose of the definition given in title XV of Law No.18,045, it is concluded that Invercap S.A. qualifies as the controller of CAP S.A.

2. Description of the business

The Company's main activity is to invest in any kind of incorporeal property, including shares, bonds, debentures, savings and capitalization plans, shares or rights in companies or mutual funds and any kind of securities as well as administering such investments.

The Company's specific purposes are to promote, organize and set up companies of any nature and purpose, to buy or sell shares and social rights; provide managerial, financial and legal, engineering, auditing and other necessary services for the better development of companies in which it is a shareholder or partner; or of third party companies; coordinate the management of the companies of which it is a shareholder or partner to maximize productivity and profitability.

CAP S.A. is the parent of the following direct and indirect subsidiaries registered in the Superintendency of Securities and Insurance:

Direct subsidiaries registered in the Special Register of Reporting Entities:

Compañía Siderúrgica Huachipato S.A.
Compañía Minera del Pacífico S.A.

Direct subsidiary registered in the Securities Registry:
Intasa S.A.

Indirect subsidiaries registered in the Securities Registry:
Cintac S.A.

Additionally, CAP S.A. is the parent of the following direct subsidiaries not registered in the Superintendency of Securities and Insurance:

Puerto Las Losas S.A.
Port Investments Limited N.V.
Cleanairtech Sudamerica S.A.
Novacero S.A.
Tecnocap S.A.
Abastecimientos CAP S.A.
Ecocap S.A. (Since 2013)

The Corporate purpose of the Company is consolidate its position in the steel business, efficiently managing its three business areas**: iron ore (CAP Mining)**, steel production **(CAP Steel),** Steel Solutions **(CAP Steel Solutions) and** Infrastructure **(CAP Infrastructure),** using the best technology available, being competitive in terms of costs and complying with strict measures for the safety and protection of the environment where it operates.

CAP Mining conducts its business through its subsidiary Compañía Minera del Pacífico S.A. (CMP) and its subsidiaries (Sociedad de Ingeniería y Movimiento de Tierra del Pacífico S.A., Compañía Distribuidora de Petróleos del Pacífico S.A., Manganesos Atacama S.A.andCMP Services Asia Limited) whose main purpose is to evaluate, develop and exploit mineral ores; process and trade their products; develop complementary, derived, secondary or supplying of raw materials, supplies or services industries, or directly or indirectly related with the above purposes; provide geological and mining research, engineering, industrial and mechanical maintenance, construction and earthmoving services; create and establish companies for the purposes of achieving any of these goals.

CAP Mining is the largest producer of iron ore and pellets in the Pacific coast, with extensive known resources and reserves and ever-expanding exploitation programs to ensure continuity of operations for many decades.

For management purposes, Compañía Minera del Pacífico S.A. is organized into four main units:

- **Huasco Valle**y (*Valle del Huasco*): Includes the pellet plant activities, Los Colorados (formerly Compañía Minera Huasco S. A.), Mina El Algarrobo and Puerto Gualcoda II.

- **Elqui Valley** (*Valle del Elqui*): Includes the activities of Mina El Romeral and Puerto Guayacán.

- **Copiapó Valley** (*Valle de Copiapó*): Comprises of the activities of the Planta Magnetita, Cerro Negro Norte Mine and Puerto Totoralillo.

- **Other:** Includes overall management of the Company and the results of the subsidiaries.

CAP Steel operates through its subsidiary Compañía Siderúrgica Huachipato S.A. (CSH), which has its facilities in the Municipalidad de Talcahuano, Eighth Region of Chile.

Compañía Siderúrgica Huachipato S.A. is an integrated industry plant that produces pig iron as a result of reduction of the ore in blast furnaces, transforms pig iron into liquid iron in a steel mill, from which it obtains sheets and steel billets of continued melt (semi-finished products), which are then rolled to deliver higher added value products to the market, such as hot laminated bars and slabs. This subsidiary ceased the operations of its cold rolling, zincalume and tin plate plant temporarily in 2012. At December 31, 2013 the management decided to write off the assets related to those production lines, as the related products are not considered in the future business plan. In 2013 the subsidiary temporarily ceased the operations of the line of hot flat rolling and a blast furnaces, however, it will re-start them in the future in accordance with the aforementioned plan (Note 16.5).

In June 2013, due to the situation that the subsidiary as result of the overproduction in the global steel industry, it decided to focus its activities in the production of long products, that is, bars for the supply of the mining and the construction industries, which are the segments with the highest projection in the market, due to the characteristics of the local demand for steel.

The subsidiary meets all the legal conditions, has normal production conditions, and operates two thirds of its operating capacity. The gradual implementation of the cost reduction and operating strategy, will allow the subsidiary to ensure the continuity of its profitable operations in the short term. Through its parent Company, the subsidiary is able to access the financial system to finance its operations. In accordance with the management, this determines its ability to continue as a going concern, as established by the accounting standards under with these consolidated financial statements are issued.

In December 2015, the Board approved the company's business plan 2016-2020, which among other considerations allow the Company to reverse the situation of negative working capital and recurring losses.

Compañía Siderúrgica Huachipato S.A. sells their steel products to distributors and construction companies, processors and industrial companies, manufacturers of metal packaging, wire drawers, tubes and profiles factories, metals workshops and mines.

CAP Steel Solutions conducts its business through Intasa S.A. and subsidiaries (Tubos Argentinos S.A. and Steel House do Brasil Comercio Ltda.) and Novacero S.A. and subsidiaries: Cintac S.A. and subsidiaries (Cintac S.A.I.C y Perfiles Metálicos S.A.). Its main purpose is the manufacture, distribution, sale, representation, import and export of all kinds of steel and metal products; the execution of civil works, housing construction, installation and manufacture of specialty products in which goods manufactured by the Company are used, organizing transportation to complement these purposes, the sale, import and export of all kinds of movable goods in order to complement its activities.

The Company has in its product portfolio solutions to several market needs, serving multiple economic sectors such as construction, real estate, industrial, commercial, road construction and mining, among others.

In Argentina, CAP Steel Solutions has the subsidiary Tubos Argentinos S.A. whose main activities the Company are the cutting of coils, the pressing of cold, hot and galvanized rolled sheet and the manufacture and sale of seamed steel pipes, and steel pipes and profiles for dry construction. The Company has two plants, one located at Talar de Pacheco in the province of Buenos Aires and another at Justo Daract in the province of San Luis, Argentina Republic.

According to the current currency exchange framework in Argentina to be able to access US dollars, Intasa S.A. and its subsidiary are continually implementing a way to transfer funds to Intasa S.A. for remittances of dividends and other payments.

In Brazil, the subsidiary Tubos Argentinos S.A., together with Intasa S.A., have set up the Company Steel House Do Brasil Comercio Ltda., headquartered in the city of Porto Alegre, which began its operations in January 2010. The principal business of this Company is the commercialization in the south of Brazil of galvanized profiles for dry construction, under the trade name STEEL HOUSE, produced at the San Luis plant in Argentina.

It also has the subsidiary Tubos y Perfiles Metálicos S.A. (Tupemesa) in Lima, Peru which operates successfully in the market for tubular steel products, with a broad range of products of high quality standards.

The incorporation of the steel solutions group to the traditional businesses of the CAP Group has allowed the strengthening of steel consumption in Chile and an improvement in the consolidated returns as a result of participating in the whole steel value chain.

CAP Infraestructura carries out its business through subsidiaries Cleanairtech Sudamérica S.A., Tecnocap S.A. and Puerto Las Losas S.A.

Cleanairtech Sudamérica S.A's main activity is producing and conduct desalinated water in Atacama Region to provide water to the mining companies in that area. That is why it undertook a project including a desalination plant and aqueducts. The desalination plant has a maximum production capacity of 600 liters per second. The first phase of the project has an initial capacity of 200 liters per second. The purpose of the second phase of the project was to increase its capacity to 400 liters per second through the expansion of the plant and the construction of aqueducts. The first phase of the project started operating in April 2014 and the second phase of the project started in November 2014. In 2011 Tecnocap S.A. started a project for the construction of a power transmission line in the north of Chile in order to meet the demand for electricity of the project of a desalination plant and Cerro Negro Norte project of related companies Cleanairtech Sudamérica S.A. and Compañía Minera del Pacífico S.A., respectively. The power transmission line of Tecnocap S.A. has been operating since September 2013.

The corporate purpose of Puerto las Losas S.A. is managing, operating, developing and preserving Las Losas Port located in Guacolda Bay in the Third Region, including all the related activities and services inherent to the operation of that port.

3. Summary of significant accounting policies

Accounting principles

These consolidated financial statements are presented in thousands of US dollars and have been prepared based on the accounting records kept by CAP S.A. and its subsidiaries (hereinafter the "Group" or the "Company"). The company's consolidated financial statements for the years ended December 31, 2015 and 2014 have been prepared in accordance with instructions and standards of preparation and presentation of financial information issued by the Superintendency of Securities and Insurance and approved by the meeting of the board of directors held on March 4, 2016.

The company's consolidated financial statements for the years ended December 31, 2015 and 2014 have been prepared in accordance with instructions and standards issued by the Superintendency of Securities and Insurance that consider the International Financial Reporting Standards (IFRS), except for the treatment of the direct effect of the increase in the first category tax rate introduced by Law 20,780 established in Circular No.856 issued by the Superintendency of Securities and Insurance, as explained below. On October 17, 2014 the Superintendency of Securities and Insurance, in virtue of its powers, issued Circular No.856, instructing inspected entities to record against equity in the respective year differences in deferred tax assets and liabilities arising as a direct effect of the increase in the first category tax rate introduced by Law 20,780. This ruling is different from the International Financial Reporting Standards (IFRS) that require that that effect is recorded against net income for the year. This instruction issued by the Superintendency of Securities and Insurance involved a change in the framework to prepare and present financial information adopted until that date, as the previous framework (IFRS) requires to be fully and explicitly adopted on an unqualified basis. The effect of this change in the accounting bases involved a charge to retained earnings for ThCLP$83,360 at December 31, 2014, that should be shown as a charge in the profit or loss for the year in accordance with IFRS. For all other matters related to the presentation of its financial statements, the company uses the International Financial Reporting Standards (IFRS) issued by theInternational Accounting Standards Board (IASB).

These consolidated financial statements presents fairly the financial position of CAP S.A. and subsidiaries as of December 31, 2015 and 2014, and the results of its operations, changes in equity and cash flows for the years then ended.

Responsibility for the information and estimates made

The Board of Directors of CAP S.A. is aware of the information contained in these consolidated financial statements and declares that it is responsible for the truthfulness of the information included in them, and for the application of the principles and standards issued by the Superintendency of Securities and Insurance of Chile.

Preparation of these consolidated financial statements, requires the use of estimates and assumptions made by Company´s management the CAP S.A. and its subsidiaries. These estimates are based on Management's best knowledge of the amounts, events or actions reported at the date of issue of these consolidated financial statements. However, future events may cause modification (up or downwards) in future periods, which would be done prospectively in accordance with IAS 8, recognizing the effects of the change in estimate in the respective future consolidated financial statements. Details of the significant accounting estimates and criteria are specified in detail in Note 5.

In the preparation of the financial statements certain estimates made by the company's management have been used to quantify some of the assets, liabilities, income, expenses and commitments recorded in them. These estimates mainly involve the following:

- The assumptions used in the actuarial calculation of the liabilities and obligations with the employees;
- The useful life of property, plant and equipment, and intangibles;
- The assumptions used to calculate the impairment of assets;
- The assumptions used to calculate estimates of irrecoverable amounts of trade receivables and accounts receivable trade;
- The assumptions used to calculate estimates of inventory obsolescence;
- The probability of occurrence and the amount of uncertain amount or contingent liabilities.

These estimates have been made based on the best information available at the date of issuance of these financial statements However, it is possible that future events force their modification (upwards or downwards) in the following periods, which shall be performed pursuant to IAS 8, prospectively, recognizing the effects of change of estimation in the corresponding future financial statements.

Below describes the significant accounting policies adopted in the preparation of these financial statements are described below. As required by IAS 1, these policies have been defined based on IFRS in force at December 31, 2015, and have been applied consistently to the periods presented in these financial statements.

3.1 Significant Accounting Policies Adopted

The following are the significant accounting policies adopted in the preparation of these consolidated financial statements.

(a) Periods covered - These consolidated financial statements of CAP S.A. and subsidiaries comprise the statements of financial position at December 31, 2015 and 2014, and the statements of comprehensive income for the twelve month periods ended December 31, 2015 and 2014, the statements of changes in equity and the statements of cash flows for the twelve month periods ended December 31, 2015 and 2014.

(b) Bases of preparation - The consolidated financial statements of the CAP Group for the year ended December 31, 2015 and 2014 have been prepared in accordance with the Standards of the Superintendency of Securities and Insurance.

On October 17, 2014 the Superintendency of Securities and Insurance, in virtue of its powers, issued Circular No.856, in accordance with Note 3.3i), instructing inspected entities to record against equity in the respective year differences in deferred tax assets and liabilities arising as a direct effect of the increase in the first category tax rate introduced by Law
20,780.

This ruling is different from the International Financial Reporting Standards (IFRS) that require that that effect is recorded against net income for the year. This instruction issued by the Superintendency of Securities and Insurance involved a change in the framework to prepare and present financial information adopted until that date, as the previous framework (IFRS) requires to be fully and explicitly adopted on an unqualified basis.

These consolidated financial statements have been prepared based on the accounting records kept by the parent company and the other entities that are part of CAP group.

The financial statements have been prepared based on the historical cost. Usually, the historical cost is based on the fair value of the consideration provided for the goods and services. The fair value is the price that would be received from selling an asset or paid to transfer a liability in a transaction between players in the market at the measurement date, regardless if this price is observable or estimated by using other valuation technique. The Company considers the characteristics of the assets and liabilities, if the players in the market take those characteristics when fixing the price of the asset or liability at the measurement date. The fair value for the purpose of measurement and/or disclosure in the financial statements is calculated in that way, except for the measurements that have some similarities with the market value, but that are not fair value, such as the net realizable value of IAS 2 or the value in use of IAS 36.

(c) Basis of consolidation - The consolidated financial statements include the financial statements of the parent Company and the companies controlled by the Company. The control is achieved when the Company:

- Has the power over the investee
- Is exposed, or has the right, to the variable returns from its ownership with investee, and
- Is able to use its power to affect the investment returns.

The Company evaluated the control based on all the events and circumstances and the conclusion is re-evaluated if exist any indication that are changes in at least one of the three elements detailed above.

When the Company has less than the majority of the voting rights of an investee, achieved the control when the voting rights are enough and give the unilateral practical ability to manage the significant activities of the investee. The Company considers all the events and circumstances to assess if the voting rights in the investee are enough to give it the power, including:

- The size of the ownership in the Company's voting rights in regard to the size and scattering of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from contractual agreements; and
- Any event and/or additional circumstances indicating that the Company has, or does not have, the ability to lead the significant activities when decisions are required to be taken, including patterns of voting behavior in previous shareholders meetings.

The consolidation of a subsidiary starts when the Company obtains control over the subsidiary and finishes when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or sold during the year are included in the statement of comprehensive income from the date on which the Company obtains control over the subsidiary until the date when the Company ceases to control the subsidiary.

The gains or loss of each component of other comprehensive income are attributed to owners of the Company and the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and non-controlling interests, even if the result non-controlling interests having a deficit balance.

All the significant intercompany transactions and balances are fully eliminated in consolidation. The Company has also recognized the non-controlling interest that is the percentage of ownership of third parties in subsidiaries, which has been incorporated separately in the consolidated equity of CAP S.A.

Subsidiaries - A subsidiary is an entity over which the group directly or indirectly exercises control as defined above. Those entities in which despite not holding this level of ownership interest, it is understood that the entities activities are performed to the benefit of the Company that it is exposed to most of the risks and benefits of the related entities, are also consolidated by this method.

When evaluating whether the Company controls another entity, the existence and effect of the potential voting rights currently exercised are considered. Subsidiaries are consolidated as of the date on which control is transferred to the group, and they are excluded from the consolidation on the date when the control ceases.

The Company owns certain organizations related to sports clubs, health services and educational services, which are controlled by the Company; however, these organizations have not been consolidated since they do not have a material effect on the consolidated financial statements of the Group.

The table sets forth the direct and indirect subsidiaries that have been consolidated by the CAP Group:

Tax No.	Company	Address	Relationship	Shareholding percentage			
				12.31.2015			12.31.2014
				Direct	Indirect	Total	Total
94637000-2	Compañía Siderúrgica Huachipato S.A.	Chile	Direct subsidiary	99.999	0.000	99.999	99.999
94638000-8	Compañía Minera del Pacífico S.A.	Chile	Direct subsidiary	74.999	0.000	74.999	74.999
79942400-2	Compañía Distribuidora de Petróleos del Pacífico Ltda.	Chile	Indirect sub.	0.000	74.999	74.999	74.999
79807570-5	Sociedad de Ingeniería y Movimientos de Tierra del Pacífico	Chile	Indirect sub.	0.000	74.999	74.999	74.999
90915000-0	Manganesos Atacama S.A.	Chile	Indirect sub.	0.000	74.184	74.184	74.184
76498850-7	Puerto Las Losas S.A.	Chile	Direct subsidiary	51.000	0.000	51.000	51.000
0-E	CMP Services Asia Limited	Hong Kong	Indirect sub.	0.000	74.999	74.999	74.999
94235000-7	Abastecimientos CAP S.A.	Chile	Direct subsidiary	50.000	43.750	93.750	93.750
76369130-6	Tecnocap S.A.	Chile	Direct subsidiary	99.927	0.064	94.991	94.999
76399380-9	Ecocap S.A.	Chile	Direct subsidiary	99.731	0.268	99.999	99.999
76399400-7	Cleanairtech Sudamérica S.A.	Chile	Direct subsidiary	51.000	0.000	51.000	51.000
0-E	P.O.R.T. Investments Ltd. N.V.	Dutch Antilles	Direct subsidiary	100.000	0.000	100.000	100.000
0-E	P.O.R.T. Finance Ltd. N.V.	Dutch Antilles	Indirect sub.	0.000	100.000	100.000	100.000
96925940-0	Novacero S.A.	Chile	Direct subsidiary	52.682	0.000	52.682	52.682
99503280-5	Intasa S.A.	Chile	Direct subsidiary	57.787	16.101	73.888	73.888
0-E	Tubos Argentinos S.A. (Argentina)	Argentina	Indirect sub.	0.000	73.888	73.888	73.888
0-E	Steel House Do Brasil Comercio Ltda.	Brasil	Indirect sub.	0.000	73.888	73.888	73.888
0-E	Steel Trading Co. Inc. (Bahamas)	Bahamas	Indirect sub.	0.000	37.863	37.863	37.863
0-E	Tubos y Perfiles Metálicos S.A. (Perú)	Perú	Indirect sub.	0.000	37.863	37.863	37.863
96705210-8	Cintac S.A.I.C	Chile	Indirect sub.	0.000	0.000	0.000	37.863
76721910-5	Cintac S.A.I.C. (ex Inmobiliaria Cintac S.A) (*)	Chile	Indirect sub.	0.000	37.863	37.863	37.863

(*) The Extraordinary meeting of shareholders of subsidiaries Cintac S.A.I.C. and Inmobiliaria Cintac S.A. held on December 31, 2014 approved the take-over merger of Cintac S.A.I.C. Inmobiliaria Cintac S.A. became the successor. This merger was implemented on January 1, 2015.

All the companies have the U.S. dollar as their functional currency.

Non-controlling interests - A controlling entity will present the non-controlling interest in the consolidated statement of financial position under equity, separately from the equity of the owners of the controlling Company.

Changes in the ownership interest of a parent in a subsidiary that do not result in loss of control over the subsidiaries are recorded as equity transactions. Book values of the Company's interest and the non-controlling interests are adjusted to reflect the change in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the parent.

Associates and joint ventures: An associate is an entity over which the Company exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an investee, but it is not control or joint control over those policies.

A joint venture is a joint arrangement in which the parties having the joint control of the agreement have rights over the net assets of the joint arrangement. Joint control is the contractual agreement to share the control over an agreement that exists only when the decisions of significant activities require the unanimous consent of the parties that share the control.

Gain or loss, assets and liabilities of the associates and/or joint ventures are included in the financial statements by using the equity method, except when the investment is classified as held for sale, in which case it is recorded in conformity with IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations. Under the equity method, the investments in associates and/or joint ventures are initially recorded at cost, and are subsequently adjusted based on the changes that it has after the acquisition, the portion of net assets of the associate that is for the Company, less any impairment of the individual investments.

When the group's interest in the losses of an associate or joint venture exceeds its interest in them, the entity will stop recognizing its interest in the additional losses. The interest in an associate or joint venture shall be the book value of the investment in the associate or joint venture calculated in accordance with the equity method, together with any long-term interest that is, in substance, part of the net investment of the entity in the associate or joint venture.

An investment in an associate and/or joint venture shall be recorded by using the equity method from the date on which it becomes an associate or joint venture. At the time of acquisition of the investment in an associate or joint venture, any excess of the cost of the investment and the Company's interest in the net fair value of the identifiable assets and liabilities of the investee, shall be recorded as goodwill and included in the book value of the investment. Any excess of the entity's interest in the net fair value of the investee's identifiable assets and liabilities over the cost of the investment, after re-evaluating, shall be recognized immediately in profit or loss in the period in which the investment was acquired.

The Company's jointly-controlled entities are as follows:

	Ownership percentage	
	12.31.2015	**12.31.2014**
Armacero Industrial y Comercial S.A	-	50%

(d) Business combinations – Business combinations are recorded by using the acquisition method. This involves the recognition of the identifiable assets (including intangible assets not previously recorded) and liabilities (including contingent liabilities and excluding future restructurings) of the business acquired at fair value. If these business combinations imply acquiring control of an investment in which the Company has significant influence or joint control, such prior participation is recorded at fair value presenting the effect on profit or loss.

(e) Currency – The functional currency of the Company has been determined as the currency of the primary economic environment in which it operates. Transactions other than those performed in the functional currency are translated at the rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are translated at the closing exchange rate. Gains and losses on conversion are included in net income or loss for the year under exchange differences.

The Group's presentation currency is the U.S. dollar. In the consolidation, items of the statement of comprehensive income corresponding to entities with a functional currency other than the US dollar are translated to the latter at the average exchange rates. Items in the statement of financial position are translated at closing date exchange rates. Exchange differences arising from the translation of these entities net assets are recorded in equity and presented as a separate translation reserve.

(f) Foreign currency translation - Transactions in a currency other than the functional currency are considered as foreign currency transactions and are recognized in the functional currency at the exchange rate at the date of the transaction. Assets and liabilities denominated in Chilean pesos, Argentine pesos, Peruvian soles and Unidades de Fomento are translated to US dollars at the exchange rates prevailing at the closing date of financial statements, as follows:

	12.31.2015	**12.31.2014**
Chilean pesos per US$	710.16	606.75
Argentine pesos per US$	13,040	8,551
Peruvian soles per US$	3.38	2.89
Unidad de Fomento (pesos)	25,629.09	24,627.10

(g) Offsetting of balances and transactions – As a general rule, assets and liabilities, revenues and expenses are not offset in the financial statements, except for those cases in which offsetting is required or is allowed by some standard and the presentation is a reflection of the substance of the transaction.

For construction in progress generating income in its start-up phase, the positive or negative margin is included in the cost of work in progress.

Revenues and expenses from transactions which, contractual or according to law, include the possibility of settlement on a net basis, and the Group intends either to settle the net amount or to realize the asset and settle the liability simultaneously, are shown net in the statement of comprehensive income.

(h) Property, plant and equipment – Property, plant and equipment are recorded at cost, excluding periodic maintenance costs, less accumulated depreciation and accumulated impairment losses.

The cost of the items of property, plant and equipment comprises their purchase price plus all costs directly attributable to bringing the asset to the location and condition for its operating use in the manner intended by management and the initial estimate of any cost for dismantling and removing the asset or restoring the site on which it is located.

Additionally, borrowing costs directly attributable to the acquisition or construction of assets that require a substantial period of time before being ready for use or sale will be considered as cost of items property, plant and equipment.

The costs of expansion, modernization or improvements that represent an increase in productivity, capacity or efficiency or an increase in useful life are capitalized by increasing the carrying amount of the assets.

The costs of repairs, preservation and maintenance are charged to comprehensive income for the year in which they are incurred. It is important to note that certain elements of the Group's property, plant and equipment require periodic reviews. In this case, the elements to be replaced are presented separately from the rest of the assets and with a disaggregation level that allows them to be depreciated in the period between the current and the following repair.

At the reporting date or whenever there is an indication that there may be impairment of assets, the recoverable amount will be compared with the net carrying amount. Any recognition or reversal of an impairment loss arising as a result of such comparison is presented as a debit or credit to comprehensive income, as appropriate.

Also, this item includes investments made in assets acquired under lease agreements meeting the conditions of a financial lease in accordance with IAS 17. These assets do not legally belong to the Company until the purchase option is exercised.

Spare parts associated with fixed assets with a turnover of more than twelve months are classified in property, plant and equipment and they are charged to profit or loss in the period in which they are used by the fixed asset to which they belong.

The gain or loss on the disposal or retirement of an asset is calculated as the difference between the proceeds of its disposal and its carrying amount, and it is recognized in comprehensive income for the period.

(i) Depreciation - The items of property, plant and equipment are depreciated using the straight-line method, through the distribution of the assets' acquisition costs minus the expected residual value between the assets' estimated years of useful life.

The residual value and useful life of the elements of property, plant and equipment are reviewed annually and depreciation begins when the assets are available for use.

Land is separately recognized from the buildings or facilities that may be on it. It is understood that its useful life is indefinite and is not therefore subject to depreciation. Likewise, other assets, which include balances of construction works in progress, are depreciated from the date when they are in use according to their nature.

The useful life of property, plant and equipment used in mining works is determined based on technical studies prepared by internal and external specialists. These studies are also used for new purchases of property, plant and equipment or when there are indications that the useful lives of these assets should be changed.

The technical studies take into account certain factors for the determination of the useful life of certain assets, including:

- Production expectations of units or volumes,
- Quality of additions to the production process, and
- Extraction and processing method.

(j) Assets available for sale and discontinued operations - Non-current assets whose carrying value is recovered via a sales operation, not their continuous use, are classified as available for sale and discontinued operations.

This condition is considered to be met only when the sale is highly probable and the asset is available for immediate sale in its current condition. The sale is anticipated to be completed within one year of the date of classification.

These assets are valued at the lower of their carrying value and their fair value less costs to sell.

(k) Investment Properties - The company recognizes as investment properties those properties held for lease or to obtain goodwill on their sale as a result of future increases in their respective market prices.

Investment properties are recorded initially at cost, including transaction costs. After initial recognition, investment properties are valued at cost less any accumulated depreciation and accumulated impairment losses.

An investment property is written off when it is sold or when the investment property is removed from use on a permanent basis and no future economic benefits are expected from its sale. Any gain or loss arising from writing off the property (calculated as the difference between the net income from the sale and the carrying amount of the asset) is included in profit or loss for the period in which the property is written off.

Investment properties, excluding land, are depreciated on a straight-line basis over the estimated months of useful life, corresponding to:

	Financial useful life in years
Buildings	30 y 80

(l) Mine development - The costs incurred during the execution of a project and until its start-up are capitalized and amortized in relation to future mineral production. These costs include the extraction of sterile overload, the construction of mine infrastructure and works prior to normal operating work.

(m) Cost of removal to access ore - The costs of activities of removal of overburden in open-pit deposits that are in production phase incurred in order to access ore deposits, are recognized in property, plant and equipment, provided that the following criteria in IFRIC 20 are complied:

- It is probable that future economic benefits associated with these removal activities will become cash flows for the Company.

- It is possible to identify the components of the ore body to which the Company will access as a result of these removal activities.

- The cost related to these removal activities may be measured reasonably.

The amounts recognized in property, plant and equipment are amortized based on production units extracted from the ore-bearing zone specifically related to the respective removal activity that generated those amounts.

(n) Goodwill – Goodwill arises when the acquisition cost is higher than the fair value of the identifiable assets, liabilities and contingent liabilities of the entity acquired. Goodwill is initially measured at cost and subsequently is measured at cost less impairment losses, if any.

Goodwill is annually tested to determine whether there are indications of impairment or more frequently when there are events or changes in circumstances indicating that the carrying amount might be impaired. Impairment of goodwill is determined by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the goodwill relates.

When the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount of the cash-generating unit (or group of cash-generating units) to which the goodwill has been allocated, an impairment loss is recognized. Impairment losses related to goodwill cannot be reversed in future periods.

(o) Intangible assets – Intangible assets with a finite useful life acquired separately are measured initially at cost. Subsequent to initial recognition, they measured at cost less any accumulated amortization and any accumulated impairment losses.

(p) Impairment of non-financial assets – Intangible assets with an indefinite useful life and goodwill are not amortized and are annually tested for impairment.

Assets subject to amortization are tested for impairment if there is objective evidence that as a result of one or more events occurring after initial recognition, the carrying amount may not be recoverable.

For the purposes of assessing impairment losses, assets are grouped together at the lowest level at which there are identifiable separate cash flows (cash generating units).

An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher between the fair value of an asset less costs of sale and its value in use. In evaluating value in use, the estimated future cash flows are discounted to their present value using a discount pre-tax rate that reflects current market assessments of time value of money and the risks specific to the asset for which the future cash flows have not been adjusted.

If the recoverable amount of an asset or cash generating unit is less than its carrying amount, the latter is reduced to the recoverable amount. Impairment is recognized immediately as depreciation. If impairment is subsequently reversed, the carrying amount is increased to the revised estimate of the recoverable amount, but it should not exceed the carrying amount that would have been determined had no impairment losses for the asset had been previously recognized. A reversal is immediately recorded as a reduction of the depreciation charge.

Non-financial assets other than goodwill that have suffered an impairment loss are reviewed at the date of each statement of financial position in case reversals of the loss have occurred.

In the case of mining properties, estimated future cash flows are based on estimates of the amounts of proven and probable reserves, and on assumptions about future production levels, future commodity prices, future production costs and capital investment projects. IAS 36 “Impairment of assets” includes a series of restrictions on the future cash flows that may be recognized with respect to future restructurings and improvements related to expenses. In calculating the value in use, it is also necessary for these to be based on exchange rates in force at the time of the appraisal.

As of December 31, 2015, CAP S.A. and its subsidiaries evaluated the future cash flows and discount rates updated, according to the current business plan and determined that no additional impairment provisions required.

(q) Useful economic lives of assets and estimated mineral reserves

i. Useful economic life of assets - The useful life of property, plant and equipment that are used to calculate the depreciation is determined based on technical studies prepared by internal experts. Additionally, these studies are used for new purchases of properties, plant and equipment or when there are indicators that useful lives of these assets should be changed.

The studies consider some factors to calculate the useful life of certain assets including:

- Expected units or production volume;
- Quality of inputs into the production process; and
- Method of extraction and processing.

ii. Iron ore reserves - Estimates of ore reserves are based on estimates of ore resources and reflect management's beliefs regarding the amount of resources that could be recovered and sold at prices that exceed the total cost associated with the extraction and processing. The estimates of reserves are internally prepared by using standard methods of the mining industry and supported by historical experience and management's assumptions regarding production cost and market prices.

Management applies its judgment to calculate probable resources to exploit. Therefore, possible changes in these estimates could have a significant impact on profits as a result of changes in useful lives of certain assets and the recognition of certain decommissioning and restoration costs that require being re-evaluated.

Considering the information on reserves and production plans of Los Colorados mine, in 2014 the company determined that the mine can be operated until 2042. As a result, the useful life of the facilities of Los Colorados mine and the pellet plant was extended from 2028 to 2042. That extension was applied from July 1, 2014. This involved reducing expenses for ThUS$ 20,799, of which ThUS$ 7,568 are for lower depreciation of fixed assets, ThUS$ 13,155 for amortization of intangibles, ThUS$ 318 for severance indemnity and ThUS$ 242 for higher expenses from seniority bonuses in the six-month period from July to December 2014.

Considering the information on reserves and production plans of Cerro Negro Norte Project, in 2015 the company determined that the mine can be operated until 2048. Therefore, the assets of that project will be amortized until 2048. Considering that Cerro Norte Project will be operated until 2048, the company decided to expand the useful life of Totoralillo Port from 2030 to 2048. Such extension was applied from July 1, 2015. The above involved reducing fixed asset depreciation expenses in ThUS$ 1,514 for the second half of 2015.

(r) Financial assets – Financial assets are classified into the following categories:

- Financial assets at fair value through profit and loss.
- Held-to-maturity investments.
- Available-for-sale financial assets.
- Loans and accounts receivable.

Classification depends on the nature and purpose of the financial assets and is determined on initial recognition.

- **Financial assets at fair value through profit and loss** – Their feature is that they are mainly held to be sold in the near future in order to obtain return and liquidity. These instruments are measured at fair value and variations in their value are recognized in profit and loss when they are incurred.

- **Held-to-maturity investments –** Are non-derivative financial assets with determinable payments and fixed maturities that the Group's management has the intention and ability to hold to maturity. Where the Group sells a significant amount of the held-to-maturity financial assets, the complete category would be reclassified as available-for-sale.

These financial assets are included in non-current assets except for those whose maturity is less than 12 months from the date of the statement of financial position.

- **Available - for - sale financial assets -** Available-for-sale financial assets are non-derivative financial assets specifically designated in this category or that are not classified in any of the previous categories. These financial assets are included in non-current assets unless management intends to dispose of the investment within 12 months from the date of the statement of financial position.

- **Loans and receivable –** Are recorded at their amortized cost, which corresponds to the cash disbursed less repayments of principal made, plus interest accrued but not collected in the case of loans and at present value for accounts receivable. They are included in current assets, except for those with maturities over 12 months from the statement of financial position date which are classified as non-current assets. Loans and receivable are included in trade and other current receivables in the statement of financial position.

Effective interest rate method – Correspond to the method of calculating the amortized cost of a financial asset and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all the fees and points received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), over the expected life of the financial asset.

Purchases and sales of financial assets are recognized at their trade date, i.e. the date on which the Group is committed to acquire or sell the asset.

Impairment of financial assets – Financial assets, other than those measured at fair value through profit and loss, are assessed at the date of each statement of financial position to establish whether there is any evidence of impairment indicators. Financial assets are impaired when there is objective evidence, as a result of one or more events that occurred after the initial recognition of the asset that have impacted the estimated future cash flows of the financial asset.

In the case of financial assets measured at amortized cost, the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate. As of December 31, 2014, the impairment tests carried out indicate that no impairment loss exists.

Derecognition of financial assets - The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset have expired or when substantially all the risks and rewards inherent to the ownership of the financial asset are transferred to another entity. If the Company retains substantially all the risks and rewards of ownership of the financial asset, the asset shall continue to be recognized, as well as a liability, for the cash flows received.

(s) Financial liabilities – Financial liabilities are classified either as financial liability "at fair value through profit and loss" or as "other financial liabilities".

- **Financial liabilities at fair value through profit and loss** – Financial liabilities are classified at fair value through profit and loss when they are held for trading or are designated at fair value through profit and loss.

- **Other financial liabilities** – Other financial liabilities, including loans, are measured initially at the cash amount received net of transaction costs. They are subsequently measured at amortized cost using the effective interest rate method, recognizing the interest expense on the basis of effective interest rate.

- **Effective interest rate method** – Correspond to the method of calculating the amortized cost of a financial liability and of allocating the interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or, when appropriate, a shorter period when the related liability has a prepayment option that it is expected of being exercised.

As of the close of these consolidated financial statements, the effective interest rate does not differ significantly from the nominal interest rate of the financial liabilities. Financial loans are presented at their net value, i.e. deducting the associated issuance costs.

The Group derecognizes the financial liabilities only when the obligations are paid, cancelled or have expired.

Modifications of the conditions of a financial loan are booked as the extinction of a financial liability only when such modifications are substantial.

- **Classification as liability or equity** – Debt and equity instruments are classified either as financial liabilities or as equity according to the substance of the contractual agreement.

- **Equity instruments** – An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The equity instruments issued by the Group are recognized at the amount of the consideration received, net of direct issuance costs. Currently, the Group has only issued shares of a single series.

Capital increases made through assets and liabilities received other than cash and cash equivalents are recognized at their fair value.

(t) Derivative and hedging financial instruments - The derivative contracts entered into by the Group to hedge the risk exposure to exchange rates and interest rates fluctuations are mainly forward exchange contracts and currency and interest rate swaps. All of them relate to hedging contracts therefore the effects of changes in the fair value of this type of instrument are recognized as hedging assets or liabilities to the extent that the hedge of the item has been determined effective according to its purpose. A hedge is considered to be highly effective when changes in the fair value or in the underlying cash flows attributable to the risk hedged are compensated by changes in the fair value or cash flows of the hedging instrument, with effectiveness in the range of 80% - 125%. The corresponding gain or loss is recognized in comprehensive income for the year only in those cases in which the contracts are settled or no longer meet the requirements of a hedging contract; otherwise they are recognized in equity.

Derivatives are recognized initially at fair value at the date of signing the derivative contract and are subsequently measured at fair value on the date of each reporting period. The fair value of forward exchange contracts is calculated by reference to current forward exchange rates for similar maturities.

The total fair value of hedging derivatives is classified as non-current asset or liability if the remaining maturity is more than 12 months and as current asset or liability if the remaining maturity is less than 12 months.

Cash flow hedges - The effective portion of changes in the fair value of derivatives denominated and qualified as cash flow hedges is deferred in equity, in an equity reserve called "cash flow hedge". Any gain or loss on the ineffective portion is recognized immediately in the statement of comprehensive income and included in the financial income (costs) line. The amounts deferred in equity are recognized as gains or losses in the periods in which the hedged item is recognized in profit or loss, in the same line of the statement of comprehensive income in which the hedged item was recognized. However, when the anticipated hedged transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred to equity and included in the initial valuation of the cost of the asset or liability.

Hedge accounting is discontinued when the Company revokes the hedging relationship, when the hedging instrument expires or is sold, terminates or exercised, or no longer qualifies for hedge accounting. Any deferred gain or loss deferred in equity at that time remains in equity and is recognized in gains or losses when the forecasted transaction occurs. When it is no longer likely that a forecasted transaction will occur, the accumulated gain or loss that was deferred in equity is immediately recognized in profit or loss.

Embedded derivatives – The Company and its subsidiaries have established a procedure that allows then assessing the existence of embedded derivatives in financial and non-financial arrangements. If an embedded derivative exists, and if the host contract is not recognized at fair value, the procedure to determine whether the characteristics and risks of it are closely related to the host contract, in whose case a separate recognition is required.

The procedure consists of an initial characterization of each contract in order to identify those in which there might exist an embedded derivative. In such case, the contract is analyzed in further detail. If such evaluation determines that the contract contains an embedded derivative that needs to be recognized separately, it is measured and the movements in its fair value are recognized in comprehensive income in the consolidated financial statements.

To date the analysis performed concluded that there are no embedded derivatives in the contracts of the Company and its subsidiaries that require being separately recorded.

(u) Inventories – Inventories are shown at cost using the following methods:

- **Finished and in-process products:** at the average monthly production cost which includes the depreciation of fixed assets and the amortization of mining properties.

- **Raw materials, supplies and consumption spare parts:** at acquisition cost.

- **Stockpiled ore:** at the lower of average monthly extraction cost or its recoverable amount.

- **Raw materials and supplies in transit:** at acquisition cost.

The cost assigned to inventories does not exceed their net realization value.

The cost price includes direct materials costs and any handling costs, indirect costs incurred in transforming the raw materials into finished goods and general expenses incurred in transforming the raw materials into finished goods, and general expenses incurred in moving inventories to their current location and conditions.

Net realization value represents the estimated sale price minus all estimated costs of completion, and costs that will be incurred in marketing, sales and distribution processes.

(v) Statement of cash flows – The Group has defined the following for the purposes of preparing the statement of cash flows:

Cash and cash equivalents includes cash, time deposits with financial entities, mutual fund shares and other highly liquid short-term investments that are readily convertible and have a low risk of changes in their value with an original maturity of up to three months. In the statement of financial position, bank overdrafts are classified as third party resources in current liabilities.

- **Operating activities:** Corresponds to the Group's principal revenue-producing activities and other activities that are not classified as investing or financing activities.

- **Investing activities:** Corresponds to the acquisition, disposal or disposition by other means of long-term assets and other investments not included in cash equivalents.

- **Financing activities:** Corresponds to activities that result in changes in the size and composition of net equity and of liabilities of a financial nature.

(w) Income tax – The Company and its Chilean subsidiaries determine taxable income and calculate their income tax in accordance with current legislation. Its foreign subsidiaries do so under the regulations of their respective countries.

Deferred taxes originating in temporary differences and other events creating differences between the accounting and tax bases of assets and liabilities are recorded as stipulated in IAS 12 "Income tax", except for the application in 2014 of Official Circular 856 issued by the Superintendency of Securities and Insurance on October 17, 2014, which stipulates that any differences in deferred tax assets and liabilities caused as a direct effect of the increase in the first category tax rate introduced by Law 20,780, must be accounted for in the respective year against equity (See note 3.3 i).

Similarly, the subsidiary, Compañía Minera del Pacífico S.A., recognizes the temporary differences arising from tax and financial items that result from the determination of the Operating Taxable Result (OTR) for the purpose of calculating the specific mining tax.

Corporate taxes are recognized in comprehensive income or in equity within the statement of financial position depending on where the resulting gains or losses have been recognized. The differences between the carrying amount of assets and liabilities and their tax base result in balances of deferred tax assets and liabilities that are calculated using the tax rates expected to be effective when the assets and liabilities are realized.

Variations during the year in deferred tax assets and liabilities are recognized in the consolidated statement of comprehensive income or directly in the equity within the statement of financial position, as appropriate.

Deferred tax assets are recognized only when it is expected that sufficient future taxable income will be available to recover deductions for temporary differences.

Non-monetary tax assets and liabilities determined in Chilean pesos or in the corresponding local currency are translated to the Company's functional currency at the closing exchange rate of each period. Variations in the exchange rate give rise to temporary differences.

x) Provisions - Provisions are recognized when the Company has a present obligation (whether legal or constructive) as a result of a past event, it is probably the Company will have to pay the obligation, and its amount could be reliably estimated.

The amount recognized as a provision must be the best estimate of the disbursement needed to pay the present obligation at the end of the reporting period, taking into account the risks and uncertainties inherent to the obligation. When a provision is measured using the estimated cash flow method to pay the present obligation, its carrying value represents the current value of such cash flows (when the effect of the time value of the money is significant).

When a third party is expected to recover some or all of the economic benefits required to cancel a provision, an account receivable is recognized as an asset, if it is practically certain that the disbursement will be received and the amount of the account receivable can be measured reliably.

(y) Employee benefits - Employment terms establish the payment of a severance indemnity for years of service when a work contract expires. Normally this corresponds to the proportion of one month for each year of service, based on the final salary. This benefit has been defined as a long-term benefit.

On the other hand, the Company and some of its subsidiaries have agreed a year of service award with certain of their employees, which is paid on the basis of an incremental percentage in their salary according to a specific table. This benefit has been defined as a long-term benefit.

The provisions for severance indemnities and year of service awards are calculated based on valuations prepared by an independent actuary, using the projected unit credit method, which are periodically updated. The obligation recognized in the statement of financial position represents the present value of the obligation for severance indemnities and year of service awards. Actuarial gains and losses are recognized immediately in other comprehensive income.

The costs associated with employee benefits, related to the services provided by employees during the year, are charged to comprehensive income in the corresponding period.

Management makes assumptions for determining the best estimate of these benefits. These expectations and assumptions are established in conjunction with an actuary independent from the Company, and include an annual discount rate, expected salary increases, turnover rate, etc.

The amount of the net actuarial liabilities accrued at year-end is presented in current and non-current employee benefits provisions in the consolidated statements of financial position.

(z) Contingent liabilities - Contingent liabilities are obligations arising from past events whose existence is subject to the occurrence or non-occurrence of events not wholly within the control of the Company, or present obligations arising from past events whose amount cannot be reliably estimated or it is not probable that an outflow of resources will be required for its settlement.

The Company does not record any contingent assets or liabilities, except for those arising from contracts with valuable consideration, which are recorded as a provision and reviewed at each balance sheet date to be adjusted to better reflect their best estimate. At this date, analyses performed show that the Company and its subsidiaries do not have any contracts meeting the characteristics of contracts with valuable consideration.

(aa) Provisions for decommissioning and restoration costs - An obligation to incur in decommissioning and restoration costs arise when the environment is altered as a result of the development or ongoing production of a mining property. The costs are estimated based on a formal closure plan and are subject to a regular reviews.

The costs arising from setting up a plant or another project for the preparation of its location, discounted at their net present value, are provisioned and capitalized at the beginning of each project, as soon as the obligation to incur these costs arises. These decommissioning costs are charged to comprehensive income over the life of the mine by means of the depreciation of the asset and amortization or deduction from the provision. Depreciation is included in operating costs while amortization is included as a finance cost.

Costs of restoration due to damages in the location, which are generated progressively during production, are provisioned at their net present value when the damage is caused and charged to comprehensive income for the period as extraction continues.

Provisions for decommissioning and restoration and environmental provisions are determined at the present value at the time the obligation is known. Environmental costs are estimated also using the work of an external specialist and/or internal experts. Management uses its judgment and experience in provisioning and amortizing these estimated costs over the useful life of the mine.

(ab) Revenues – Revenues are recognized when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. The following specific criteria should also be met before recognizing revenue.

- **Sale of goods –** Revenue from the sale of goods is recognized when the Company has transferred to the buyer the significant risks and rewards of ownership of the goods; this normally occurs when the goods are dispatched.

  The price of sale of ore is now not a fixed value, but a variable price. This value is structured based on a price formula using as a reference the Platts 62% and 65% Fe CFR China price published in Daily Platts, an international publication commonly used in the iron and steel industry. The price formula is applied over a period of time known as the Settlement Period (SP). The SP is negotiable and may be extended for a few months after shipment, so at each year-end the subsidiary CMP uses the information on future prices of the products sold to quantify the potential differences between the temporary and definitive prices, and the Company uses this to make adjustments to its trade receivables and balances.

- **Revenue from services –** Revenue from services rendered is recognized by reference to the stage of completion of the services at the end of the reporting period, to the extent that the amount of revenue can be measured reliably.

- **Interest gained –** Income is recognized as interest accrues on the basis of the principal outstanding and the applicable interest rate.

- **Revenue generated by industrial promotion –** The indirect subsidiary Tubos Argentinos S.A. has recognized in operating revenue the effects of the industrial promotion granted through fiscal credit certificates by the Argentine Federal Administration of Public Revenues.

(ac) Earnings per share - Basic earnings per share are calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the period.

The Company has no carried out any kind of transaction of potential diluting effect that suggests diluted earnings per share would differ from the basic earnings per share.

(ad) Dividends - The distribution of dividends to shareholders is recognized as a liability at the end of each reporting date in accordance with the dividend policy agreed by the Ordinarys Shareholders Meeting, which corresponds to 50% of distributable profits, determined as discussed in Note 26 to the complete consolidated financial statements.

(ae) Leases - There are two kinds of leases:

- **Financial leases –** This is the case when the lessor transfers substantially all the risks and rewards incidental to ownership of the asset leased. The ownership of the asset may or may not be transferred.

When the Group's companies act as lessees of an asset under a financial lease, the cost of the assets leased is presented in the consolidated statement of financial position according to the nature of the asset under the contract, and simultaneously a liability is recognized in the consolidated statement of financial position for the same amount. This amount will be the lesser of the leased asset's fair value and the present value of the minimum lease payments to the lessor plus, if applicable, the price for exercising the purchase option.

These assets are amortized following criteria similar to that applied to the items property, plant and equipment for its own use.

The interest expenses derived from the financial updating of the liability recognized are charged to "Finance costs" in the consolidated statement of comprehensive income.

- **Operating leases –** These are leases in which the ownership of the leased asset and substantially all the risks and benefits that fall upon the asset remain with the lessor.

(af) Classification of balances as current or non-current – In the consolidated statement of financial position, balances are classified their maturities, i.e. current those maturing at no more than twelve months, and non-current being those maturing at over that term. Where there are obligations maturing at less than twelve months but whose long-term refinancing is assured at the Company's discretion, by committed available loan agreements with long-term maturities, they may be classified as non-current liabilities.

(ag) Environment – The Group adheres to the principles of Sustainable Development which harmonize the economic development, protecting the environments, safety and health of its employees.

The Company and its subsidiaries recognizes that these principles are key to the well-being of its collaborators, care of the environment and to achieve the success of its operations.

3.2 New accounting standards

a) The following new and revised standards and interpretations have been adopted in these financial statements:

Amendment to IFRS	**Effective date**
IAS 19, *Employee Benefits – Defined benefit plans: Contributions staff* The amendments allow the contributions that are independent of the number of years of service to be recognized as a reductions in cost per service in the period in which the service is provided, instead of allocating the contributions to periods of service. Other contributions from employees or third parties are required to be attributed to periods of service using either the contributions formula of the plan or on a linear basis. The amendments are effective for periods beginning on or after July 1, 2014, early application is allowed.	Annual periods beginning on or after July 1, 2014
Improvements Annual Cycle 2010-2012, improvements to six IFRS. IFSR 2, Share-based payments. Amends the definitions of "conditions for acquiring rights" and "market conditions", and adds the definitions of "performance conditions" and "service conditions". IFRS 3, Business Combinations. Accounting for contingent considerations in a business combination, and in accounting for a liability or asset at fair value at year-end. IFRS 8, Operating Segments. Requires the disclosure of judgments made by management in applying the aggregation criteria to operating segments. IFRS 13, Fair Value Measurements. Clarifies that the issue of IFRS 13 and the amendment to IFRS 9 and IAS 39 do not eliminate the possibility of measuring certain short-term credits and payables without discounting. IAS 16, Property, Plant and Equipment, IAS 38, Intangible Assets. Clarifies that the gross amount of property, plant and equipment is adjusted consistently with a revaluation of the carrying value. IAS 24, Related Party Disclosures. Payments to entities rendering Administration services must be disclosed.	Annual periods beginning on or after July 1, 2014
Improvements Annual Cycle 2011-2013, improvements to four IFRS. IFRS 1, First-time Adoption of IFRS. Clarifies what versions of IFRS may be used in initial adoption. IFRS 3, Business Combinations. Clarifies that IFRS 3 excludes joint ventures from its scope. IFRS 13, Fair Value Measurements. Scope of the portfolio exception (paragraph 52). IAS 40, Investment Property. Interrelation of IFRS 3 and IAS 40, when classifying property as investment property or occupied property.	Annual periods beginning on or after July 1, 2014

The application of these standards has not had a significant impact on the amounts reported in these financial statements; however, they could affect the accounting of future transactions or agreements.

b) The following new standards and interpretations have been issued, but they are not yet effective:

New IFRS	**Effective date**
IFRS 9, *Financial Instruments* This Standard introduces new requirements for classifying and measuring financial assets. IFRS 9 specifies how an entity should classify and measure its financial assets at amortized cost or fair value. It requires that all financial assets should be classified entirely based on the entity's business model for managing financial assets and the characteristics of the contractual cash flows of the financial assets. Financial assets are measured either at amortized cost or fair value. Only financial assets classified as measured at amortized cost will be tested for impairment. On November 19, 2013, IASB issued a revised version of IFRS 9, which introduces a new chapter in IFRS 9 on hedge accounting, implementing a new model of hedge accounting designed to be closely aligned with how the entities carry out risk management activities when hedging exposure to financial and non-financial risks. The revised version of IFRS 9 allows an entity to only apply the requirements introduced in IFRS 9 (2010) for presenting gains and losses on financial liabilities designed to be measured at fair value through profit or loss, without applying the other requirements of IFRS 9, which means that the portion of the change in fair value involving the typical credit risk of the entity may be presented in other comprehensive income instead of in profit or loss.	Annual periods beginning on or after January 1, 2018
IFRS 14, *Regulatory Account Referral* This standard allows an entity adopting IFRS for the first time to continue with the "deferred regulatory accounts" as under the previous GAAP, both in initial adoption of IFRS and in subsequent financial statements.	Annual periods beginning on or after January 1, 2016
IFRS 15, *Revenue from contracts with customers* IFRS 15 provides a single, five-step, principle-based model that will be applied to all contracts with customers. The model's five steps are: - Identify the contract with the customer - Identify the performance obligations in the contract - Determine the price of the transaction - Assign the transaction price of the performance obligations in the contracts - Recognize income when the entity meets a performance obligation. Guidance is offered on such issues as the point at which revenue is recognized and several related matters. New revenue disclosures are also introduced.	Annual periods beginning on or after January 1, 2018
IFRS 16, Leases On January 13, 2016, the IASB published a new standard, IFRS 16, Leases: The new standard will imply that most leases are shown in the balance sheets of lessees under a single model, eliminating the distinction between operating leases and finance leases. However, the accounting for lessors remains mostly unchanged and retains the distinction between operating leases and finance leases. IFRS 16 replaces IAS 17 Leases and related interpretations and becomes effective for periods beginning on or after January 1, 2019, with earlier application permitted, provided that IFRS 15 Revenue from Contracts with Customers is also applied.	Annual periods beginning on or after January 1, 2019

Amendment to IFRS	**Effective date**
Accounting for acquisitions by interests in joint ventures (Amendments to IFRS 11) It amends IFRS 11 Joint Ventures to require that an entity acquiring an interest in a joint venture where the activity is a business (as defined in IFRS 3, Business Combinations), should: - apply all of the business combinations representing the principles of IFRS 3 and other IFRS - disclose the information required by IFRS 3 and other IFRS for business combinations.	Annual periods beginning on or after January 1, 2016
Clarifying acceptable methods of Depreciation and Amortization (Amendments to IAS 16 and IAS 38) Clarifies that a method of amortization based on income generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment. - It introduces a refutable assumption that a method of amortization that is based on income generated by an activity that includes the use of an intangible asset is inappropriate, that it may only be used in limited circumstances in which the intangible asset is expressed as a measure of income, or when an extreme correlation can be shown between income and the consumption of the economic benefits of the intangible asset. - It adds a guideline that future reductions in the price of sale of an element produced using an asset may indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, may reflect a reduction in the future economic benefits incorporated into the asset.	Annual periods beginning on or after January 1, 2016
Agriculture: Bearer plants (Amendments to IAS 16 and IAS 41) It introduces the term "bearer plants" in the sphere of application of IAS 16, instead of IAS 41, which allows this kind of asset to be accounted for as property, plant and equipment and subsequent measurement of initial recognition based on cost or revaluation according to IAS 16. The definition of "bearer plants" as a live plant used in the production or supply of agricultural products, which is expected to have products for more than one point and has the remote risk of being sold as agricultural products.	Annual periods beginning on or after January 1, 2016
Method of participation in separate financial statements (Amendments to IAS 27) It allows investments in subsidiaries, joint ventures and associates to be valued optionally using the equity method, in the individual financial statements.	Annual periods beginning on or after January 1, 2016
Sale or Contribution of assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28). Modification to clarify the treatment of the sale or contribution of an investor's assets to an associate or joint venture, as follows: - It requires full recognition in the investor's financial statements of the gains or losses from the sale or contribution of assets constituting a business (As defined in IFRS 3, Business Combinations) - It requires partial recognition of the gains or losses when the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the interests of the investors not related to that associate or joint venture. These requirements are applied independently of the legal method of transaction, for example, if the sale or contribution of the assets is caused by a transfer of the investor's shares in a subsidiary owning the assets (which results in a loss of control over the subsidiary) or by the direct sale of the same assets.	Annual periods beginning on or after January 1, 2016

Improvements Annual Cycle 2012-2014, improvements to four IFRS. *It amends the following standards:* IFRS 15 – It adds a specific guideline in IFRS 5 for cases in which an entity reclassifies an asset held for sale to one held for distribution or vice-versa, and the cases in which those held for distribution are discontinued. IFRS 7 - Additional guidance to clarify whether a service provision contract is the continued implication of a transferred asset, and clarifications on disclosures of offsets in condensed interim financial statements. IAS 9 - Clarifies that high quality corporate bonuses used in estimating the discount rate for post-employment benefits must be denominated in the same currency as the benefits payable. IAS 34 - Clarifies the meaning of "in any part of the interim report" and requires a cross-reference.	Annual periods beginning on or after July 1, 2016
Disclosure Initiative (Amendments to IAS 1) On December 18, 2014, IASB added a disclosure initiative to its 2013 work program to supplement the work being done on the Conceptual Framework Project. The initiative is made up of a series of smaller projects whose purpose is to study the possibilities of improving the presentation and disclosure of principles and requirements of already existing standards.	Annual periods beginning on or after January 1, 2016
Investment entities: Application of the Consolidation exception (Amendments to IFRS 10, IFRS 12 and IAS 28) On December 18, 2014, IASB published Investment Entities: application of the Consolidation exception, amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of interests in other entities, and IAS 28 Investments in Associates and Joint Ventures (2011) to address issues arising in the context of the application of the consolidation exception for investment entities.	Annual periods beginning on or after January 1, 2016
Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to IAS 12) Amends IAS 12 Income Taxes to clarify the following aspects: Unrealised losses on debt instruments measured at fair value and measured at cost for tax purposes give rise to a deductible temporary difference regardless of whether the debt instrument's holder expects to recover the carrying amount of the debt instrument by sale or by use. The carrying amount of an asset does not limit the estimation of probable future taxable profits. Estimates for future taxable profits exclude tax deductions resulting from the reversal of deductible temporary differences. An entity assesses a deferred tax asset in combination with other deferred tax assets. Where tax law restricts the utilisation of tax losses, an entity would assess a deferred tax asset in combination with other deferred tax assets of the same type.	Effective for annual periods beginning on or after 1 January 2017
Disclosure Initiative (Amendments to IAS 7) Amends IAS 7 Statement of Cash Flowsto clarify that entities shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.	Effective for annual periods beginning on or after 1 January 2017

Management is evaluating the impact of the application of IFRS 9, IFRS 15 and IFRS 16; however, it is not possible to provide a reasonable estimate of the effects that these standards will have until a detailed review is performed.

Management estimates that the adoption of this standard will not have a significant impact on the consolidated financial statements of the Group.

4. Financial risk management and hedge definitions

The following, the risks of the Company and its subsidiaries, a characterization and quantification of these as well as a description of the mitigation measures are presented.

In the normal course of its businesses and financing activities, the Company is exposed to various financial risks that may significantly affect the economic value of its cash flows and assets, and thus its profits. The risk management policies are approved and revised periodically by CAP S.A. and its subsidiaries.

The sensitivity analysis shows the impact of a change in the price of iron on financial instruments held at the reporting date. A variation in the average price of iron in 2015, having had an impact on revenue and results. A variation of +/- 10% in the average price of ore during the year having had an effect of +/- ThUS $ 64,650 on revenue based on sales volumes.

4.1 Market risk

This is the possibility that fluctuations in market variables such as interest rates, exchange rates, product prices, etc., result in economic losses due to the devaluation of cash flows or assets or the valuation of liabilities due to their denomination or indexation.

The policies for managing these risks are established by the Company defining specific strategies in function of periodic analyses of trends in the variables that influence exchange and interest rates.

- **Exchange rate risk**

The Group is exposed to exchange rate risk given the nature of its operations, which involve transactions in currencies other than the U.S. dollar, principally in Chilean and Argentine pesos, these being non-significant as the Company's functional currency is the US dollar.

CAP Holding

The principal exposed items in the statement of financial position are financial investments denominated in pesos and UF time deposits, and dividend payment obligations which are denominated in Chilean pesos. The Group has arranged hedges to mitigate the exchange risk on such items.

In order to mitigate these risks, CAP S.A. has signed forward and cross-currency swap contracts for the entire amount of its financial investments and dividend payments in currencies other than the dollar, whereby the Company pays its counterparties cash in pesos and UF equal to the cash flows from its investments and dividend payments in those currencies, and receives cash flows in dollars, thus being freed from the exchange risk described.

CAP Mining

The subsidiary Compañía Minera del Pacífico S.A. is exposed to exchange risk due to the nature of its business, which involves transactions in currencies other than the US dollar, principally Chilean pesos.

The Company's management has decided to enter into hedging operations to mitigate foreign exchange rate risks of operating expenses and financial investments.

CAP Steel

The subsidiary Compañía Siderúrgica Huachipato S.A. is exposed to exchange rate risk due to the nature of its operations which involve transactions in currencies other than the U.S. dollar, mainly in Chilean pesos.

The principal items in the balance sheet of CSH are its accounts receivable (mostly denominated in Chilean pesos) and financial liabilities contracted in local currency.

CAP Steel Processing

The principal exposed items of the statement of financial position in the direct subsidiary Cintac S.A. are accounts receivable (denominated mostly in Chilean pesos), financial investments in time deposits in Chilean pesos and financial debt in local currency.

The Company's management has decided to carry out hedge operations to mitigate the exchange risks of the account receivable.

The subsidiary Intasa S.A. is exposed to exchange risk due to the nature of its operations which involve transactions in currencies other than the dollar, mainly in Argentine pesos.

CAP Infraestructure

Cleanairtech subsidiaries in South America S.A. and Tecnocap S.A., the exchange rate risk is mad mainly by taxes recoverable in pesos.

The Company's management of these Companies constantly monitor such exposure and its effects, to adopt corrective measures in case if necessary.

- **Interest rate risk**

The Group's financing structure comprises of a mixture of sources of funds with fixed and floating rates. The financing portion at floating rates, usually at 3 or 6-month LIBOR plus a spread exposes the Company to changes in its financial expenses depending on fluctuations in LIBOR.

Policies for managing these risks are established by the Company, defining specific strategies as a function of periodic analyses of trends in the variables that influence exchange and interest rates.

CAP Holding

The Company has entered into an interest-rate swap to fix the rate applicable to its Series F of domestic bonds for ThUS$ 171,480.

CAP Mining

Currently, its financial obligations are mostly finance lease operations at fixed rates and the syndicated loan taken out with the Bank of Tokio, which is subject to a variable rate (libor).

CAP Steel

The financing structure of Compañía Siderúrgica Huachipato S.A. mainly relates to financing provided by the Parent through an operating current account, at LIBOR plus a spread of 2.5%. In addition but to a lesser extent, there are also finance lease contracts at fixed interest rates.

CAP Steel Processing

The financing structure of the CINTAC S.A. Group is mainly composed of floating interest rates. The portion at floating rates consists of a portion at 180-day LIBOR plus a spread for its financing in U.S. dollar.
The financing structure of Intasa S.A. and subsidiaries considers a source of financing subject to a fixed rate. The policies to manage these risks are established by Intasa S.A. Intasa S.A. defines specific strategies based on regular analyses of the tendencies of the variables influencing exchange and interest rates.

As of December 31, 2015 the interest rates of financial obligations of Intasa S.A. and subsidiaries are fixed by means of contracts. Therefore, there is no variation between the cash flows intended to pay interest and the provisional amounts at year-end of these consolidated financial statements. These rates are periodically reviewed by the Company's management and its subsidiaries.

CAP Infraestructure

The subsidiary Cleanairtech Sudamérica S.A. has signed a IRS contract to cover the variable interest rate for 80% of the principal due during the term of the project finance. Al cierre de los presentes estados financieros consolidados, el monto de esta cobertura asciende a ThUS$ 187,226.

On June 27, 2014 the subsidiary Tecnocap S.A.signed a funding agreement with Banco Itaú Chile for ThUS$43,000 that was intended to finance the costs during the construction phase of the power transmission line. The agreement has a 180-day LIBOR floating interest rate + 3.15%.

Financial consolidated debt

The total financial debt, including interests accrued, of CAP S.A. as of December 31, 2015 is summarized in the following table, detailed by debt at fixed rates and debt at floating rates:

	12.31.2015			12.31.2014		
	Fixed rate ThUS$	**Variable rate ThUS$**	**Total ThUS$**	**Fixed rate ThUS$**	**Variable rate ThUS$**	**Total ThUS$**
Short-term bank debt	248,114	89,830	337,944	159,574	150,030	309,604
Long-term bank debt	4,812	772,501	777,313	752	544,747	545,499
Financial overdraft	5,473	-	5,473	6,437	-	6,437
Financial leases	130,995	-	130,995	160,620	-	160,620
International bonds	54,722	-	54,722	55,371	-	55,371
Local bonds	151,079	-	151,079	166,089	-	166,089
Hedging instruments	21,261	-	21,261	26,360	-	26,360
Total	**616,456**	**862,331**	**1,478,787**	**575,203**	**694,777**	**1,269,980**

As of December 31, 2015, there is no significant variation in the Company's profits due to changes in interest rates. At the end of both periods, the interest rates on financial debt are contractually fixed for a 6-month period so there is no variation between the cash outflows for paying interest and the amounts provisioned at the closing date of these consolidated financial statements.

These rates are revised periodically by the Company's management.

4.2 Credit risk

This risk refers to the capacity of third parties to meet their financial obligations with CAP S.A. and subsidiaries. The items exposed to this risk fall into 3 categories:

- **Financial assets -** Correspond to balances of cash and cash equivalents, time deposits and marketable securities in general. The Company's ability to recover these funds upon their maturity depends on the solvency of the bank where they are deposited, so the credit risk exposure over cash and cash equivalents is limited as the funds are deposited with banks with high credit ratings granted by international credit-rating agencies and limited by amounts for each financial entity according to the Parent's current investment policy.

- **Trade debtors -** The risk of uncollectible trade receivables of the Group is significantly low and where a provision has been made to cover doubtful collections. The estimate of this allowance includes certain debtors which show certain default payment indicators.

- **Derivative counterparty obligations** - Correspond to the fair value in favor of the Company and Subsidiaries under derivative contracts outstanding with banks.

To mitigate this risk, the Company has a derivatives management policy that specifies credit-quality parameters that financial institutions must meet in order to be considered eligible as counterparties.

4.3 Liquidity risk

This risk relates to the CAP Group's capacity to pay or refinance its financial commitments at reasonable market prices and its capacity to carry out its business plans with stable sources of funding.

The Company estimates that the generation of cash flows to meet its financial obligations is sufficient, permitting eventual distributions of dividends to its shareholders.

On the other hand, the Company estimates that the level of indebtedness is adequate to cover its normal operating and investment requirements as established in its five-year plan.

The following table shows the maturity schedule for the financial obligations of CAP S.A. and subsidiaries as of December 31, 2015:

	Expiration Year					
	2016 ThUS$	**2017 ThUS$**	**2018 ThUS$**	**2019 ThUS$**	**2019 & followings ThUS$**	**Total ThUS$**
Bank loans	342,531	39,285	73,158	421,695	238,588	1,115,257
Financial overdraft	5,473	-	-	-	-	5,473
Financial leases	26,304	28,777	28,208	28,177	19,529	130,995
International bonds	1,205	-	-	-	53,517	54,722
Local bonds	612	-	-	167,300	(16,833)	151,079
Hedging instruments	1,160	3,223	357	357	16,164	21,261
Total	**377,285**	**71,285**	**101,723**	**617,529**	**310,965**	**1,478,787**

4.4 Commodity prices risk

The Group's operations are exposed to variations in commodity prices, principally of coal, steel, iron and inputs necessary for production (oil, energy, chemicals, etc.), whose levels are determined by supply and demand in the different markets.

4.5 Sensitivity analysis

i) Exchange rate risk

The following sensitivity analysis shows the impact of the variation in the US dollar / Chilean peso exchange rate on the Company's results. This impact is produced as a consequence of the valuation of peso-denominated expenses and the translation of financial assets (including cash, trade creditors, debtors, etc).

CAP S.A. has a creditor accounting position with respect to currencies other than the US dollar (i.e. assets greater than liabilities denominated in currencies other than the US dollar), amounting to US$ 88.5 million. If the exchange rate (mainly Chilean pesos against the dollar) appreciates or depreciates by 10%, it is estimated that the effect on the Company's results would be a gain or loss of US$ 8.0 million respectively.

ii) Interest rate risk:

CAP S.A. follows a policy of hedging interest rates on its debt through derivative instruments, in order to reduce risks in case of fluctuations in interest rates in the most probable expected rates scenario. The Company's financial investments are agreed at fixed interest rates, thus eliminating the risk of fluctuations in market interest rates.

CAP S.A. has financial debt at floating rates amounting to US$ 862.3 million, of which US$ 170.7 million is hedged by derivative instruments, which leaves a net exposure of US$ 691.6 million. This amount is therefore exposed to variations in interest flows as a result of changes in market interest rates. In the event of an increase or decrease of 10% (on the average funding rate, equivalent to 2.49% p.a.), it is believed that the Company's annual financial expenses would rise or fall by US$ 1.7 million.

5. Estimates and assumptions made by management in applying accounting policies

The application of IFRS requires the use of estimates and assumptions that will affect the amounts of assets and liabilities reported on the date of the financial statements and the amounts of revenue and expenses generated during the reporting period. The Group's management will necessarily make judgments and estimates that will have a significant effect on the figures shown in the consolidated financial statements under IFRS, and changes in these assumptions and estimates could also have a significant impact on these.

A detail of such estimates and judgments used is as follows:

5.1 Estimated economic useful lives of assets and mineral reserves - The useful lives of property, plant and equipment used to calculate depreciation are determined based on technical studies prepared by internal and external specialists. The mineral reserves of CAP Group's mining properties have been estimated by using a model based on the respective useful life of the mine by using the production-unit method over proven and probable reserves. The assumptions valid for determining a mineral reserve could change to the extent there is new information available.

The depreciation of assets related directly to the production processes could be impacted by an expansion or reduction of actual production in the future, other than that established in the actual production budget, based on proven and probable reserves. This could occur if there is any significant change in any variable or assumption used in estimating the mineral reserves.

These factors might include:

- Expected units or production volume;
- Quality of inputs into the production process; and
- Method of extraction and processing.

5.2 Impairment of assets - At the close of each period, or the date considered necessary, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that these assets might be impaired. In this impairment evaluation, assets that do not generate cash flows independently are grouped in appropriate cash-generating units (CGU). The recoverable amount from these assets or CGUs is the higher of their recoverable amount (discounted cash flow method) and their carrying amount.

The management necessarily applies its judgment in the grouping of assets that do not generate independent cash flows and also in the estimate and frequency of the underlying cash-flow values in the calculation values and the interest rate used. Subsequent changes in the grouping of CGUs or the frequency of the cash flows and interest rates could affect the carrying amount of the respective assets.

5.3 Costs of restoration and environmental rehabilitation - The provisions for restoration and environmental costs are made at the present value as soon as the obligation is known. The costs incurred in decommissioning associated with each project are capitalized and charged to comprehensive income over the useful life of the project through the depreciation of the assets and/or development of the discounted provision. Subsequent restoration costs are measured at present value and charged to comprehensive income according to the progress of the extraction damage. The costs are estimated by using the work of an external specialist and/or internal experts. The management applies its judgment and experience in providing for and depreciating these estimated costs over the useful life of the mine.

5.4 Estimate of doubtful accounts and obsolete inventories - The Company has estimated the risk of payment default of its accounts receivable and of the inventory obsolescence, for which percentage allowances have been established for tranches of maturities less credit insurance taken, and the turnover of its products taken into account, respectively.

5.5 Employee benefit - Expected costs of severance indemnities related to services rendered by employees and other long-term benefits during the year are charged to earnings. Any actuarial profits or losses, which may result from differences between real and expected results or changes in actuarial assumptions, are directly recognized in other comprehensive income.

Assumptions related to expected costs are established in conjunction with an external actuary. These assumptions include population assumptions, the discount rate and expected increases in remunerations. Even though the management believes that assumptions used are appropriate, a change in these assumptions could significantly affect the Company's results.

5.6 Fair value of derivatives and other financial instruments - As discussed in Note 4, management uses its judgment for selecting an appropriate valuation technique for the instruments that are not quoted in an active market. The techniques applied are those commonly used by market professionals. In the case of derivative financial instruments, assumptions are made based on rates quoted in the market, adjusted according to the specific characteristics of the instrument. Other financial instruments are measured by using an analysis of revised cash flows based on assumptions, where possible, from observable market prices or rates.

5.7 Litigation and contingencies - The Company periodically evaluates the probability of loss on its litigation and contingencies according to estimates made by its legal advisers. Where the Company's management and lawyers believe that a favorable outcome will be obtained or the outcomes are uncertain and the litigations are still in process, no provisions are made.

5.8 Obsolescence - The Company has estimated the risk of obsolescence of its inventories as a function of its condition and turnover of it, and its net realizable values.

6. Cash and cash equivalents and investment in financial instruments, current and non-current.

6.1 Cash and cash equivalents

The detail of cash and cash equivalents and investments in financial instruments as of December 31, 2015 and 2014 is as follows:

	Cash and cash equivalents	
	12.31.2015 ThUS$	12.31.2014 ThUS$
Cash and banks	20,561	23,007
Time deposits	141,203	75,568
Mutual funds	65,970	32,581
Total	227,734	131,156

- Time deposits classified as cash and cash equivalents, mature within three months from the date of their acquisition and accrue interest at market rates for this type of investment.

- Mutual funds correspond to fixed-income funds, in peso and dollar-denominated, which are recognized at the corresponding value of the quote at the closing date of these consolidated financial statements. The fair value of these investments is the result of the number of quotes held times the latest price of the unit publicly market quoted, for each of the mutual funds invested, which is also the redemption value of this investment. Changes in fair value of other financial assets at fair value through profit and loss are recognized within "finance income" in the consolidated statement of comprehensive income.

- Cash and cash equivalents have no restrictions on their availability.

6.2 Information on the consolidated statement of cash flows

These are the details of the breakdown of the item other inflows (outflows) of cash included in the item investing activities.

	12.31.2015 ThUS$	12.31.2014 ThUS$
Rescue of investment in time deposits	180,000	135,000
Investments in time deposits and other financial instruments	(390,161)	(180,000)
Other in flows (outflows) of cash	(22,113)	23,882
Total	(232,274)	(21,118)

(*) This item is mainly relates to advances made by the subsidiary Tubos Argentinos SA in the purchase of fixed assets and balances in current accounts in commercial banks of the subsidiary Cleanairtech Sudamérica S.A., which are subject to restrictions by agent banks of Project Finance.

6.3 Other current and non-current financial assets.

	Other Current Financial Assets financial instruments	
	12.31.2015 ThUS$	12.31.2014 ThUS$
Time deposits	390,264	180,317
Hedge assets (Note 10)	460	7
Accrued interest Corporate Bonds	356	356
Other financial assets	49,086	36,324
Total	440,166	217,004

- Time deposits classified as other current financial assets mature in over three months from the date of their placement and accrue interest at market rates for this type of investment.

- Other financial assets refer to balances in current accounts with commercial banks of the subsidiary Cleanairtech Sudamérica S.A. which are subject to restrictions by the project finance agent banks, as detailed in Note 20.

- The Company has made no investing or financing transactions that do not require the use of cash and cash equivalents.

	Other Non-current Financial financial instruments	
	12.31.2015 ThUS$	12.31.2014 ThUS$
Investments of equity instruments in other companies (*)	17,097	15,699
Corporates bonds (**)	20,887	20,887
Other financial Assets	-	377
Total	37,984	36,963

(*) The investments in equity instruments of other companies are 53.887.911 shares of the Australian Company Hot Chili Limited, whose instruments are traded in the Australian Stock Exchange. This Company's activities are buying copper and undertaking copper projects by using products extracted from Chile. Currently, the Company is undertaking four important projects related to this product.

(**) The corporate bonds are debt securities, the interest rate of which is fixed. The weighted average interest of these securities is 4.47% the bonds have maturity dates from January 15, 2018 to October 7, 2019. The involved entities comply with a minimum credit rating.

7. Trade and other receivables

The detail of trade and other receivables as of December 31, 2015 and 2014 is as follows:

Type of debtors

a) The detail at the level of accounts is the following:

12.31.2015	Total current			Total non- current		
Trade debtors and other accounts receivable	Assets before provisions ThUS$	Provisions trade debtors ThUS$	Trade debtor assets, net ThUS$	Assets before provisions ThUS$	Provisions trade debtors ThUS$	Trade debtor assets, net ThUS$
Debtors for credit operations	150.523	(4.804)	145.719	-	-	-
Sundry Debtors	3.390	-	3.390	18.097	-	18.097
Sub total trade debtors	**153.913**	**(4.804)**	**149.109**	**18.097**	**-**	**18.097**
Advance payments	2.394	-	2.394	-	-	-
Other accounts receivable	15.866	(516)	15.350	5.533	(61)	5.472
Total	**172.173**	**(5.320)**	**166.853**	**23.630**	**(61)**	**23.569**

12.31.2014	Total current			Total non- current		
Trade debtors and other accounts receivable	Assets before provisions ThUS$	Provisions trade debtors ThUS$	Trade debtor assets, net ThUS$	Assets before provisions ThUS$	Provisions trade debtors ThUS$	Trade debtor assets, net ThUS$
Debtors for credit operations	253,348	(6,246)	247,102	-	-	-
Sundry Debtors	4,969	(496)	4,473	2,721	-	2,721
Sub total trade debtors	**258,317**	**(6,742)**	**251,575**	**2,721**	**-**	**2,721**
Advance payments	2,643	-	2,643	-	-	-
Other accounts receivable	14,312	(81)	14,231	6,771	(71)	6,700
Total	**275,272**	**(6,823)**	**268,449**	**9,492**	**(71)**	**9,421**

b) The following provides a detail of the balances as of December 31, 2015 and 2014 by maturity:

12.31.2015 **Aging of accounts receivable**	Current ThUS$	Overdue between 1 and 30 days ThUS$	Overdue between 31 and 60 days ThUS$	Overdue between 61 and 90 days ThUS$	Overdue between 91 and 120 days ThUS$	Overdue between 121 and 150 days ThUS$	Overdue between 151 and 180 days ThUS$	Overdue between 181 and 210 days ThUS$	Overdue between 211 and 250 days ThUS$	Overdue more than 251 days ThUS$	Total Current ThUS$	Total non-current ThUS$
Gross Trade Receivables	125,405	6,836	13,118	3,572	573	600	407	627	811	5,245	157,194	-
Provision for impairment	(873)	(204)	(425)	(155)	(79)	(47)	(85)	(82)	(84)	(2,770)	(4,804)	-
Other accounts receivable, gross	13,979	-	-	-	-	-	-	-	-	1,000	14,979	23,630
Provision for impairment	-	-	-	-	-	-	-	-	-	(516)	(516)	(61)
Total	138,511	6,632	12,693	3,417	494	553	322	545	727	2,959	166,853	23,569

12.31.2014 **Aging of accounts receivable**	Current ThUS$	Overdue between 1 and 30 days ThUS$	Overdue between 31 and 60 days ThUS$	Overdue between 61 and 90 days ThUS$	Overdue between 91 and 120 days ThUS$	Overdue between 121 and 150 days ThUS$	Overdue between 151 and 180 days ThUS$	Overdue between 181 and 210 days ThUS$	Overdue between 211 and 250 days ThUS$	Overdue more than 251 days ThUS$	Total Current ThUS$	Total non-current ThUS$
Gross Trade Receivables	181,112	37,537	23,677	6,568	259	907	331	478	1,872	6,718	259,459	-
Provision for impairment	(481)	(528)	(386)	(205)	(69)	(14)	(121)	(105)	(104)	(4,729)	(6,742)	-
Other accounts receivable, gross	15,218	-	-	-	-	-	-	-	-	595	15,813	9,492
Provision for impairment	-	-	-	-	-	-	-	-	-	(81)	(81)	(71)
Total	195,849	37,009	23,291	6,363	190	893	210	373	1,768	2,503	268,449	9,421

The Company has made an allowance for doubtful accounts based on the solvency of the debtors and the collection times of invoices. The estimate of this allowance contemplates debtors showing certain indications of payment difficulties at the end of period.

The fair values of trade debtors and other accounts receivable correspond to their commercial values.

c) The following is an analysis of past-due and unpaid accounts receivable by type of portfolio:

12.31.2015

Ageing of accounts receivable, by type of portfolio	Portfolio not restructured		Portfolio restructured		Total portfolio, gross	
	Number Customers	Gross Amount ThUS$	Number Customers	Gross Amount ThUS$	Number Customers	Gross Amount ThUS$
Current	997	139,384	-	-	997	139,384
Due between 1 and 30 days	601	6,836	-	-	601	6,836
Due between 31 and 60 days	331	13,118	-	-	331	13,118
Due between 61 and 90 days	157	3,572	-	-	157	3,572
Due between 91 and 120 days	156	573	-	-	156	573
Due between 121 and 150 days	47	600	-	-	47	600
Due between 151 and 180 days	56	407	-	-	56	407
Due between 181 and 210 days	58	627	-	-	58	627
Due between 211 and 250 days	80	811	-	-	80	811
Overdue more than 251 days	483	6,245	-	-	483	6,245
Total	2,966	172,173	-	-	2,966	172,173

12.31.2014

Ageing of accounts receivable, by type of portfolio	Portfolio not restructured		Portfolio restructured		Total portfolio, gross	
	Number Customers	Gross Amount ThUS$	Number Customers	Gross Amount ThUS$	Number Customers	Gross Amount ThUS$
Current	1,114	196,330	-	-	1,114	196,330
Due between 1 and 30 days	388	37,537	-	-	388	37,537
Due between 31 and 60 days	521	23,677	-	-	521	23,677
Due between 61 and 90 days	86	6,568	-	-	86	6,568
Due between 91 and 120 days	388	259	-	-	388	259
Due between 121 and 150 days	73	907	-	-	73	907
Due between 151 and 180 days	125	331	-	-	125	331
Due between 181 and 210 days	41	478	-	-	41	478
Due between 211 and 250 days	35	1,872	-	-	35	1,872
Overdue more than 251 days	297	7,313	-	-	297	7,313
Total	3,068	275,272	-	-	3,068	275,272

CAP S.A. and its subsidiaries have no accounts receivable relating to refinanced debt.

d) The following shows protested debts and those under judicial recovery:

Portfolio protested and in judical recovery	12.31.2015		12.31.2014	
	Number Customers	Amount ThUS$	Number Customers	Amount ThUS$
Protested notes receivable	11	65	12	128
Documents in legal recovery	38	2,827	37	3,154
Total	**49**	**2,892**	**49**	**3,282**

e) The movement in provisions for accounts receivable was as follows:

12.31.2015	Total current		Total non- current	
Provisions and write-offs	**Number of Operations**	**Amount ThUS$**	**Number of Operations**	**Amount ThUS$**
Provision non-restructured portfolio	4,479	(6,823)	275	(71)
Increase in the period	13	(187)	-	-
Write-offs in the period	(139)	415	-	-
Recoveries in the period	(391)	1,275	(30)	10
Total	**3,962**	**(5,320)**	**245**	**(61)**

12.31.2014	Total current		Total non- current	
Provisions and write-offs	**Number of Operations**	**Amount ThUS$**	**Number of Operations**	**Amount ThUS$**
Provision non-restructured portfolio	4,292	(9,124)	366	(57)
Increase in the period	589	(427)	-	-
Write-offs in the period	(268)	2,069	(91)	(14)
Recoveries in the period	(134)	659	-	-
Total	**4,479**	**(6,823)**	**275**	**(71)**

8. Balances and transactions with related entities

8.1 Shareholders - The detail of major shareholders as of December 31, 2015 is as follows:

Shareholder	Number of shares	Participation %
Invercap S.A.	46,807,364	31.32%
Mitsubishi Corporation	28,805,943	19.27%
Banchile corredores de bolsa S.A.	6,101,594	4.08%
Banco de Chile por Cuenta de Terceros	5,024,477	3.36%
Banco Itau por cuenta de Inv. extranjeros	4,890,713	3.27%
Larrain Vial S.A. Corredores de Bolsa	4,368,374	2.92%
Fundación CAP	3,299,497	2.21%
Bolsa de Comercio de Sanatiago bolsa de valores	2,679,113	1.79%
Bci corredores de Bolsa S.A.	2,661,658	1.78%
Corpbanca Corredores de Bolsa S.A.	2,658,250	1.78%
Bolsa Electronica de Chile Bolsa de Valores	2,017,324	1.35%
BTG pactual Chile S.A. Corredores de Bolsa	1,637,112	1.10%
Various	38,496,693	25.77%
Total	149,448,112	100%

At December 31, 2015 and 2014 the number of shareholders of the Company is 4,075 and 4,101, respectively.

Principal controller

In accordance with the concepts defined in IFRS 10, consolidated financial statements, the Company has no controller. As indicated in Note 1, for the purposes of the definition given in chapter 15 of Law 18,045, Invercap S.A. is in the position of controller of CAP S.A.

8.2 Balances and transactions with related entities

Accounts receivable:

				12.31.2015	
				Total current	
Company	**Tax No.**	**Type relationship**	**Country of Origin**	**Less than 90 days**	**Total Current**
Energía de la Patagonia y Aysen S.A.	76.062.001-7	Invercap S.A. Subsidiary	Chile	5	5
Mitsubishi Corporation	O-E	Shareholder	Japón	11,300	11,300
Total				**11,305**	**11,305**

				12.31.2014	
				Total current	
Company	**Tax No.**	**Type relationship**	**Country of Origin**	**Less than 90 days**	**Total Current**
Armacero Industrial y Comercial S.A.	78.170.790-2	Joint venture	Chile	647	647
Ultramar Agencia Marítima Ltda.	80.992.000-3	Common Director	Chile	80	80
Empresa Eléctrica Guacolda S.A.	96.635.700-2	Common Director	Chile	5	5
Mitsubishi Corporation	O-E	Shareholder	Japón	2,392	2,392
Total				**3,124**	**3,124**

Accounts receivable to Armacero Industrial y Comercial S.A. and Energía de la Patagonia y Aysén S.A., corresponds to business transactions, accrues no interest and is payable monthly.

The account receivable to Ultramar Agencia Marítima Ltda. as of December 31, 2014 arises from business transactions, accrues no interest and is payable monthly.

The account receivable from Mitsubishi Corporation, arises principally to the sale of minerals, accrues no interest and is payable monthly.

There are no accounts receivables to related entities classified as non-current as of the close of these consolidated financial statements.

No collateral has been provided or received for accounts receivable from related entities, and payment of these is made in cash. As of the close of these consolidated financial statements, there is no evidence of non-payment of balances of accounts receivable outstanding with related entities, so the Company has made no estimates for doubtful accounts nor has booked charges for this concept during the period.

Account payables

Type relationship	Country of Origin	12.31.2015 Current Less than 90 days	More than 90 days	Total Current	Non Current 1 to 3 years	Total non Current
In Common Director	Chile					
Related through of Mitsubishi shareholder	Australia	25,024	0	25,024	-	-
Shareholder	Japón	936	-	936	-	-
Shareholder	Chile	1,958	-	1,958	1,636	1,636
Related through subsidiary	Chile	5,441	-	5,441	-	-
		33,359	**-**	**33,359**	1,636	1,636

Type relationship	Country of Origin	12.31.2014 Current Less than 90 days	More than 90 days	Total Current	Non Current 1 to 3 years	Total non Current
Common Director until 2013	Chile	634		634	-	-
Related through of Mitsubishi shareholder	Australia	9,716	8,471	18,187	-	-
Shareholder	Japón	6,443	-	6,443	-	-
Shareholder	Chile	12,419	-	12,419	-	-
Related through subsidiary	Chile	13,076	-	13,076	-	-
		42,288	**8,471**	**50,759**	**-**	**-**

As of the close of these consolidated financial statements there are no accounts payable to related entities classified as non-current.

The balance payable to BHP Billiton Mitsubishi Alliance, related through the shareholder Mitsubishi Co., relates to coal imports and accrues interest at an average rate of 2.055347% annually.

The account payable to MC Inversiones Ltda. at December 31, 2015 and 2014 includes the dividend provision for ThUS$ 5,410 and ThUS$ 13,076, respectively.

The current account payable of CAP S.A. to Mitsubishi Corporation relates to dividends payable for the year 2015 and 2014.

The account payable to Empresa Eléctrica Guacolda S.A. arises from services, does not bear interest and matures monthly.

In September 2012, the subsidiary CMP signed an electricity sale contract with Guacolda S.A. whereby the latter promises to sell and deliver to CMP the electricity it consumes in its mining-industrial facilities and services related to their production process, located mainly in the regions of Atacama and Coquimbo. Supplies will be made during the period January 1, 2016 to December 31, 2027.

The account payable to Invercap S.A. It corresponds to the provision for the recognition of the dividend policy to distribute the CAP S.A. and Novacero S.A. for 2015 and 2014.

The other current accounts receivable and payable relate to business transactions corresponding to transactions payable within the terms established for each of them.

No collateral has been provided or received for accounts payable to related entities, and payment of these is made in cash.

Most significant transactions and its effects on income:

Company	Tax No.	Origin country	Relationship	Currency	Accumulated 12.31.2015 Amount ThUS$	Accumulated 12.31.2015 Effect on income (charge) credit ThUS$	Accumulated 12.31.2014 Amount ThUS$	Accumulated 12.31.2014 Effect on income (charge) credit ThUS$
Armacero Industrial y Comercial S.A.	78.170.790-2	Chile	Sale of products	Dollar	1,284	1,079	6,863	5,767
			Purchase of products	Dollar	-	-	1	-
Invercap S.A.	96.708.470-0	Chile	Sales of service	Dollar	86	74	60	53
			Advice received	Dollar	42	(42)	120	(120)
			Transfers	Dollar	-	-	8	-
			Interest	Dollar	43	(43)	-	-
			Dividends	Dollar	10,469	-	21,437	-
Mitsubishi Corporation	O-E	Japan	Sales	Dollar	107,786	107,786	105,289	105,289
			Sales commissions	Dollar	4,932	(4,500)	6,561	(6,561)
			Other Services	Dollar	48	48	417	(417)
			Dividends paid	Dollar	6,443	-	13,106	-
MC Inversiones Ltda.	79.866.800-5	Chile	Services purchased	Dollar	24	(24)	21	(21)
			Sales of services	Dollar	-	-	67	(67)
			Dividends paid	Dollar	-	-	10,991	-
BHP Billiton Mitsubishi	O-E	Australia	Purchase of products	Dollar	32,777	(25,717)	30,146	-
			Interest	Dollar	293	(293)	137	(137)
Energía de la Patagonia y Aysen S.A.	76.062.001-7	Chile	Sales of service	Dollar	63	54	51	44

8.3 Administration and Senior management

The Senior management and other people that assume the management of CAP S.A., as well as the shareholders, individuals or companies, which they represent, have not participated in any unusual and/or relevant transactions, as of December 31, 2015 and 2014.

The Company is managed by a Board of Directors composed of 7 members, who serve for 3-year term, with possibility of reelection.

8.4 Directors' Committee

In conformity with Article 50 bis of the Companies Law 18,046, CAP S.A have a Directors' Committee composed of 3 members, with the faculties contemplated in that article.

8.5 Compensation and other benefits

In conformity with Article 33 of the Companies Law 18,046, the Board each year set the remuneration of the directors of CAP S.A. In April 2015, the Board set the directors' remuneration for the period May 2015 to April 2016 at 0.75% of the earnings for 2015. The Board also set the remuneration of the members of the Directors' Committee.

Amounts paid during the period ended as of December 31, 2015 and 2014 include the members of the Directors Committee are detailed as follows:

	Accumulated 12.31.2015			Accumulated 12.31.2014		
Tittle	**CAP Board** ThUS$	**Board of subsidiaries** ThUS$	**Directors' Committee** ThUS$	**CAP Board** ThUS$	**Board of subsidiaries** ThUS$	**Directors' Committee** ThUS$
President	145	62	-	346	64	-
Vice President	73	24	19	173	24	16
Director	73	7	-	173	16	-
Director	73	-	19	173	-	21
Director	73	-	-	173	-	-
Director	73	-	19	173	-	21
Director	73	-	-	49	-	-
	583	**93**	**57**	**1,260**	**104**	**58**

- **Board advisory expenses** – During the period ended December 31, 2015 the directors' committee incurred advisory expenses for ThUS$ 20 and the board of directors incurred advisory expenses for ThUS$ 7.

- **Remuneration of members of Senior Management who are not Directors** - The members of senior management of the Company and its subsidiaries, president and managers reporting directly to the president, have received a total remuneration of ThUS$ 3,004 and ThUS$ 3,243 in 2015 and 2014.

- **Accounts receivable, payable and other transactions** - There are no account receivables and/or payables between the Company and its Directors and Managers.

- **Other transactions** - There are no other transactions between the Company and its Directors and the Company Managers.

- **Guarantees established by the Company in favor of the Directors** – During the periods ended as of December 31, 2015 and the year ended December 31, 2014, the Company has not undertaker this type of transaction.

- **Incentive plans for key executives and managers** - The Company has no incentive plans for its executives and managers. However, the management at its discretion may grant benefits to some executives depending on the income reported in the respective financial period.

- **Indemnities paid to main executives and managers** - The Company paid indemnities to executives for ThUS$ 844 between January and December 2015.

- **Guarantee clauses, Company Board of Directors and Management** - The Company has not agreed upon guarantee clauses with its directors and management.

- **Retribution plans associated with shares traded**- The Company does not engage in this type of operation.

9. Inventory

9.1 Inventory is detailed as follow:

	Total current	
	12.31.2015 ThUS$	12.31.2014 ThUS$
Materials, raw materials and spare parts	155,296	221,076
Mining products	73,025	21,016
Finished goods	60,898	82,392
Goods in process	16,550	23,589
Other products	23,785	17,664
Provision for obsolescence	(2,717)	(3,614)
Total	**326,837**	**362,123**

The management of the Company and subsidiaries believes that inventories will be realized within one year. The Company has estimated the risk of obsolescence of its inventories as a function of their condition and turnover.

Steel products include an adjustment for net realizable value as of December 31, 2015 and 2014 of ThUS$ 6,065 and ThUS$ 939, respectively.

At December 31, 2014 the subsidiary included an adjustment in imported coke for ThUS$ 5,147.

No committed stocks as guarantees for the repayment of debts as of December 31, 2015.

9.2 Cost of inventory

Consumption recognized as expenses during the periods ended are as follow:

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
Materials, raw materials and spare parts	84,929	118,056
Finished products	1,199,940	1,360,364
Goods in process	540	-
Others	61	1,062
Total	1,285,470	1,479,482

Inventory costs include depreciation expense.

9.3 Inventories at fair value.

Inventories at fair value are as follows:

Concept	12.31.2015 01.01.2015	12.31.2014 01.01.2014
	ThUS$	ThUS$
Inventories at fair value less costs of sales	28,447	83,134
Rebate in value of inventory	(939)	(939)
Adjustment for net realizable value (or fair value) of period, inventories	(5,126)	(939)

10. Derivative instruments

Following its financial risk management policy described in Note 4, the Company enters into financial derivatives to hedge its exposure to changes in interest rate and currency (exchange rates).

Currency derivatives are used to set the exchange rate of the U.S. dollar in respect to the Chilean peso (CLP) and Unidad de Fomento (UF), due to investments or to existing obligations in these currencies. These instruments correspond mainly to forwards and Cross-Currency Swaps.

As of December 31, 2015, the Company and its subsidiaries classifies all its derivatives as “cash flow hedges”.

As of December 31, 2015, CAP S.A. has an interest rate swap (IRS) to set the rate associated with series F local bonds by ThUS$ 171,480. A net liability position for ThUS$ 14,160 is shown at December 31, 2015. Also, the parent company has recorded US dollar to Chilean peso and UF to US dollar hedge instruments for ThUS$ 60,000. Such hedges are intended to hedge operating cash flows and investing cash flows and mature in March and May 2016.

The subsidiary CMP S.A. has not recorded derivative instruments at December 31, 2015 and 2014.

As of December 31, 2015, the subsidiary Cleanairtech Sudamérica S.A. has signed IRS contracts to hedge the variable interest rate risk for 80% of the capital owed in conformity to the term of the Finance Projects signed with Credit Agricole; the amount hedged by Phase I is ThUS$99,477, and by Phase II is ThUS$87,750. As of December 31, 2015, these contracts have a net liability of ThUS$6,794.

As of December 31, 2015, the indirect subsidiary Cintac S.A. has currency derivatives by ThUS$ 60,000, which expire in January, 2016. These instruments are designed to hedge the cash flows of accounts receivable. As of December 31, 2015 and 2014 has a net liability position MUS $ 307 and $ 666, respectively.

As of December 31, 201, the Company and its subsidiaries classifies all its derivative instruments as cash-flow hedges.

As of December 31, 2014, the parent CAP S.A. has an interest rate swap (IRS) to set the rate associated with series F local bonds for ThUS$ 171,480.

The detail of hedging instruments as of December 31, 2015 and 2014, with their net valuation on those dates, is as follows:

Hedge assets	12.31.2015		12.31.2014	
	Current ThUS$	Non-current ThUS$	Current ThUS$	Non-current ThUS$
Exchange rate hedge				
Receivable accounts hedge	460	-	-	-
Interest rate hedge				
Cash flow hedge (note 6.3)	-	-	7	-
Total	460	-	7	-

Hedge liabilities	12.31.2015		12.31.2014	
	Current ThUS$	Non-current ThUS$	Current ThUS$	Non-current ThUS$
Exchange rate hedge				
Cash flow hedge	307	-	666	-
Interest rate hedge				
Cash flow hedge	4,076	16,878	8,147	17,547
Total (Note 20.1)	4,383	16,878	8,813	17,547
Net position	(3,923)	(16,878)	(8,806)	(17,547)

The hedge instruments portfolio of CAP S.A. is detailed as follows:

	Fair value hedge instruments				
Hedge instrument	**12.31.2015** ThUS$	**12.31.2014** ThUS$	**Hedged underlying**	**Hedged Risk**	**Type of hedge**
Forward	-	(666)	Accounts receivable and payable	Exchange rate	Cash Flow
Forward	153	-	Operational and investment flow	Exchange rate	Cash flow
Interest Rate Swap	(14,160)	(18,439)	Bonds payable (Bonds)	Interest rate	Cash flow
Interest Rate Swap	(6,794)	(7,248)	Financial Liabilities	Interest rate	Cash flow
Total	**(20,801)**	**(26,353)**			

During the periods ended as of December 31, 2015 and 2014, the Company has recognized net profits of ThUS$5,453 and a net loss of ThUS$5,192, respectively, due to hedge ineffectiveness on the cash flow hedge operations.

As of December 31, 2014, the CAP Group recognizes a net profit of ThUS $ 147 per ineffectiveness of hedging cash flow.

These are the fair value and the breakdown by maturity of notional or contractual values of derivative instrument operations contracted by CAP as of December 31, 2015 and 2014.

12.31.2015

Hedge	Fair Value ThUS$	Period expected to be held in cash flows					
		Notional Value					
		0 a 90 days ThUS$	91 a 365 days ThUS$	1 a 3 years ThUS$	3 a 5 years ThUS$	5 + years ThUS$	Total ThUS$
Exchange rate hedge	**153**	**(307)**	**460**	**-**	**-**	**-**	**153**
Cash flow hedge	153	(307)	460	-	-	-	153
Interest rate hedge	**(20.953)**	**-**	**(10.962)**	**(14.182)**	**(6.879)**	**(9.099)**	**(41.122)**
Cash flow hedge	(20.953)	-	(10.962)	(14.182)	(6.879)	(9.099)	(41.122)
Total	**20.801**	**(307)**	**(10.502)**	**(14.182)**	**(6.879)**	**(9.099)**	**(40.969)**

12.31.2014

Hedge	Fair Value ThUS$	Period expected to be held in cash flows					
		Notional Value					
		0 a 90 days ThUS$	91 a 365 days ThUS$	1 a 3 years ThUS$	3 a 5 years ThUS$	5 + years ThUS$	Total ThUS$
Exchange rate hedge	**(666)**	**(666)**	**-**	**-**	**-**	**-**	**(666)**
Cash flow hedge	(666)	(666)	-	-	-	-	(666)
Interest rate hedge	**(25,687)**	**-**	**(12,419)**	**(30,151)**	**(7,317)**	**(11,064)**	**(60,951)**
Cash flow hedge	(25,687)	-	(12,419)	(30,151)	(7,317)	(11,064)	(60,951)
Total	**(26,353)**	**(666)**	**(12,419)**	**(30,151)**	**(7,317)**	**(11,064)**	**(61,617)**

The effects of these operations will be registered in income for the year in which the expected cash flows are realized.

Fair Value hierarchy

The fair value of financial instruments recognized in the statement of financial position, has been determined using the following hierarchy, according to the entry data used for perform the valuation.

Level 1: Corresponds to fair value measurement methodologies through market shares (with no adjustments) in active markets and considering the same valued assets and liabilities.

Level 2: Corresponds to fair value measurement methodologies through data from market quotations that are not included in level 1 and are observable for valued assets and liabilities, directly (prices) or indirectly (derived from prices).

Level 3: Corresponds to fair value measurement methodologies through valuation techniques that include data on valued assets and liabilities and are not supported by data from observable markets.

As of December 31, 2015 and 2014, the calculation of the fair value of all financial instruments subject to valuation have been determined on the basis of Level 2 of the aforementioned hierarchy.

11. Current tax assets and liabilities

Current tax assets and liabilities as of December 31, 2015 and 2014 are as follows:

Assets

	Total current	
	12.31.2015	**12.31.2014**
	ThUS$	ThUS$
Monthly provisional payments	43,295	106,640
VAT fiscal credit & other recoverable taxes	26,592	75,214
Income tax	626	(14,831)
Provisional payments for absorbed earnings	5,678	4,369
Specific tax on mining activities	(378)	(9,629)
Residual Income Tax	-	3,950
Total	**75,813**	**165,713**

Liabilities

	Total current	
	12.31.2015	**12.31.2014**
	ThUS$	ThUS$
VAT fiscal debit & other taxes payable	4,254	2,858
Income tax	2,099	2,561
Total	**6,353**	**5,419**

12. Other non-financial assets, current and non-current

The detail of other non-financial assets, current and non-current as of December 31, 2015 and 2014 is as follows:

	Total current		Total non-current	
	12.31.2015	**12.31.2014**	**12.31.2015**	**12.31.2014**
	ThUS$	**ThUS$**	**ThUS$**	**ThUS$**
Payments in advance to Supliers	184	12	-	-
Deposits	-	-	1,500	-
Advanced Insurance	151	49	-	-
Advanced rents	206	496	-	-
Personnel bonus	1,151	1,511	384	1,165
Other prepaid expenses	8,013	9,621	12,427	22,440
Others	1,115	647	5,397	6,068
Total	**10,820**	**12,336**	**19,708**	**29,673**

13. Investments in subsidiaries

The consolidated financial statements include the financial statements of the Parent Company and the controlled companies (Note 3). The following table detailed information of subsidiaries as of December 31, 2015 and 2014:

	12.31.2015					
Subsidiary	**Current assets ThUS$**	**Non-current assets ThUS$**	**Current liabilities ThUS$**	**Non-current liabilities ThUS$**	**Ordinary revenues ThUS$**	**Net profit (loss) attributable to controller ThUS$**
Compañía Minera del Pacífico S.A.	417,623	3,160,241	435,857	1,035,147	662,021	18,392
Compañía Siderúrgica de Huachipato S.A.	154,044	667,383	292,488	110,837	442,928	(15,693)
Novacero S.A.	197,115	125,476	118,403	19,589	282,901	1,428
Puerto Las Losas S.A.	2,249	47,921	870	70	1,949	(2,344)
Abastecimientos CAP S.A.	5,143	1	-	-	-	(11)
Tecnocap S.A.	7,213	53,832	4,580	33,059	8,176	1,990
Port Investments Ltd.	17	3,798	34	17,062	-	(42)
Cleanairtech Sudamérica S.A.	68,624	350,555	48,126	232,273	72,068	9,179
Intasa S.A.	19,668	18,594	12,695	11,147	90,799	(745)
Ecocap S.A.	350	-	-	6	-	(47)

	12.31.2014					
Subsidiary	**Current assets ThUS$**	**Non-current assets ThUS$**	**Current liabilities ThUS$**	**Non-current liabilities ThUS$**	**Ordinary revenues ThUS$**	**Net profit (loss) attributable to controller ThUS$**
Compañía Minera del Pacífico S.A.	329,182	3,234,954	524,796	928,508	942,099	113,248
Compañía Siderúrgica de Huachipato S.A.	238,466	692,085	373,639	122,920	548,933	(27,016)
Novacero S.A.	250,395	134,083	168,310	32,966	296,553	1,670
Puerto Las Losas S.A.	2,546	49,958	930	-	1,995	(2,163)
Abastecimientos CAP S.A.	5,155	1	1	-	-	(10)
Tecnocap S.A.	5,813	56,961	4,610	36,748	8,256	(157)
Port Investments Ltd.	39	5,601	39	15,824	-	(163)
Cleanairtech Sudamérica S.A.	102,033	372,008	104,376	240,234	24,732	(277)
Intasa S.A.	25,538	9,415	14,574	5,214	90,668	(286)
Ecocap S.A.	393	-	-	2	-	(41)

Unrealized gains

CAP S.A. recognized unrealized profits as of December 31, 2015 and 2014, in proportion to its participation, by products sold of the Compañía Siderúrgica Huachipato S.A. and which are in the inventories of Armacero Industrial y Comercial S.A.

In addition, CAP S.A. has recognized the following unrealized results for transactions between companies of the Group:

		Accumulated	
Company	**Concept**	**12.31.2015**	**12.31.2014**
		ThUS$	ThUS$
CAP S.A.	Interest collected to Tecnocap S.A.	(978)	(1,033)
Tecnocap S.A.	Energy Sales to CMP S.A. and Cleanairetch S.A.	(4,424)	(3,690)
CAP S.A.	Interests, sales and project services collected to Cleanairtech	(16,010)	(16,875)
Cleanairtech Sudamerica S.A	Sale of desalinated water to CMP S.A.	(2,423)	(2,661)
	Totales	**(23,835)**	**(24,259)**

Information about foreign investments

As of December 31, 2015 and 2014, the Company and its subsidiaries, have not contracted hedge liabilities for their foreign investments.

In 2008 the subsidiary Compañía Minera del Pacífico S.A. temporarily ceased the operations of its subsidiaries Pacific Ores and Trading N.V. and Pacific Ores and Trading B.V., which operated as sales agents.

These companies have had no major movements and their assets are not significant within the context of these consolidated financial statements.

Additional information

- On May 25, 2009, the production activities of the subsidiary CMP, Manganesos Atacama S.A., were suspended due to weak demand for its products. Its accumulated stocks are sufficient to meet its existing commitments over the next 2 years. The future business plan of this subsidiary is currently being analyzed. This subsidiary's assets are not significant in the context of these consolidated financial statements.

On August 1, 2014, the subsidiary CMP took over Minera Hierro Atacama when it purchased 100% of its shares.

Sociedad CMP Productora SpA was incorporated on May 20, 2015. The corporate purpose of this company is exploring, operating and undertaking mining projects, mining operations, ore processing, smelting and refining of ore, and purchase and sale of mining related assets. The only shareholder of CMP Productora SPA is Compañía Minera del Pacífico S.A. with 100.00% ownership in its share capital. Compañía Minera del Pacífico S.A. exercises administrative and financial control over CMP Productora SPA.

The extraordinary meeting of shareholders of CMP Productora SpA held on August 27, 2015 approved the merger with Sociedad Minera El Águila SpA through the take-over of the former by the latter. Therefore, CMP Productora SpA was dissolved. In accordance with the exchange of shares, Compañía Minera del Pacífico S.A. has 17.5% of the ownership of Sociedad Minera El Águila Spa.

The extraordinary meeting of shareholders of Puerto Las Losas S.A. held on January 16, 2014 agreed to increase the capital of the company from US$ 52,606,941.14 divided into 3,212,865 no-par value registered and paid-in shares to US$ 60,437,629.12 divided into 3,691,110 no-par value shares through the issue of 478,245 new no-par value ordinary shares registered by the shareholders of the subsidiary at US$ 16.3738 per each share. US$ 5,625,061 were paid at January 31, 2014 and the balance of US$ 2,205,626.98 was paid through offsetting up to the contribution with debts of the subsidiary with the shareholders at January 31, 2014, 51% CAP and 49% Agrocomercial As Limitada.

- The Extraordinary Shareholders Meeting of Cleanairtech Sudamérica S.A, held on December 7, 2012, agreed to increase its capital, in order to finance Phase II of the desalination plant to permit an expansion of capacity from 200 liters per second to 400 liters and the construction of associated aqueducts, mainly in order to meet the consumption needs of Cía. Minera del Pacífico S.A. and other mining projects that require desalinated water. The capital was increased from US$59,314,011.88, fully paid, to US$119,791,491.88, divided into 60,000,000 ordinary and nominative shares of no par value, through the issue of 30,000,000 new shares for payment to be subscribed at a minimum price per share of US$2.015961. The Shareholders agreed unanimously that the new shares be placed at that value, payable in cash and to be fully subscribed and paid within 3 years from December 7, 2012. The current Shareholders that attended the meeting promised to subscribe and pay the following number of shares before December 31, 2012: Mitsubishi Corporation subscribed and paid 2,813,663 for US$ 5,672,109 and CAP S.A. subscribed and paid 2,928,507 shares for US$ 5,903,623. During 2013 the payment of the aforementioned capital increase was made. Mitsubishi paid US$ 23,961,857 for 11,886,337 shares and CAP S.A. paid US$ 24,939,889 for 12,371,492 shares

Accordingly, as of December 31, 2013, a 100% of the aforementioned capital increase was paid. The ownership of Cleanairtech Sudamérica S.A. is made up of: Mitsubishi Corporation with 29,400,000 shares equivalent to 49% of the ownership and CAP S.A. with 30,600,000 shares equivalent to 51% of the ownership, and the Company's capital is now ThUS$ 119,791, divided into 60,000,000 no-par value registered ordinary shares of the same series.

On January 30, 2014, the Extraordinary Shareholders' Meeting of Cleanairtech Sudamérica S.A. agreed to increase the capital stock from ThMUS$119,791, divided into 60,000,000 fully subscribed and paid in shares, to ThUS$134,472, divided into 67,267,400 ordinary, registered shares of the same value, by issuing 7,267,400 new cash shares, which shall be subscribed at a minimum value per share of 2.02 US dollars. As of December 31, 2015, the above increase has been fully paid in, with ownership of Cleanairtech Sudamérica S.A. being shared by Mitsubishi Corporation, with 32,961,026 shares, equivalent to a 49% interest, and CAP S.A., with 34,306,374 shares, equivalent to a 51% interest.

- The Extraordinary Meeting of the Shareholders of Ecocap S.A., a direct subsidiary of Tecnocap S.A., held on December 30, 2013 agreed to increase the Company's capital from US$ 19,719.98 divided into 10,000 shares to US$ 7,339,195.88 divided into 3,725,347 no-par value registered ordinary shares of the same series by issuing 3,715,470 new shares, which should be subscribed at a minimum price per share of 1.97 US dollars, the local currency of the United States. The shareholders of Ecocap S.A. (Tecnocap S.A. and Abastecimientos CAP S.A.) relinquished their preference right to subscribe such new shares on behalf of CAP S.A. Therefore, at December 31, 2013 CAP S.A. subscribed and paid all that issue of shares for US$ 7,319,457.09, and so now it has 99.73% of the ownership of Ecocap S.A.

- The Extraordinary Meeting of Shareholders of Intasa S.A., a direct subsidiary of Novacero S.A., held on September 13, 2013 agreed to increase the corporate capital from US$ 6,029,127.83 divided into 350,817,195 shares to US$ 12,529,127.83 by issuing 233,812,950 new no-par value registered ordinary shares of the same series. The price of the share will be US$ 0.0278 and all the issued shares will be offered on a prorate basis solely to Intasa's shareholders. The aforementioned capital increase is aimed at taking part of the capital increase of its subsidiary Tubos Argentinos S.A., so that Tubos Argentinos S.A. pays a significant part of its financial liabilities past-due in 2013 and extended for a short period, and also reducing the risks related to the variations in exchange rates and their indirect effect on the income of Intasa S.A. This new issue of shares has a 180 day period from the date of this meeting, so that the shares are fully subscribed and paid-in.

As of December 31, 2013 CAP S.A. subscribed and paid in 233,632,070 shares for US$ 6,494,972. Novacero S.A. does not take part of this new issue of shares. Therefore, CAP S.A. now has 57.79% of the ownership of Intasa S.A.

- At the Extraordinary Shareholders Meeting of Tecnocap S.A. held on June 03, 2014 it was agreed to increase the capital by US$21,499,998.85 through the issuance of 10,913,705 ordinary shares. At the Shareholders' Meeting of Tecnocap S.A., Compañía Minera del Pacífico S.A. and Compañía Siderúrgica Huachipato S.A., waived their right of preferential warrant. According to the above, the Meeting conferred to the Board of Directors of the Company the placement of new shares, who agreed to offer to the shareholder CAP S.A, the warrant of the total shares corresponding to the capital increase. The price of each share subscribed and acquired through this document by CAP S.A. amounts to US$1.97, and therefore the total price of the subscribed shares is of US$21,499,998.85, which is paid through offsetting up to the mentioned amount, with the debts held as of this date by Tecnocap S.A. with CAP S.A. Consequently the new capital of Tecnocap S.A. turns into the amount of US$21,539,438.80 divided in 10,933,705 ordinary no par value shares, and its ownership is made by CAP S.A. with 99.926% and the remaining 0.074% in hands of Compañía Siderúrgica Huachipato S.A. and Compañía Minera del Pacífico S.A., in equal portions.

On August 13, 2014, CINTAC S.A.I.C., acquired 100 shares of its direct subsidiary CONJUNTOS ESTRUCTURALES S.A., through which it acquired 100% of the shares in which the capital of the latter is divided and in conformity with the established in No. 2 of Article 103 of Law 18.046 on Corporations, on August 24, 2014 the company CONJUNTOS ESTRUCTURALES S.A. was legally dissolved, as 100% of its shares were owned by CINTAC S.A.I.C.

On August 20, 2014, at the Extraordinary Shareholders' Meeting of the direct subsidiary CINTAC SAIC, was agreed to carry out a capital increase in the amount of 13,900,879 shares, equivalent to US$13,002,882.58, which were subscribed 100% by the majority shareholder CINTAC S.A., through the contribution and ownership transfer of 999,999 shares of the Company CENTROACERO S.A., company whose line of business is indicated by its name, which is accepted by the shareholders of CINTAC SAIC.

On August 20, 2014,, CINTAC S.A.I.C., acquired 1 share of its direct subsidiary CENTROACERO S.A. through which it acquired 100% of the shares in which the capital of the latter is divided and in conformity with the established in No. 2 of Article 103 of Law 18,046 on Corporations, on Sunday, August 31, 2014 the company CENTROACERO S.A. was legally dissolved, as 100% of its shares were owned by CINTAC S.A.I.C.

On August 20, 2014,, CINTAC S.A.I.C., acquired 1 share of its direct subsidiary INSTAPANEL S.A. through which it acquired 100% of the shares in which the capital of the latter is divided and in conformity with the established in No. 2 of Article 103 of Law 18,046 on Corporations, on August 31, 2014 the company INSTAPANEL S.A. was legally dissolved, as 100% of its shares were owned by CINTAC S.A.I.C.

Business combinations

The Board of Directors of CAP S.A. at its meeting held on February 9, 2010 agreed to the following:

i) To approve a transaction by accepting the offer of M.C. Inversiones Limitada ("MCI") to become a shareholder of Compañía Minera del Pacífico S.A. (CMP) by means, in the first place, of the merger by absorption of Compañía Minera Huasco S.A. (CMH) in which it is currently the holder of 50% of the ownership interest, and in exchange receiving 15.9 % of the issued capital of CMP, and subsequently, subscribing and paying in cash US$401,000,000 of a capital increase in CMP, as a result MCI would increase its direct ownership interest in CMP to 25%.

ii) This transaction assumes the total economic value of the equity of CMH is US$1,046,000,000 and that the entire equity of CMP has an economic value of US$2,771,000,000. In all, considering the contribution of 50% ownership interest of CMH for US$ 523,000,000, plus the capital increase of US$ 401,000,000, MCI's offer is for US$924,000,000 for the 25% ownership interest in CMP.

iii) The transaction is subject to the signing of a shareholder agreement and a marc contract establishing that, subject to the ratification referred to in iv) below, the merger will be effective once the transaction is approved by the Chinese free-competition authorities, among other conditions precedent.

iv) Call for an extraordinary shareholders meeting for March 10, 2010 to ratify this transaction.

v) Appoint Celfin Capital Servicios Financieros S.A., solely for compliance with number 5 of article 147 of Law 18,046, as independent valuator to report on the conditions of the transaction, its effects and its potential impact for the Company and the conclusions of the case. The report of the independent valuator will be made available to shareholders at the corporate offices and on the Company's web site on the next business day following its receipt.

vi) Similarly and at the same time, shareholders will be provided with the report of the chief executive officer that the board took into consideration for adopting its resolution for approving the transaction, which includes the valuation made by the JP Morgan Investment Bank and refers to the fairness opinion prepared by that bank with respect to the transaction.

On March 10, 2010, was held the Extraordinary Shareholders Meeting of CAP S.A., which with the consenting vote of 80.85% of the shares issued with voting rights, agreed to ratify the resolution adopted by the Company's Board of Directors.

On April 9, 2010, the Board of Directors of the subsidiary CMPagreed to call for an extraordinary shareholders meeting for April 27, 2010 in order to discussed and approve the following:

a. The merger by absorption or incorporation of CMH into the subsidiary CMP. The subsidiary CMP would absorb CMH, acquiring all its assets and liabilities, and replacing it in all its rights and obligations in accordance with Chapter IX, article 99 of Law 18,046. The merger would be effective from April 30, 2010 or at the date the meeting may decide.

   As a result of the merger, all the equity and shareholders of CMH would be incorporated into the subsidiary CMP, and CMH would be dissolved without the need for its liquidation. With respect to the termination of business of CMH, and as established in article 69 of the tax code, it will not be necessary to give notice provided the subsidiary CMP is fully liable, in the merger deed, for all the taxes due by CMH. Nevertheless, CMH should prepare a termination of business balance sheet at the date of its extinction and/or termination and the subsidiary CMP should pay the income taxes determined, within the two months following the termination of its activities and the other taxes within the legal terms, notwithstanding its liability for other taxes that may be due.

   The approval of the merger by the meeting would grant dissident shareholders the right to withdraw from the subsidiary CMP against the payment by it of the value of the shares at the date of the meeting. Dissident shareholders may only exercise their right to withdraw within 30 days of the date of the meeting and only for all the shares held registered in the shareholders register of CMP at the beginning of the meeting. A dissident shareholder is that which at the meeting opposes the merger agreement adopted by it or, not having attended the meeting, shows their dissidence in writing to CMP within the stated term. The payment of the share price to the dissident shareholders should be made within the 60 days following the date of the meeting approving the merger.

b. Discuss and approve the following information that would serve as the basis for the above merger:

   i. Expert report on the merger by absorption of CMH by CMP, prepared by Jorge Quiroz C. Consultores Asociados S.A.

   ii. Balance sheet of CMP as of February 28, 2010 audited by Deloitte, and balance sheet of CMH as of February 28, 2010 audited by Deloitte

c. Discuss and approve the share exchange ratio of 0.6331047619 shares approximately of the subsidiary CMP for each share of CMH, held by shareholders other than CMP.

d. Increase the issued capital to comply with and carry out this merger, in an amount equivalent to the subscribed and paid capital of CMH on the effective date of the merger, deducting the amount corresponding to the ownership interest percentage of CMP in CMH on that date, through the issuance of 664,760 new ordinary, nominal, single series and no par value shares, to be paid in full to the shareholders of CMH, except for CMP, in the proportion corresponding to share exchange ratio referred to in the preceding paragraph.

e. Adopt all the agreements necessary for carrying out the above merger, as well as the powers believed convenient for legalizing, materializing and carrying out the merger agreed by the shareholders, especially those that permit the transfer of all the assets and liabilities of the Company absorbed.

f. Increase the issued capital, prior to the capitalization of the retained earnings of the merged Company, by US$401,003,152 through the issuance of 508,954 ordinary, nominal, single series and no par value shares, which should be subscribed for a minimum value of US$787.8966 approximately each within a maximum three-year term from the date of the meeting.

g. Adopt all the agreements necessary for carrying out the capital increase, as well as the powers believed convenient for legalizing, materializing and carrying out the capital increase agreed by the shareholders.

h. To amend the by-laws and prepare an integrated text.

14. Investments accounted for using equity method

Equity method

As of December 31, 2015 and 2014: the associates and joint ventures accounted for using the equity method and their movements are detailed as follows:

As of December 31, 2015

Number of shares ThUS$	Participation 12.31.2015 %	Balance as of 01.01.2014 ThUS$	Additions ThUS$	Write downs ThUS$	Participation in earnings / (loss) ThUS$	Earnings Reserves Adjustment ThUS$	Dividends ThUS$	Equity reserve ThUS$	Total 12.31.2015 ThUS$
212,766	17.54	-	-	-	-	-	-	-	-
-	-	7,838	-	(7,838)	(686)	-	-	-	-
-	0.49	20	-	-	-	-	-	-	20
768,055	17.50	-	400	-	(385)	-	-		15
		7,858	**400**	**(7,838)**	**(1,071)**	**-**	**-**	**-**	**35**

As of December 31, 2014

Number of shares ThUS$	Participation 12.31.2014 %	Balance as of 01.01.2014 ThUS$	Additions ThUS$	Write downs ThUS$	Participation in earnings / (loss) ThUS$	Reversal of dividends ThUS$	Reversal of dividends ThUS$	Equity reserve ThUS$	Total 12.31.2014 ThUS$
212,766	17.54	-	-	-	(5)	-	-	-	-
3,877,633	50	11,163	-	-	(2,032)	221	221	(1,514)	7,838
-	0.49	20	-	-	-	-	-	-	20
		11,183	**-**	**-**	**(2,037)**	**221**	**221**	**(1,514)**	**7,858**

(1) On February 4, 2010, the subsidiary CMP acquired 212,766 shares in Minera Hierro Antofagasta S.A. for ThUS$5,000, equivalent to 17.54% of its issued capital, through the payment of a capital increase by that Company. As a result of this investment, the subsidiary CMP recognized goodwill of ThUS$4,125.

On May 3, 2011 the subsidiary CMP, announced its decision not to proceed with the mine exploration stages of that Company, being released from increasing its capital.

(2) During the first half of 2015, CAP S.A. ended its participation in Armacero Comercial e industrial

Financial information about the investments in associates and joint venture

	12.31.2015					
Company	**Current assets** ThUS$	**Non-current assets** ThUS$	**Current liabilities** ThUS$	**Non-current liabilities** ThUS$	**Ordinary revenues** ThUS$	**Profit (Loss)** ThUS$
Inmobiliaria y Constructora San Vicente Ltda.	1,404	2,834	464	-	236	349
Minera Hierro Antofagasta S.A.	397	1,526	2,069	-	-	(5)
Total	**1,801**	**4,360**	**2,533**	**-**	**236**	**344**

	12.31.2014					
Company	**Current assets** ThUS$	**Non-current assets** ThUS$	**Current liabilities** ThUS$	**Non-current liabilities** ThUS$	**Ordinary revenues** ThUS$	**Profit (Loss)** ThUS$
Inmobiliaria y Constructora San Vicente Ltda.	1,404	2,834	464	-	236	349
Minera Hierro Antofagasta S.A.	452	1,757	2,371	-	-	(28)
Armacero Industrial y Comercial S.A.	15,865	17,699	7,681	10,328	37,491	(4,063)
Total	**17,721**	**22,290**	**10,516**	**10,328**	**37,727**	**(3,742)**

15. Intangible assets

15.1 The detail of intangible assets is as follows:

					12.31.2015		
Classification	**Intangible assets**	**Proprietary**	**Useful life**	**Finalization or Total consumption assets**	**Gross value** ThUS$	**Accumulated amortization/ impairment of value** ThUS$	**Net value** ThUS$
Other Intengible Assets	Water rights	CMP S.A.	16	12-2030	2,681	(225)	2,456
Mining Rights	Mining property	CMP S.A.	28	12-2042	957,265	(215,651)	741,614
Computer programs	Softwares	CAP S.A.	14	01-02-2021	416	(19)	397
Computer programs	Software licenses	CSH S.A.	4	06-2019	909	(539)	370
Other Intengible Assets	Easements	CMP S.A.	16	12-2030	1,041	(341)	700
Other Intengible Assets	Others	PLL S.A.	3	06-2018	428	-	428
Other Intengible Assets	Others	Cintac SAIC	-	12-2014	59	-	59
	Total				962,799	(216,775)	746,024

					12.31.2014		
Classification	**Intangible assets**	**Proprietary**	**Useful life**	**Finalization or Total consumption assets**	**Gross value** ThUS$	**Accumulated amortization/ impairment of value** ThUS$	**Net value** ThUS$
Other Intengible Assets	Water rights	CMP S.A.	16	12-2030	2,681	(188)	2,493
Mining Rights	Mining property	CMP S.A.	28	12-2042	957,255	(187,428)	769,827
Computer programs	Software licenses	CSH S.A.	4	06-2019	909	(276)	633
Other Intengible Assets	Easements	CMP S.A.	16	12-2030	1,041	(293)	748
Other Intengible Assets	Others	PLL S.A.	3	06-2018	428	-	428
Other Intengible Assets	Others	Cintac SAIC	-	12-2014	59	-	59
	Total				962,373	(188,185)	774,188

15.2 Movements of identifiable intangible assets during 2015 and 2014, were as follows:

As of December 31, 2015

	Water rights ThUS$	**Software, net ThUS$**	**Software licenses, net ThUS$**	**Easements ThUS$**	**Others ThUS$**	**Mining Property ThUS$**	**Total ThUS$**
Beginning balance as of January 1, 2	2,493	-	633	748	487	769,827	774,188
Additions	-	461	-	-	-	-	461
Amortization expense	(37)	(64)	(263)	(48)	-	(28,213)	(28,625)
Total movement	(37)	397	(263)	(48)	-	(28,213)	(28,164)
Ending balance as of 12.31.2015	**2,456**	**397**	**370**	**700**	**487**	**741,614**	**746,024**

As of December 31, 2014

	Water rights ThUS$	**Software, net ThUS$**	**Software licenses, net ThUS$**	**Easements ThUS$**	**Others ThUS$**	**Mining Property ThUS$**	**Total ThUS$**
Beginning balance as of January 1, 2	2,530	-	346	796	487	809,107	813,266
Additions	-	-	532	-	-	-	532
Amortization expense	(37)	-	(245)	(48)	-	(39,280)	(39,610)
Total movement	(37)	-	287	(48)	-	(39,280)	(39,078)
Ending balance as of 12.31.2014	**2,493**	**-**	**633**	**748**	**487**	**769,827**	**774,188**

15.3 Additional information about movements of intangible assets is provided below:

Current period

Disclose detail information	Licenses and franchises, no internally generated			Licenses and franchises		
	Carrying amount in gross terms	Accumulated Depreciation, amortization and impairment	Carrying amount	Carrying amount in gross terms	Accumulated Depreciation, amortization and impairment	Carrying amount
Reconciliation of changes in intangible assets other than goodwill						
Intangible assets other than goodwill	909	276	633	909	276	633
Changes in intangible assets other than goodwill						
Increase through transfers and other changes, intangible assets other than goodwill.	461	-	461	461	-	461
Amortization, intangible assets other than goodwill	-	(327)	327	-	(327)	327
Increase (decrease) in intangible assets other than goodwill	461	327	134	461	327	134
Intangible assets other than goodwill	**1,370**	**603**	**767**	**1,370**	**603**	**767**

Previous period

Disclose detail information	Licenses and franchises, no internally generated			Licenses and franchises		
	Carrying amount in gross terms	Accumulated Depreciation, amortization and impairment	Carrying amount	Carrying amount in gross terms	Accumulated Depreciation, amortization and impairment	Carrying amount
Reconciliation of changes in intangible assets other than goodwill						
Intangible assets other than goodwill	377	31	346	377	31	346
Changes in intangible assets other than goodwill						
Amortization, intangible assets other than goodwill	-	(245)	245	-	(245)	245
Increase (decrease) through transfers and other changes, intangible assets other than goodwill.						
Increase (decrease) through transfers, intangible assets other than goodwill.	532	-	532	532	-	532
Increase (decrease) through transfers and other changes, intangible assets other than	532	-	532	532	-	532
Increase (decrease) in intangible assets other than goodwill	532	245	287	532	245	287
Intangible assets other than goodwill	**909**	**276**	**633**	**909**	**276**	**633**

Current period

Disclose detail information	Intellectual Property, Patents			Intellectual property, patents and other		
	Carrying amount in gross terms	Accumulated depreciation, amortization and	Carrying amount	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount
Reconciliation of changes in intangible assets other than goodwill						
Intangible assets other than goodwill	2,681	188	2,493	2,681	188	2,493
Changes in intangible assets other than goodwill						
Amortization, intangible assets other than goodwill.	0	(37)	37	-	(37)	37
Increase (decrease) in intangible assets other than goodwill	-	37	(37)	-	37	(37)
Intangible assets other than goodwill	**2,681**	**225**	**2,456**	**2,681**	**225**	**2,456**

Previous period

Disclose detail information	Intellectual Property, Patents			Intellectual property, patents and other		
	Carrying amount in gross terms	Accumulated depreciation, amortization and	Carrying amount	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount
Reconciliation of changes in intangible assets other than goodwill						
Intangible assets other than goodwill	2,681	151	2,530	2,681	151	2,530
Changes in intangible assets other than goodwill						
Amortization, intangible assets other than goodwill.	0	(37)	37	-	(37)	37
Increase (decrease) through transfers and other changes, intangible assets other than goodwill						
Increase (decrease) in intangible assets other than goodwill	-	37	(37)	-	37	(37)
Intangible assets other than goodwill	**2,681**	**188**	**2,493**	**2,681**	**188**	**2,493**

Current period

Disclose detail information	Other intangible assets no internally generated			Other intangible assets			Intangible assets other than goodwill		
	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount
Reconciliation of changes in intangible assets other than goodwill									
Intangible assets other than goodwill	958,783	187,721	771,062	958,783	187,721	771,062	962,373	188,185	774,188
Changes in intangible assets other than goodwill									
Amortization, intangible assets other than goodwill	-	(28,261)	28,261	-	(28,261)	28,261	-	(28,261)	(20,867)
Increase (decrease) in intangible assets other than goodwill	-	28,261	(28,261)	-	28,261	(28,261)	461	28,261	22,705
Intangible assets other than goodwill	**958,783**	**215,982**	**742,801**	**958,783**	**215,982**	**742,801**	**962,834**	**216,810**	**746,024**

Previous period

Disclose detail information	Other intangible assets no internally generated			Other intangible assets			Intangible assets other than goodwill		
	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount
Reconciliation of changes in intangible assets other than goodwill									
Intangible assets other than goodwill	958,783	143,393	810,390	958,783	148,393	810,390	961,841	148,575	813,266
Changes in intangible assets other than goodwill									
Amortization, intangible assets other than goodwill	-	(39,328)	39,328	-	(39,328)	39,328	-	(39,610)	39,610
Increase (decrease) through transfers, intangible assets other than goodwill.	-	-	-	-	-	-	532	-	532
Increase (decrease) through transfers and other changes, intangible assets other than goodwill.	-	-	-	-	-	-	532	-	532
Increase (decrease) in intangible assets other than goodwill	-	39,238	(39,238)	-	39,328	(39,328)	532	39,610	(39,610)
Intangible assets other than goodwill	**958,783**	**187,721**	**771,062**	**958,783**	**187,721**	**771,062**	**962,373**	**188,185**	**774,188**

Additional information

- In the subsidiary CMP, during 2010 there was an addition of ThUS$957,255 relates to the inclusion of the mining properties that owned to Compañía Minera Huasco S.A. and which, as discussed in Note 13, were acquired by Compañía Minera del Pacifico S.A. following its merger with Compañía Minera Huasco S.A. The values were obtained from the report that determined the fair value of Compañía Minera Huasco S.A. as of April 30, 2010, prepared by Jorge Quiroz C. Consultores Asociados S.A. This mining property is amortized over the extraction of its reserves.
- The monthly amortization of the mining properties is in proportion of monthly feeding of ore to the plant. It is estimated that the reserves will last until 2042 under the current Company's estimates.
- The amortization of water rights and easement is made on a monthly basis, in equals quotas calculated based on the useful life of the main asset that is supplied. In this case, the useful life of the asset is until 2030.
- Other intangible assets are mainly offshore concessions of the subsidiary Puerto las Losas S.A. (PLL).

The Company does not have intangible assets whose title is restricted and/or pledged as security for liabilities. It also does not have commitments to acquire new intangible assets. As of December 31, 2015 and 2014 there are no fully amortized intangible assets still in use.

16. Property, plant and equipment

16.1 Classes of property, plant and equipment

Property, plant and equipment by class as of December 31, 2015 and 2014, net and gross values, are as follows:

	12.31.2015 ThUS$	12.31.2014 ThUS$
Work in progress	188,883	1,376,835
Land	341,670	344,957
Buildings and infrastructure	606,618	641,269
Plant, machinery & equipment	2,053,657	1,038,104
Furniture & office machinery	1,217	1,186
Information Technology Equipment	179	205
Mining reserves	299,573	196,522
Vehicles	2,913	2,894
Other property, plant & equipment	93,596	89,734
Total property, plant & equipment	3,588,306	3,691,706

	12.31.2015 ThUS$	12.31.2014 ThUS$
Work in progress	188,883	1,376,835
Land	341,672	344,957
Buildings and infrastructure	1,068,150	1,061,215
Plant, machinery & equipment	3,631,245	2,505,243
Furniture & office machinery	6,057	6,238
Information Technology Equipment	1,259	1,192
Mining reserves	595,615	483,618
Vehicles	9,881	9,986
Other property, plant & equipment	227,018	199,949
Total property, plant & equipment	6,069,780	5,989,233

The accumulated depreciation of property, plant and equipment is as follows:

Accumulated depreciation	12.31.2015 ThUS$	12.31.2014 ThUS$
Work in progress	(461,532)	(419,946)
Plant, machinery & equipment	(1,577,586)	(1,467,139)
Furniture & office machinery	(4,840)	(5,052)
Information Technology Equipment	(1,083)	(987)
Mining reserves	(296,042)	(287,096)
Vehicles	(6,968)	(7,092)
Other property, plant & equipment	(133,423)	(110,215)
Total accumulated depreciation	(2,481,474)	(2,297,527)

Restrictions on fixed assets granted in guarantee

Cleanairtech Sudamérica S.A

On April 18, 2012 signed a loan agreement with Crédit Agricole CIB, Corpbanca and Mizuho Corporate Bank, Ltd., for the project financing of the first phase of the seawater desalination plant, being developed by the Company. Together with the first disbursement of the loan from these banks, all the assets of the phase I of Cleanairtech Sudamérica S.A. were committed in guarantee.

On September 10, 2013 the Company signed another credit agreement with Crédit Agricole CIB (agent bank) and Mizuho Corporate Bank Ltd., Banco Itaú Chile and Banco de Crédito e Inversiones S.A., Miami branch, to finance phase 2 of the seawater desalination project under the Project Finance method. As well as in phase 1 with the first disbursement of the banks under the aforementioned credit agreement, all the assets of phase 2 of Cleanairtech Sudamérica S.A. were committed in guarantee.

As of December 31, 2015 and 2014, the fixed assets committed amount to ThUS$335,963 and ThUS$ 350,106, respectively. (Note 33)

Other restrictions on fixed assets.

Tecnocap S.A.

On June 26, 2014, the subsidiary Tecnocap S.A. signed a credit agreement with Banco Itaú for ThUS$43,000. This contract stipulates the obligation for Tecnocap S.A. to not sell, transfer, assign, lease or dispose of in any other way assets, land, equipment, machinery, permits, rights, concessions and, in general, any and all essential elements for the normal operation of the Project, except for its ordinary lines of business. At December 31, 2015, the fixed assets subject to this restriction, amount to ThUS$ 53,830. (Note 33).

Tubos Argentinos S.A.

The indirect subsidiary Tubos Argentinos S.A. has constituted a first grade collateral mortgage to Banco de la Provincia de Buenos Aires on the plant located on the premises in El talar, Province of Buenos Aires, for the loan received as part of the Bicentenary Production Financing Program. (Note 33)

Property, plant and equipment fully depreciated still in use

As of December 31, 2015, there were no significant items of property, plant and equipment fully depreciated that are still in use.

16.2 Movement:

Movements in property, plant and equipment, were as follows:

As of December 31, 2015

Property, plant & equipment, net	Work in progress ThUS$	Land ThUS$	Buildings and infrastructure ThUS$	Plant, machinery & equipment ThUS$	Furniture & office machinery ThUS$	Information technology equipment ThUS$	Vehicles ThUS$	Mining Reserves ThUS$	Others ThUS$	Total ThUS$
Beginning balance as of January 1, 2015	1,376,835	344,957	641,269	1,038,104	1,186	205	2,894	196,522	89,734	3,691,706
Additions	19,445	168	10,934	58,416	5	69	34	-	7,261	96,332
Reclassifications fixed assets	(1,148,850)	-	-	1,045,799	-	-	-	103,051	-	-
Reclassifications	-	-	-	5,387	-	-	-	-	-	5,387
Retirements & Disposals	(56,973)	-	19,849	12,117	-	-	612	19,080	5,315	-
Write off work in progress	(1,574)	(2,928)	(14,249)	(476)	(60)	-	(16)	-	(153)	(19,456)
Depreciation	-	-	(46,663)	(89,289)	(51)	(95)	(611)	(19,080)	(14,206)	(169,995)
Decrease by transfer to investment property	-	(527)	-	-	-	-	-	-	-	(527)
Other increases (decreases)	-	-	(4,522)	(16,401)	137	-	-	-	5,645	(15,141)
Ending balance as of December 31, 2015	**188,883**	**341,670**	**606,618**	**2,053,657**	**1,217**	**179**	**2,913**	**299,573**	**93,596**	**3,588,306**

As of December 31, 2014

Property, plant & equipment, net	Work in progress ThUS$	Land ThUS$	Buildings and infrastructure ThUS$	Plant, machinery & equipment ThUS$	Furniture & office machinery ThUS$	Information technology equipment ThUS$	Vehicles ThUS$	Mining Reserves ThUS$	Others ThUS$	Total ThUS$
Beginning balance as of January 1, 2014	1,430,538	347,636	388,540	1,001,695	918	54	3,783	182,978	72,836	3,428,978
Additions	323,007	-	40,478	21,090	344	196	790	20,126	14,019	420,050
Reclassifications fixed assets	-	-	-	4,893	-	-	-	-	-	4,893
Reclassifications	(378,109)	2,832	258,528	92,983	852	-	(355)	8,597	14,672	-
Retirements & Disposals	2,038	(177)	(1,584)	(3,290)	(3)	-	(96)	-	-	(3,112)
Write off work in progress	(639)	-	-	-	-	-	-	-	-	(639)
Depreciation	-	-	(35,495)	(84,599)	(911)	(45)	(1,178)	(15,179)	(10,947)	(148,354)
Decrease by transfer to investment property	-	(2,669)	(3,980)	-	-	-	-	-	-	(6,649)
Decrease by transfer to assets held for sale	-	(2,665)	(5,176)	-	-	-	-	-	-	(7,841)
Other increases (decreases)	-	-	(42)	5,332	(14)	-	(50)	-	(846)	4,380
Ending balance as of December 31, 2014	**1,376,835**	**344,957**	**641,269**	**1,038,104**	**1,186**	**205**	**2,894**	**196,522**	**89,734**	**3,691,706**

16.3 Additional information about movements of property, plant and equipment is provided below:

Current Period

Disclose detailed information on property, plant and equipment	Amount in books in gross terms	Amount in books	Amount in books in gross terms	Accumulated depreciation and amortization	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation and amortization	Accumulated Impairment	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment											
Property, plant and equipment at beginning of period	344,957	344,957	1,061,215	419,946	419,946	641,269	1,406,172	419,946	-	419,946	986,226
Changes in property, plant and equipment											
Increases other than those from business combinations, property, plant and equipment	168	168	10,934	-	-	10,934	11,102	-	-	-	11,102
Depreciation, property, plant and equipment	-	-	-	(46,663)	(46,663)	46,663	-	(46,663)	-	(46,663)	46,663
Increases (decreases) of revaluations, property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) through transfers and other changes, property, plant and equipment											
Increase (decrease) through transfers and property, plant and equipment	(527)	(527)	19,849	-	-	19,849	19,322	-	-	-	19,322
Increase (decrease) through transfers from (to) investment property, property, plant and equipment	(527)	(527)	-			-	(527)	-	-	-	(527)
Increases (decreases) through transfers from work in progress, property, plant and equipment	-	-	19,849	-	-	19,849	19,849	-	-	-	19,849
Increases (decreases) due to other changes, property, plant and equipment	-	-	(4,522)	-	-	(4,522)	(4,522)	-	-	-	(4,522)
Increase (decrease) through transfers and other changes, property, plant and equipment	(527)	(527)	15,237	-	-	15,237	14,800	-	-	-	14,800
Dispositions and service withdrawals, property, plant and equipment											
Withdrawals, property, plant and equipment	2,928	2,928	14,249	-	-	14,249	17,177	-	-	-	17,177
Dispositions and service withdrawals, property, plant and equipment	2,928	2,928	14,249	-	-	14,249	17,177	-	-	-	17,177
Increase (decrease) in property, plant and equipment	(3,287)	(3,287)	12,012	46,663	46,663	(34,651)	8,725	46,663	-	46,663	(37,938)
Property, plant and equipment at end of period	341,670	341,670	1,073,227	466,609	466,609	606,618	1,414,897	466,609	-	466,609	948,288

Prior Period

Prior period

Disclose detailed information on property, plant and equipment	Land		Buildings				Land and buildings				
	Amount in books in gross terms	Amount in books	Amount in books in gross terms	Accumulated depreciation and amortization	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation and amortization	Accumulated Impairment	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment											
Property, plant and equipment at beginning of period	347,636	347,636	784,027	395,487	395,487	388,540	1,131,663	395,487	-	395,487	736,176
Changes in property, plant and equipment											
Increases other than those from business combinations, property, plant and equipment	-	-	40,478	-	-	40,478	40,478	-	-	-	40,478
Depreciation, property, plant and equipment	-	-	-	(35,495)	(35,495)	35,495	-	(35,495)	-	(35,495)	35,495
Increase (decrease) through transfers and other changes, property, plant and equipment											
Increase (decrease) through transfers and property, plant and equipment	163	163	254,548	-	-	254,548	254,711	-	-	-	254,711
Increase (decrease) through transfers from (to) investment property, property, plant and equipment	(2,669)	(2,669)	(3,980)	-	-	(3,980)	(6,649)	-	-	-	(6,649)
Increases (decreases) through transfers from (to) investment, property, plant and equipment	2,832	2,832	258,528	-	-	258,528	261,360	-	-	-	261,360
Increases (decreases) due to other changes, property, plant and equipment	-	-	(42)	-	-	(42)	(42)	-	-	-	(42)
Increase (decrease) through transfers and other changes, property, plant and equipment	163	163	254,506	-	-	254,506	254,669	-	-	-	254,669
Dispositions and service withdrawals, property, plant and equipment											
Withdrawals, property, plant and equipment	177	177	1,584	-		1,584	1,761	-	-	-	1,761
Dispositions and service withdrawals, property, plant and equipment	177	177	1,584	-	-	1,584	1,761	-	-	-	1,761
Decreased by loss of control of a subsidiary, property, plant and equipment	2,665	2,665	5,176	-	-	5,176	7,841	-	-	-	7,841
Increase (decrease) in property, plant and equipment	(2,769)	(2,769)	288,224	35,495	35,495	252,729	285,545	35,495	-	35,495	250,050
Property, plant and equipment at end of period	344,957	344,957	1,072,251	430,982	430,982	641,269	1,417,208	430,982	-	430,982	986,226

Disclose detailed information on property, plant and equipment

	Amount in books in gross terms	Accumulated Depreciation and Amortization	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment				
Property, plant and equipment at beginning of period	2,505,243	1,467,139	1,467,139	1,038,104
Changes in property, plant and equipment				
Increases other than those from business combinations, property, plant and equipment	58,416	-	-	58,416
Depreciation, property, plant and equipment	-	(89,289)	(89,289)	89,289
Increase (decrease) through transfers and other changes, property, plant and equipment				
Increase (decrease) through transfers and property, plant and equipment	1,063,303	-	-	1,063,303
Increase (decrease) through transfers from construction in progress, property, plant and equipment	1,063,303	-	-	1,063,303
Increases (decreases) due to other changes, property, plant and equipment	(16,401)	-	-	(16,401)
Increase (decrease) through transfers and other changes, property, plant and equipment	1,046,902	-	-	
Dispositions and service withdrawals, property, plant and equipment				
Withdrawals, property, plant and equipment	476	-	-	476
Dispositions and service withdrawals, property, plant and equipment	476	-	-	476
Increase (decrease) in property, plant and equipment	1,104,842	89,289	89,289	1,015,553
Property, plant and equipment at end of period	3,610,085	1,556,428	1,556,428	2,053,657

Previous period

Disclose detailed information on property, plant and equipment	Machinery Plant and Equipment			
	Amount in books in gross terms	Accumulated Depreciation and Amortization	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment				
Property, plant and equipment at beginning of period	2,375,800	1,374,105	1,374,105	1,001,695
Changes in property, plant and equipment				
Increases other than those from business combinations, property, plant and equipment	21,090	-	-	21,090
Depreciation, property, plant and equipment	-	(84,599)	(84,599)	84,599
Increase (decrease) through transfers and other changes, property, plant and equipment				
Increase (decrease) through transfers and property, plant and equipment	97,876	-	-	97,876
Increase (decrease) through transfers from construction in progress, property, plant and equipment	97,876	-	-	97,876
Increases (decreases) due to other changes, property, plant and equipment	5,332	-	-	5,322
Increase (decrease) through transfers and other changes, property, plant and equipment	103,208	-	-	103,208
Dispositions and service withdrawals, property, plant and equipment				
Withdrawals, property, plant and equipment	3,290	-	-	3,290
Dispositions and service withdrawals, property, plant and equipment	3,290	-	-	3,290
Increase (decrease) in property, plant and equipment	121,008	84,599	84,599	36,409
Property, plant and equipment at end of period	2,496,808	1,458,704	1,458,704	1,038,104

Current Period

Disclose detailed information on property, plant and equipment	Office equipment			
	Amount in books in gross terms	Accumulated depreciation and amortization	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment				
Property, plant and equipment at beginning of period	6,238	5,052	5,052	1,186
Changes in property, plant and equipment				
Increases other than those from business combinations, property, plant and equipment	5	-	-	5
Depreciation, property, plant and equipment	-	(51)	(51)	51
Increase (decrease) through transfers and other changes, property, plant and equipment				
Increase (decrease) through transfers and property, plant and equipment	-	-	-	-
Increases (decreases) due to other changes, property, plant and equipment	137	-	-	137
Increase (decrease) through transfers and other changes, property, plant and equipment	137	-	-	137
Dispositions and service withdrawals, property, plant and equipment				
Withdrawals, property, plant and equipment	60	-	-	60
Dispositions and service withdrawals, property, plant and equipment	60	-	-	60
Increase (decrease) in property, plant and equipment	82	51	51	31
Property, plant and equipment at end of period	6,320	5,103	5,103	1,217

Previous period

Disclose detailed information on property, plant and equipment	Office equipment			
	Amount in books in gross terms	Accumulated depreciation and amortization	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment				
Property, plant and equipment at beginning of period	5,492	4,574	4,574	918
Changes in property, plant and equipment				
Increases other than those from business combinations, property, plant and equipment	344	-	-	344
Depreciation, property, plant and equipment	-	(911)	(911)	911
Increase (decrease) through transfers and other changes, property, plant and equipment				
Increase (decrease) through transfers and property, plant and equipment	852	-	-	852
Increase (decrease) through transfers from construction in progress, property, plant and equipment	852	-	-	852
Increases (decreases) due to other changes, property, plant and equipment	(14)	-	-	(14)
Increase (decrease) through transfers and other changes, property, plant and equipment	838	-	-	838
Dispositions and service withdrawals, property, plant and equipment				
Dispositions, property, plant and equipment	3	-	-	3
Dispositions and service withdrawals, property, plant and equipment	3	-	-	3
Increase (decrease) in property, plant and equipment	1,179	911	911	268
Property, plant and equipment at end of period	6,671	5,485	5,485	1,186

Current Period

Disclose detailed information on property, plant and equipment	Computer equipment			
	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment				
Property, plant and equipment at beginning of period	1,192	987	987	205
Changes in property, plant and equipment				
Increases other than those from business combinations, property, plant and equipment	69	-	-	69
Depreciation, property, plant and equipment	-	(95)	(95)	95
Increase (decrease) through transfers and property, plant and equipment	69	95	95	(26)
Property, plant and equipment at end of period	1,261	1,082	1,082	179

Previous period

Disclose detailed information on property, plant and equipment	Computer equipment			
	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment	996	942	942	54
Property, plant and equipment at beginning of period	-			-
Changes in property, plant and equipment				
Incremento (disminución) por diferencias de cambio netas, propiedades, planta y equipo				-
Pérdidas por deterioro de valor reconocidas en otro resultado integral, propiedades, planta y equipo	196	-	-	196
Reversión de pérdidas por deterioro de valor reconocidas en otro resultado integral, propiedades, planta y equipo	-	(45)	(45)	45
Property, plant and equipment at end of period	1,192	987	987	205

Current Period

Disclose detailed information on property, plant and equipment	Vehicles			
	Amount in books in gross terms	Accumulated depreciation and amortization	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment				
Property, plant and equipment at beginning of period	9,986	7,092	7,092	2,894
Changes in property, plant and equipment				
Increases other than those from business combinations, property, plant and equipment	34	-	-	34
Depreciation, property, plant and equipment	-	(611)	(611)	611
Increase (decrease) through transfers and other changes, property, plant and equipment				
Increase (decrease) through transfers and property, plant and equipment	612	-	-	612
Increase (decrease) through transfers from construction in progress, property, plant and equipment	612	-	-	612
Increase (decrease) through transfers and other changes, property, plant and equipment	612	-	-	612
Dispositions and service withdrawals, property, plant and equipment				
Withdrawals, property, plant and equipment	16	-	-	16
Disminuciones por clasificar como mantenidos para la venta, propiedades, planta y equipo	16	-	-	16
Increase (decrease) in property, plant and equipment	630	611	611	19
Property, plant and equipment at end of period	10,616	7,703	7,703	2,913

Previous period

Disclose detailed information on property, plant and equipment	Vehicles			
	Amount in books in gross terms	Accumulated depreciation and amortization	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment				
Property, plant and equipment at beginning of period	8,991	5,208	5,208	3,783
Changes in property, plant and equipment				
Increases other than those from business combinations, property, plant and equipment	790	-	-	790
Depreciation, property, plant and equipment	-	(1,178)	(1,178)	1,178
Increase (decrease) through transfers and other changes, property, plant and equipment				
Increase (decrease) through transfers and property, plant and equipment	(355)	-	-	(355)
Increase (decrease) through transfers from construction in progress, property, plant and equipment	(355)	-	-	(355)
Increases (decreases) due to other changes, property, plant and equipment	(50)	-	-	(50)
Dispositions and service withdrawals, property, plant and equipment				
Dispositions, property, plant and equipment	96	-	-	96
Dispositions and service withdrawals, property, plant and equipment	96	-	-	96
Decreases classified as held for sale, property, plant and equipment	694	1,178	1,178	(484)
Property, plant and equipment at end of period	9,685	6,386	6,386	3,299

Current Period

Disclose detailed information on property, plant and equipment	Work in progress	
	Amount in books in gross terms	Amount in books
Reconciliation of changes in property, plant and equipment		
Property, plant and equipment at beginning of period	1,376,835	1,376,835
Changes in property, plant and equipment		
Increases other than those from business combinations, property, plant and equipment	19,445	19,445
Increase (decrease) through transfers and other changes, property, plant and equipment		
Increase (decrease) through transfers and property, plant and equipment	(1,205,823)	(1,205,823)
Increase (decrease) through transfers from construction in progress, property, plant and equipment	(1,205,823)	(1,205,823)
Increase (decrease) through transfers and other changes, property, plant and equipment	(1,205,823)	(1,205,823)
Withdrawals, property, plant and equipment	1,574	1,574
Dispositions and service withdrawals, property, plant and equipment	1,574	1,574
Increase (decrease) in property, plant and equipment	(1,187,952)	(1,187,952)
Property, plant and equipment at end of period	188,883	188,883

Previous period

Disclose detailed information on property, plant and equipment	Work in progress	
	Amount in books in gross terms	Amount in books
Reconciliation of changes in property, plant and equipment		
Property, plant and equipment at beginning of period	1,430,538	1,430,538
Changes in property, plant and equipment		
Increases other than those from business combinations, property, plant and equipment	323,007	323,007
Increase (decrease) through transfers and other changes, property, plant and equipment		
Increase (decrease) through transfers and property, plant and equipment	(378,109)	(378,109)
Increase (decrease) through transfers from construction in progress, property, plant and equipment	(378,109)	(378,109)
Increases (decreases) due to other changes, property, plant and equipment	1,399	1,399
Increase (decrease) in property, plant and equipment	323,007	323,007
Property, plant and equipment at end of period	1,753,545	1,753,545

Current Period

Disclose detailed information on property, plant and equipment	Mine development			
	Amount in books in gross terms	Accumulated depreciation and amortization	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment				
Property, plant and equipment at beginning of period	483,618	287,096	287,096	196,522
Changes in property, plant and equipment				
Depreciation, property, plant and equipment	-	(19,080)	(19,080)	19,080
Increase (decrease) through transfers and other changes, property, plant and equipment				
Increase (decrease) through transfers and property, plant and equipment	122,131	-	-	122,131
Increase (decrease) through transfers from construction in progress, property, plant and equipment	122,131	-	-	122,131
Increase (decrease) through transfers and other changes, property, plant and equipment	122,131	-	-	122,131
Dispositions and service withdrawals, property, plant and equipment				
Increase (decrease) in property, plant and equipment	122,131	19,080	19,080	103,051
Property, plant and equipment at end of period	605,749	306,176	306,176	299,573

Previous period

Disclose detailed information on property, plant and equipment	Mine development			
	Amount in books in gross terms	Accumulated depreciation and amortization	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment				
Property, plant and equipment at beginning of period	463,393	280,415	280,415	182,978
Changes in property, plant and equipment				
Increases other than those from business combinations, property, plant and equipment	20,126	-	-	20,126
Depreciation, property, plant and equipment	-	(15,179)	(15,179)	15,179
Increase (decrease) through transfers and other changes, property, plant and equipment				
Increase (decrease) through transfers and property, plant and equipment	8,597	-	-	8,597
Increase (decrease) through transfers from construction in progress, property, plant and equipment	8,597	-	-	8,597
Increase (decrease) in property, plant and equipment	20,126	15,179	15,179	4,947
Property, plant and equipment at end of period	483,519	295,594	295,594	187,925

Current Period

Disclose detailed information on property, plant and equipment	Other Properties Plant and Equipment			
	Amount in books in gross terms	Accumulated depreciation and amortization	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment				
Property, plant and equipment at beginning of period	199,949	110,215	110,215	89,734
Changes in property, plant and equipment				
Increases other than those from business combinations, property, plant and equipment	7,261	-	-	7,261
Depreciation, property, plant and equipment	-	(14,206)	(14,206)	14,206
Increase (decrease) through transfers and other changes, property, plant and equipment				
Increase (decrease) through transfers and property, plant and equipment	5,315	-	-	5,315
Increase (decrease) through transfers from construction in progress, property, plant and equipment	5,315	-	-	5,315
Increases (decreases) due to other changes, property, plant and equipment	5,645	-	-	5,645
Increase (decrease) through transfers and other changes, property, plant and equipment	10,960	-	-	10,960
Dispositions and service withdrawals, property, plant and equipment				
Withdrawals, property, plant and equipment	153	-	-	153
Dispositions and service withdrawals, property, plant and equipment	153	-	-	153
Increase (decrease) in property, plant and equipment	18,068	14,206	14,206	3,862
Property, plant and equipment at end of period	218,017	124,421	124,421	93,596

Previous period

Disclose detailed information on property, plant and equipment	Other Properties Plant and Equipment			
	Amount in books in gross terms	Accumulated depreciation and amortization	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment				
Property, plant and equipment at beginning of period	178,017	105,181	105,181	72,836
Changes in property, plant and equipment				
Increases other than those from business combinations, property, plant and equipment	14,019	-	-	14,019
Depreciation, property, plant and equipment	-	(10,947)	(10,947)	10,947
Increase (decrease) through transfers and other changes, property, plant and equipment				
Increase (decrease) through transfers and property, plant and equipment	14,672	-	-	14,672
Increase (decrease) through transfers from construction in progress, property, plant and equipment	14,672	-	-	14,672
Increases (decreases) due to other changes, property, plant and equipment	(846)	-	-	(846)
Increase (decrease) in property, plant and equipment	14,019	10,947	10,947	3,072
Property, plant and equipment at end of period	192,036	116,128	116,128	75,908

Current Period

Disclose detailed information on property, plant and equipment	Property, plant and equipment			
	Amount in books in gross terms	Accumulated depreciation and amortization	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment				
Property, plant and equipment at beginning of period	5,989,233	2,297,527	2,297,527	3,691,706
Changes in property, plant and equipment				
Increases other than those from business combinations, property, plant and equipment	96,332	-	-	96,332
Depreciation, property, plant and equipment	-	(169,995)	(169,995)	169,995
Increase (decrease) through transfers and other changes, property, plant and equipment				
Increase (decrease) through transfers and property, plant and equipment	4,860	-	-	4,860
Increase (decrease) through transfers from (to) investment property, property, plant and equipment	(527)	-	-	(527)
Increase (decrease) through transfers from construction in progress, property, plant and equipment	5,387	-	-	5,387
Increases (decreases) due to other changes, property, plant and equipment	(15,141)	-	-	(15,141)
Increase (decrease) through transfers and other changes, property, plant and equipment	(10,281)	-	-	(10,281)
Dispositions and service withdrawals, property, plant and equipment				
Withdrawals, property, plant and equipment	19,456	-	-	19,456
Dispositions and service withdrawals, property, plant and equipment	19,456	-	-	19,456
Increase (decrease) in property, plant and equipment	66,595	169,995	169,995	(103,400)
Property, plant and equipment at end of period	6,055,828	2,467,522	2,467,522	3,588,306

Current Period

Disclose detailed information on property, plant and equipment	Property, plant and equipment			
	Amount in books in gross terms	Accumulated depreciation and amortization	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment				
Property, plant and equipment at beginning of period	5,989,233	2,297,527	2,297,527	3,691,706
Changes in property, plant and equipment				
Increases other than those from business combinations, property, plant and equipment	96,332	-	-	96,332
Depreciation, property, plant and equipment	-	(169,995)	(169,995)	169,995
Increase (decrease) through transfers and other changes, property, plant and equipment				
Increase (decrease) through transfers and property, plant and equipment	4,860	-	-	4,860
Increase (decrease) through transfers from (to) investment property, property, plant and equipment	(527)	-	-	(527)
Increase (decrease) through transfers from construction in progress, property, plant and equipment	5,387	-	-	5,387
Increases (decreases) due to other changes, property, plant and equipment	(15,141)	-	-	(15,141)
Increase (decrease) through transfers and other changes, property, plant and equipment	(10,281)	-	-	(10,281)
Dispositions and service withdrawals, property, plant and equipment				
Withdrawals, property, plant and equipment	19,456	-	-	19,456
Dispositions and service withdrawals, property, plant and equipment	19,456	-	-	19,456
Increase (decrease) in property, plant and equipment	66,595	169,995	169,995	(103,400)

16.4 Write-off and impairment loss recognized in the period

As of December 31, 2015, the Company evaluated cash flows and discount rates updated according to the current business plan and determined that no additional impairment provisions are required.

16.5 Additional information

In Compañía Siderúrgica Huachipato S.A and Compañía Minera del Pacífico S.A., the fixed assets correspond mainly to land, constructions, infrastructure works, machinery and equipment in mines, pellet plant, ore shipping port, steel plant and wharf. They also include the industrial plants of the Cintac Group in Chile, and the industrial plants of Tupemesa in Lima, Peru, and Tasa in Argentina.

The Construction and infrastructure works also include assets corresponding to the Power Line of Tecnocap S.A. and the water desalination plant of Cleanairtech Sudamerica S.A.

- **Properties and buildings measured at fair value**

As part of the first-time adoption of IFRS process, the Group decided to measure certain assets at fair value as the deemed cost on the transition date of January 1, 2009. The fair value of land amounted to ThUS$305,572, determined by an external specialist from the industry in which the Group operates.

- **Inactive temporarily assets**

As of December 31, 2015 the subsidiary Compañía Siderúrgica Huachipato S.A. has the hot slab rolling line and one blast furnace temporarily stopped; however, it is considering to re-start operating them in the future in accordance with the Company's business plan. Therefore, they will still be depreciated in accordance with IAS 16.

In an Ordinary Meeting held on December 20, 2013 the Board of Directors was informed of these measures and approved the 2014 annual budget and five-year business plan.

The Company has taken precautions for their preservation so that it does not lose its production capacity.

- **Mine development**

The item “mine development” from the subsidiary Compañía Minera del Pacífico S.A. is mainly related to the movement of materials incurred before the mine exploitation phase. Its depreciation is calculated based on the proportion of monthly feeding of ore to the plants.

- **Borrowing costs capitalized during the year**

As is specified in note 3.1 (h), the subsidiaries Cleanairtech Sudamérica S.A. and Compañía Minera del Pacifico S.A. have included interest expense from financing of the "Desalination Plant" project and the mining projects, respectively, in the cost of Property, plant and equipment.

As of December 31, 2015 and 2014 the accumulated amounts that are part of the related assets are ThUS$ 3,861 and ThUS$ 15,374, respectively. The capitalized interest during 2015 and 2014 are ThUS$ 6,179 and ThUS$ 8,329 respectively.

- **Work in progress**

Work in progress as of December 31, 2015 and 2014 amounts to ThUS$ 188,883 and ThUS$ 1,376,835, respectively. These are directly related to the Company’s operating activities, including the acquisition of equipment and buildings.

The most important works in progress include the following:

1) In Compañía Minera del Pacífico S.A.,by ThUS$ 171,546 as of December 31, 2015, (ThUS$ 1,364,348 as of December 31, 2014) are associated directly with operational activities of the subsidiary, including acquisitions of equipment and constructions. The balance as of December 31, 2013 includes mainly work in progress corresponding to Cerro Negro Norte and Ampliación Valle del Huasco. In the first half of 2015 there was a decrease in the capitalization of Cerro Negro Norte Project for ThUS$ 1,148,850, which will be amortized from July 1, 2015 to year 2048.

2) In Compañía Siderúrgica Huachipato S.A., by ThUS$ 7,251 as of December 31, 2015 (ThUS$ 6,980 as of December 31, 2014), whose investments are for energy efficiency, the wharf and raw material management, roll grinder, road improvement, tree planting, access, green spaces, and other minor projects.

3) In Cintac S.A., the ThUS$ 5,721 as of December 31, 2015 (ThUS$ 5,120 as of December 31, 2014) are associated mainly with the Company's operational activities, acquisition of equipment and constructions.

4) In Intasa S.A. by ThU$ 4,365 as of December 31, 2015 (ThUS$ 248 as of December 31, 2014) mainly in the acquisition of equipment and buildings.

5) In CAP S.A. by ThUS$ 0 as of December 31, 2015 (ThUS$ 139 as of December 31, 2014.

In the first half of 2014 Cleanairtech Sudamérica S.A. started operating a desalination plant, which will supply desalinated water to the project of the subsidiary Compañía Minera del Pacifico S.A. (Cerro Negro Norte) and Compañía SCM Lumina Copper Chile. The estimated useful life of the plant is 20 years. In the second half of 2013 the power transmission line of the subsidiary Tecnocap S.A. started operating. The line will supply power to the projects of subsidiaries Compañía Minera del Pacífico S.A. (Cerro Negro Norte), Cleanairtech Sudamérica S.A. (sea water desalination plant) and Punta Totoralillo Port. The estimated useful life of the line is 20 years.

Policy for estimating decommissioning and restoration costs

Obligations arise for decommissioning and restoration expenses when the environment is affected by the site preparation and construction of a facility and/or by carrying out some works or activities. These costs are estimated at the start of the project based on a formal closure plan of works and are subject to periodic reviews.

The estimated costs arising from the obligation to dismantle a facility are updated to present value and incorporated in property, plant and equipment, with a provision being recognized as the corresponding entry. These decommissioning costs are charged to income over the term of the works together with the depreciation of the asset and are part of cost of sales, and the use of the respective provision is made at the time the decommissioning takes place.

Restoration costs are estimated at the start of the works at their present value and recognizing a provision against profits. The provision is used when the restoration works expenses are incurred.

The effects of updating the provisions, due to the effect of the discount rate or the passage of time, are recognized as a finance expense.

In estimating decommissioning and restoration costs an external specialist and internal experts is used, as well as the judgment and experience of the Company’s management.

At December 31, 2015 all the mine closure plans for work sites that are operating are approved by the Chilean National Mining and Geology Service in accordance with Law 20,551 of 2011 governing mine and mining facility closures. At December 31, 2015 the company increased its provision for decommissioning of fixed assets in ThUS$ 35,436, totaling ThUS$ 57,347, in accordance with that law.

- **Assets under finance leases**

Other property, plant and equipment and, Work in progress, include the following assets acquired under finance leases:

	12.31.2015		
	Gross Value ThUS$	**Depreciation ThUS$**	**Net Value ThUS$**
Land under financial leases	1,704	-	1,704
Buildings under financial leases	12,470	(2,467)	10,003
Machinery & equipment under financial leases	59	-	59
Plant & equipment under financial leases	159,641	(10,656)	148,985
Total	**173,874**	**(13,123)**	**160,751**

	12.31.2014		
	Gross Value ThUS$	**Depreciation ThUS$**	**Net Value ThUS$**
Land under financial leases	1,704	-	1,704
Buildings under financial leases	12,470	(2,174)	10,296
Machinery & equipment under financial leases	8,799	(1,187)	7,612
Plant & equipment under financial leases	163,601	(3,960)	159,641
Total	**186,574**	**(7,321)**	**179,253**

Land and buildings under finance lease include the amount of the corporate building acquired under a lease contract with purchase option with Banco Crédito e Inversiones. This contract has monthly maturities and ends in 2016. Machinery and equipment under net financial lease correspond to a Babcock & Wilcox furnace bought under this method from Precisión S.A. with monthly maturities of 28 installments plus a purchase option, the payment of installments of which started in February 2013.

Finance leases of machinery and equipment include computer equipment and industrial tools acquired under lease contracts with purchase options. The contracts are denominated in UF and their term varies between 1 and 3 years.

Finance leases of plant and equipment include various contracts for vehicles and mining equipment acquired by the subsidiary CMP. The average annual interest rate on these contracts is 3.67% and their maturities are up to 7 years.

The present value of future minimum lease payments under financial leases is as follows:

	12.31.2015			12.31.2014		
	Gross ThUS$	**Interest** ThUS$	**Present value** ThUS$	**Gross** ThUS$	**Interest** ThUS$	**Present value** ThUS$
Less than one year	30,496	(4,233)	26,263	35,496	(6,007)	29,489
Between one and five years	110,551	(7,422)	103,129	122,709	(11,108)	111,601
More than five years	-	-	-	20,123	(594)	19,529
Total	**141,047**	**(11,655)**	**129,392**	**178,328**	**(17,709)**	**160,619**

Payments of leases and subleases recognized as expenses.

Lease and sublease payments, including depreciation and interest on the leased assets, recognized as expenses at period-end, are presented below:

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
Contingent rents recognized as an expense, classified as finance leases	12,527	4,739
	12,527	4,739

Insurance

The Group has insurance policies covering the potential risks to which the various elements of property, plant and equipment are exposed, as well as possible claims that may be made in course of its business. Such insurance policies adequately cover those risks.

- **Depreciation expense**

The depreciation of assets is calculated on a straight-line basis over their corresponding useful lives.

The useful life has been determined based on the expected natural deterioration, technical or commercial obsolescence deriving from changes and/or improvements in production, and changes in market demand for the products obtained from the operation of these assets.

Respect to the item “mine development” from the subsidiary CMP, its depreciation is calculated based on the proportion of monthly feeding of ores to the plants. At December 31, 2015 and 2014 have been recorded in income (cost of sale) ThUS$ 13,080 and ThUS$ 15,179, respectively.

The estimated useful lives by classes of asset are as follows:

	Average minimum useful life years	Average maximum useful life years	Average weighted useful life years
Buildings and infrastructure	20	61	36
Plant, machinery and equipment	2	61	29
Computer equipment	1	5	3
Vehicles and others	3	6	4
Other property, plant and equipment	15	24	21

The residual value and useful lives of assets are revised and adjusted if necessary, at the closing date of the financial statements.

The charge to comprehensive income for depreciation of property, plant and equipment included in the cost of sales and administrative expenses is as follows:

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
In cost of sales	167,607	136,459
In administrative & selling expenses	2,288	1,331
Other expenses by function	90	368
Total	169,985	138,158

Depreciation recorded in statement of financial position (Assets)	Accumulated	
	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
Depreciation of projects (*)	10	10,196
Total	10	10,196

(*) This concept relates to depreciation from the start-up of certain equipment and machinery belonging to investment projects in a development stage as of the close of these financial statements.

17. Non-current assets or Disposal Groups of assets classified as held for sale.

On October 29, 2014, the Board of the subsidiary Cintac S.A. approved the tender for the sale of land and buildings located in Santa Marta, where Centroacero S.A. operated.

	12.31.2015			12.31.2014		
	ThUS$	UF	UF/M2	ThUS$	UF	UF/M2
Investments Property Class						
Lands	-	-	-	2,665	66,000	
Sheds and warehouses	-	-	-	5,176	126,000	
	-	-	-	7,841	192,000	2.6

As described in Note 3.1 j) the non-current assets and the groups held for sale have been recorded at the lower of the carrying amount or fair value less costs to sell.

On April 21, 2015 Cintac S.A.I.C., a subsidiary of Cintac S.A., entered into a purchase and sale commitment and mortgage with a third party for fixed assets held for sale stated in Note 17. Such commitment establishes that the price of the promised purchase and sale is UF 292,000 equivalent to Chilean pesos at the time of the actual payment, the payment of 5% at the date of the commitment and the balance at the date of signing the deed within 120 days, and that such fixed assets will be delivered as guarantee to the purchaser.

The deed for the purchase and sale and mortgage for the assets held for sale for UF 292,000 was signed on August 31, 2015. The amount is shown as paid at December 31, 2015.

Such sale involved net profits for ThUS$ 2,526 that at December 31, 2015 are shown net of other sales in the item "other profits (losses)" in the statement of comprehensive income.

18. Investments Property

The composition and movement of the investment property as of December 31, 2015 and 2014 are detailed below.

Property, plant & equipment

	12.31.2015 ThUS$	12.31.2014 ThUS$
Land	3,196	2,669
Buildings and infrastructure	3,498	3,980
Total Investment property	6,694	6,649

Investment properties, gross

	12.31.2015 ThUS$	12.31.2014 ThUS$
Land	3,196	2,669
Buildings and infrastructure	5,042	5,042
Total	8,238	7,711

Investment properties, gross Accumulated depreciation	12.31.2015 ThUS$	12.31.2014 ThUS$
Buildings and infrastructure	(1,544)	(1,062)
Total accumulated depreciation	(1,544)	(1,062)

The fair value of the investment properties was obtained through internal valuations. These valuations were determined based on market evidence of transaction prices for similar properties. The market value of these assets is estimated in ThUS$ 9,123.

The 2015 depreciation is ThUS$ 482 and is shown in the item cost of sales in the statement of comprehensive income.

19. Income tax and deferred taxes

19.1 Income tax recognized in profits for the year

Income tax recognized in profits during the periods ended December 31, 2015 and 2014 is as follows:

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	**01.01.2014 12.31.2014** ThUS$
Income tax income (expense)	4,205	(17,392)
Mining specific tax	(377)	(9,629)
Other Current tax income (expense)	(1,286)	8,291
Total Current tax income (expense), net	2,542	(18,730)
Deferred income taxes income (expense)		
Income (expense) due to deferred taxes related to the creation and reversal of temporary differences	2,803	13,654
Credit (charge) for deferred taxes for the temporary tax loss difference	8,697	52
Tax benefit for tax losses	7,789	2,079
Other charges	(427)	(9)
Income (expense) due to deferred taxes on temporary differences of fixed assets	(36,197)	(18,361)
Total income (expense) due to deferred taxes, net	(17,335)	(2,585)
Total income (expense) due to income tax	(14,793)	(21,315)

19.2 Reconciliation of accounting profit and tax profit

The following is the reconciliation of the legal tax rate current in Chile and the effective rate applicable to the Group:

Reconciliation accounting result and fiscal result

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	**01.01.2014 12.31.2014** ThUS$
Profit (loss) before taxes	26,856	106,023
Legal Tax rate	22.5%	21.0%
Tax (expense) income using the statutory rate	(6,043)	(22,264)
Tax effect of non-taxable revenue	1,035	1,246
Tax benefit of tax losses	7,789	2,911
Effect of taxes specific to mining	(377)	(9,629)
Effect of temporary differences of taxes specific to mining	1,301	1,246
Tax effect of nondeductible from tax expenses	(3,210)	(158)
Provision valuation	-	774
Difference previous year	-	7,832
Tax effect of change in tax rates	-	408
Other increase (decrease) in statutory tax charge	(15,288)	(3,681)
Total adjustment to tax expense using statutory rate	(8,750)	949
Tax (Expense) Income using the effective rate	(14,793)	(21,315)

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	**01.01.2014 12.31.2014** ThUS$
Legal tax rate	22.50%	21.00%
Effect of taxes specific mining	3.44%	7.90%
Provision de valuación	0.00%	(0.73%)
Tax Effect of change in tax rate	0.00%	(0.38%)
Other increase (decrease) in statutory tax charge	36.02%	(7.70%)
Total adjustments to tax statutory rate (%)	32.58%	(0.91%)
Effective tax rate (%)	55.08%	20.09%

The tax rate used for the reconciliation as of December 31, 2015 and 2014, corresponds to a corporate tax rate of 22.5% and 21%, respectively, that entities have to pay on taxable income under current tax regulations. The specific tax rate applicable to mining activities as of December 31, 2015 and 2014 was 5.00% and 5.00% respectively.

Chilean Tax Reform

On September 29, 2014, a tax reform law was published in the Official No. 20,780 "Tax Reform amending the system of income taxation and introducing various adjustments in the tax system" Law.

Among the main changes, the Act adds a new semi integrated tax system, which can be used as an alternative to integrated manner imputed rent regime. The Company may choose to change the tax system attributed rate of 25% by the Extraordinary Shareholders to be held during the last quarter of 2016, two months before the effective date of the tax return. In that case, the semi integrated system provides a gradual increase in the tax rate notch for commercial years 2014, 2015, 2016, 2017 and 2018 onwards, increasing it to 21%, 22.5%, 24%, 25.5% and 27% respectively.

The effects of applying these new rates to calculating first category tax generated a higher charge to profit and loss for current taxes of ThUS$408.

As specified in Note 3.3 i), for deferred tax the provisions of Official Circular N° 856 of the Superintendency of Securities and Insurance, which specify that any differences in assets and liabilities by reason of deferred taxes, caused as a direct effect of the increase in the first category tax rate, should be accounted for against equity in the respective year, were considered. As of December 31, 2014, the Company recorded a charge to retained earnings for ThU$83,360.

Regarding to the increase in the on mining specific tax rate by Law N° 20,469, which stipulates that Chilean companies, such as CMP, may benefit from a fixed tax system similar to that available on the D.L. 600 Foreign Investment Statutes, CMP decided not to choose the fixed tax system permitted by the law.

The indirect Argentinian (indirect) Tubos Argentinos S.A. has a rate of 35%.

19.3 Deferred taxes

The detail of deferred tax assets and liabilities as of December 31, 2015 and 2014 is as follows:

	12.31.2015 ThUS$	12.31.2014 ThUS$
Provision for doubtful accounts	1,010	1,291
Obsolescence provision	2,049	1,733
Vacations Provision	2,932	4,961
Provision seniority award	2,336	4,443
Lease payables	9,568	-
Post employment benefits	642	1,005
Property, plant & equipment	63	63
Impairment of property, plant & equipment	4,790	5,662
Disposal of fixed assets	12,675	13,189
Tax losses	33,868	25,171
Hedge instruments	3,470	4,286
Others	25,370	30,039
Total deferred tax assets	98,773	91,843

	12.31.2015 ThUS$	12.31.2014 ThUS$
Property, plant & equipment	307,840	273,021
Compensation for years of service	2,646	3,172
Prepaid expenses	5,354	8,809
Inventories	4,005	3,730
Deferred charges, bonds and swaps	1,837	2,003
Intangible assets (**)	237,010	244,778
Others	2,120	377
Total deferred tax liabilities	560,812	535,890
Net Value	(462,039)	(444,047)

(**) Liabilities generated as a result of CMP's merger with CMH during 2010.

Deferred taxes are shown in the statement of financial position as follows:

Detail:	12.31.2015 ThUS$	12.31.2014 ThUS$
Assets Not Current	24,926	19,036
Liabilities Not Current	(486,965)	(463,083)
Net	(462,039)	(444,047)

19.4 Balances of deferred taxes

Deferred tax assets/ (liabilities) are derive from the following movements:

	12.31.2015 ThUS$	12.31.2014 ThUS$
Deferred tax assets (liabilities), opening balance	(444,047)	(338,657)
Effect in other comprehensives income	(682)	(1,436)
Effect in profit (losses)	(14,793)	(2,585)
Effect of exchange rate (*)	-	(103,529)
Others	(2,517)	2,160
Total changes in assets (liabilities) due to deferred taxes	(17,992)	(105,390)
Ending balance of assets (liabilities) due to deferred taxes	(462,039)	(444,047)

(*) Effect on deferred taxes, accounted for against total equity of official letter 856 of the SVS.

20. Other current and non-current financial liabilities

The detail of interest-bearing borrowings for the periods ended December 31, 2015 and 2014 is as follows:

20.1 Obligations with financial entities:

Current	**12.31.2015** ThUS$	**12.31.2014** ThUS$
Loans from financial entities	337,944	323,600
Bonds payable	1,817	1,749
Overdrafts	5,473	6,437
Finance Leasing	27,848	29,490
Enabled Expenses related to loans	(180)	(2,399)
Hedge liabilities (see note 10)	4,383	8,813
Total	**377,285**	**367,690**

Non-current	**12.31.2015** ThUS$	**12.31.2014** ThUS$
Loans from financial entities	777,313	549,419
Bonds payable	226,469	227,183
Finance Leasing	103,147	131,130
Capitalized Expenses related to loans	(22,305)	(22,989)
Hedge liabilities (see note 10)	16,878	17,547
Total	**1,101,502**	**902,290**

20.2 Capitalized expenses from financial obligations

The details of expenses capitalized at December 31, 2015 and 2014 are as follows:

		Current		**Non-current**	
Concept	**Company**	**12.31.2015 ThUS$**	**12.31.2014 ThUS$**	**12.31.2015 ThUS$**	**12.31.2014 ThUS$**
Syndicated Loan Bank of Tokio Mitsubishi U	CAP	138	607	-	153
Bond serie F	CAP	-	1,749	4,180	4,181
Internacional bond type 144-A	CAP	-	-	1,471	1,542
Export Develoment Canada	CAP	-	-	895	-
Sumitomo Mitsui Banking Corporation	CAP	-	-	461	-
Syndicated Loan Credit Agricole	Cleanairtech	-	-	13,016	14,100
Others	Cintac S.A.I.C	42	43	31	86
Syndicated Loan Bank of Tokio Mitsubishi U	CMP	-	-	2,251	2,927
Total		**180**	**2,399**	**22,305**	**22,989**

- In CAP, the capitalized expenses related to credits are mainly expenses from the placement of the international type 144-A bond and the series F bond. These expenses also include legal expenses and fees arising from obtaining the syndicated credit signed with Bank of Tokyo Mitsubishi UFJ. These expenses are amortized under the effective interest rate method.

In September 2015 the company paid Export Development Canada administration fees for a new line of credit for ThUS$ 100,000.

Also, in September 2015 the company paid Sumitomo Mitsui Banking Corporation upfront fees to obtain a line of credit for ThUS$ 50,000.

- In Cleanairtech Sudamérica S.A., the capitalized expenses related to credits are mainly legal expenses fees arising from obtaining the syndicated credit signed with Credit Agricole. These expenses are amortized under the effective interest rate method.

- In Cintac S.A.I.C., the capitalized expenses related to credits are expenses incurred in obtaining financing through lease transactions. These expenses are amortized under the effective interest rate method.

- In CMP S.A., the capitalized expenses related to credits, correspond to expenses incurred in obtaining the syndicated loan signed with Bank of Tokyo, these expenses are amortized according to the effective rate method.

20.3 Costs for capitalized loans

At December 31, 2015 and 2014, the details of costs and interest for capitalized loans are as follows:

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	**01.01.2014 12.31.2014 ThUS$**
Costo por préstamos		
Costos por préstamos capitalizados	3,861	15,374
Total costos por préstamos	**3,861**	**15,374**
Costos por intereses		
Costos por préstamos capitalizados	6,179	8,329
Costos por préstamos reconocidos como gasto	27,474	12,534
Total costos por préstamos incurridos	**33,653**	**20,863**

20.4 Maturities and currencies of obligations with financial entities:

The following is a detail of borrowings from financial entities and overdraft:

As of December 31, 2015

											12.31.2015								
											Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP	Chile	59.002.220-9	The Bank of Tokyo	USA	USD	2.28%	Variable	Libor 180 + 1.75	Semestral	-	50,506	50,506	-	-	-	-	-	-
91,297,000-0	CAP	Chile	11.890.481-2	Banco Estado	USA	USD	2.27%	Variable	Libor 180 + 1.75 bps	Semestral	-	-	-	-	-	100,000	-	-	100,000
91,297,000-0	CAP	Chile	13-5611820	Sumitomo Mitsui Banking Corpo	USA	USD	2.10%	Variable	Libor 180 + 1.75 bps	Semestral	-	-	-	-	50,000	-	-	-	50,000
94,638,000-8	CMP	Chile	97.023.000-9	Corpbanca	Chile	USD	0.74%	Fija	0.74%	Anual	30,096	-	30,096	-	-	-	-	-	-
94,638,000-8	CMP	Chile	97.036.000-k	Banco Santander	Chile	USD	1.13%	Fija	1.13%	Anual	50,245	-	50,245	-	-	-	-	-	-
94,638,000-8	CMP	Chile	97,032,000-8	Banoc Bilbao Viscaya	Chile	USD	1.26%	Fija	1.26%	Anual	50,263	-	50,263	-	-	-	-	-	-
94,638,000-8	CMP	Chile	76,645,030-K	Itau	Chile	USD	1.62%	Fija	1.62%	Anual	-	35,108	35,108	-	-	-	-	-	-
94,638,000-8	CMP	Chile	99.500.410-0	Consorcio	Chile	USD	1.98%	Fija	1.98%	Anual	-	25,088	25,088	-	-	-	-	-	-
94,638,000-8	CMP	Chile	97,006,000-6	BCI	Chile	USD	1.92%	Fija	1.92%	Anual	-	20,063	20,063	-	-	-	-	-	-
94,638,000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	1.95%	Fija	1.95%	Anual	-	20,064	20,064	-	-	-	-	-	-
94,638,000-8	CMP	Chile	13-5611741	Bank Of Tokyo	Japón	USD	2.28%	Variable	2.28%	Anual	-	1,288	1,288	-	-	-	350,000	-	350,000
92,544,000-0	Cintac	Chile	76,645,030-K	Banco Itau	Chile	US$	3.75%	Variable	3.75%	Semestral	-	3,338	3,338	3,341	-	-	-	-	3,341
92,544,000-0	Cintac	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	US$	4.13%	Variable	3.75%	Semestral	-	3,337	3,337	3,341	-	-	-	-	3,341
92,544,000-0	Cintac	Chile	97,030,000-7	Banco Estado	Chile	US$	4.13%	Variable	3.75%	Semestral	-	3,338	3,338	3,344	-	-	-	-	3,344
92,544,000-0	Cintac	Chile	97,036,000-K	Banco Santander	Chile	US$	4.13%	Variable	3.75%	Semestral	-	3,338	3,338	3,341	-	-	-	-	3,341
30-62286204-9	Tubos Argentinos SA	Argentina	33-99924210-9	Banco Provincia Bs As	Argentina	ARS	14.30%	Fija	14.30%	Mensual	397	1,095	1,492	2,920	1,460	-	-	-	4,380
30-62286204-9	Tubos Argentinos SA	Argentina	33-99924210-9	Banco Provincia Bs As	Argentina	ARS	26.00%	Fija	26.00%	Mensual	160	431	591	432	-	-	-	-	432
30-62286204-9	Tubos Argentinos SA	Argentina	33-99924210-9	Banco Provincia Bs As	Argentina	ARS	26.00%	Fija	26.00%	Mensual	101	191	292	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	33-53718600-9	Banco HSBC	Argentina	ARS	38.00%	Fija	38.00%	Mensual	752	-	752	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	28.00%	Fija	28.00%	Mensual	1,388	-	1,388	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	32.00%	Fija	32.00%	Mensual	1,316	-	1,316	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000173-5	Banco Galicia	Argentina	ARS	38.00%	Fija	38.00%	Mensual	18	-	18	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-60473101-8	Comati	Argentina	ARS	33.00%	Fija	33.00%	Mensual	379	-	379	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	32.43%	Fija	32.43%	Mensual	1,620	-	1,620	-	-	-	-	-	-
76,399,400-7	Cleanairtech Sudamérica S.A.	Chile	45-0566494	Credit Agricole	Francia	USD	3.27%	Variable	Libor 180 + 0.0275	Semestral	6,275	4,752	11,027	9,742	10,068	10,406	10,582	79,419	120,217
76,399,400-7	Cleanairtech Sudamérica S.A.	Chile	45-0566494	Credit Agricole	Francia	USD	3.52%	Variable	Libor 180 + 0.0300	Semestral	5,374	3,923	9,297	8,059	8,350	8,651	8,963	72,484	106,507
76,339,130-6	Tecnocap S.A.	Chile	76,645,030-k	Banco Itaú Chile	Chile	USD	3.60%	Variable	Libor 180 + 0.0315	Semestral	-	4,361	4,361	4,429	4,593	4,764	4,941	13,683	32,410
Extranjero	Tupemesa	Chile	76,645,030-k	Banco Crédito del Perú	Perú	US$	2.08%	Fija	2.08%	Semestral	7,399	7,413	14,812	-	-	-	-	-	-
										Total	**155,782**	**187,635**	**343,417**	**38,949**	**74,471**	**123,821**	**374,486**	**165,586**	**777,313**

As of December 31, 2014

											12.31.2014								
											Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP	Chile	59,002,220-9	The Bank of Tokyo	USA	USD	1.83%	Variable	Libor 180 + 1.25	Semestral	-	100,607	100,607	50,000	-	-	-	-	50,000
94,638,000-8	CMP	Chile	97,032,000-7	Banco Estado	Chile	USD	0.56%	Fija	0.56%	Anual	-	30,025	30,025	-	-	-	-	-	-
94,638,000-8	CMP	Chile	97,032,000-6	BCI	Chile	USD	0.70%	Fija	0.70%	Anual	-	50,143	50,143	-	-	-	-	-	-
94,638,000-8	CMP	Chile	13-5611741	Banco Santander	Chile	USD	0.56%	Fija	0.56%	Anual	-	50,045	50,045	-	-	-	-	-	-
94,638,000-8	CMP	Chile	13-5611741	Bank of Tokio	Chile	USD	1.58%	Variable	1.58%	Anual	-	457	457	-	-	-	200,000	-	200,000
92,544,000-0	Cintac	Chile	97,032,000-8	Banco BBVA	Chile	USD	0.88%	Variable	0.88%	Mensual	1,965	1,413	3,378	-	-	-	-	-	-
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	USD	1.61%	Variable	1.61%	Mensual	19,366	9,580	28,946	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,030,000-7	Banco Estado	Chile	USD	1.33%	Variable	1.33%	Mensual	-	1,261	1,261	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	USD	4.92%	Variable	4.92%	Mensual	-	12,650	12,650	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	76,645,030-K	Banco Itau	Chile	USD	4.92%	Variable	4.92%	Mensual	-	7,999	7,999	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,018,000-1	Banco Scotia	Chile	USD	0.81%	Variable	0.81%	Mensual	2,205	-	2,205	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	76,645,030-K	Banco Itau	Chile	USD	3.66%	Variable	3.66%	Semestral	-	3,336	3,336	3,333	3,335	-	-	-	6,668
92,544,000-0	Cintac	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	USD	3.66%	Variable	3.66%	Semestral	-	3,336	3,336	3,333	3,334	-	-	-	6,667
92,544,000-0	Cintac	Chile	97,030,000-7	Banco Estado	Chile	USD	3.66%	Variable	3.66%	Semestral	-	3,337	3,337	3,333	3,335	-	-	-	6,668
92,544,000-0	Cintac	Chile	97,036,000-K	Banco Santander	Chile	USD	3.63%	Variable	3.63%	Semestral	-	3,336	3,336	3,336	3,335	-	-	-	6,671
30-62286204-9	Tubos Argentinos SA	Argentina	33-99924210-9	Banco Provincia Bs As	Argentina	USD	14.30%	Fija	14.30%	Mensual	4	-	4	-	188	188	188	269	833
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	24.75%	Fija	24.75%	Mensual	3,503	-	3,503	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	33-99924210-9	Banco Rio	Argentina	ARS	27.00%	Fija	27.00%	Mensual	368	-	368	-	-	-	-		-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000173-5	Banco Galicia	Argentina	ARS	40.00%	Fija	40.00%	Mensual	23	-	23	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	30.00%	Fija	30.00%	Mensual	107	-	107	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	21.17%	Fija	21.17%	Mensual	2,432	-	2,432	-	-	-	-	-	-
76,399,400-7	Cleanairtech Sudamérica S.A.	Chile	45-0566494	Credit Agricole	Francia	USD	3.08%	Variable	Libor 180 + 0.0275	Semestral	7,635	10,686	18,321	15,892	16,407	16,938	17,487	168,440	235,164
76,339,130-6	Tecnocap S.A.	Chile	76,645,030-k	Banco Itaú Chile	Chile	USD	3.48%	Variable	Libor 180 + 0.0315	Semestral	-	4,218	4,218	4,349	4,511	4,679	4,764	18,445	36,748
										Total	**37,608**	**292,429**	**330,037**	**83,576**	**34,445**	**21,805**	**222,439**	**187,154**	**549,419**

20.5 The details of lease transactions that accrue interest are as follows:

As of December 31, 2015

											12.31.2015								
											Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 3 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
94,638,000-8	CMP	Chile	97,030,000-7	Banco Estado	Chile	USD	3.76%	Fixed	Fija 3.76%	Monthly	5,067	15,487	20,554	21,325	22,129	22,962	19,529		85,945
94,638,000-8	CMP	Chile	97,032,000-8	Banco Bilbao Viscaya Argentaria	Chile	USD	3.20%	Fixed	Fija 3.20%	Monthly	1,410	4,299	5,709	5,890	6,079	5,215	-	-	17,184
94637000-2	CSH	Chile	97006000-6	Banco Crédito Inversiones	Chile	UF$	6.35%	Fixed	6.35%	Monthly	506	1,038	1,544	-	-	-	-	-	-
Extranjero	Tupemesa	Perú	Extranjero	Banco Credito del Perú	Perú	USD	2.80%	Variable	2.80%	Monthly	-	41	41	18	-	-	-	-	18
										Total	**6,983**	**20,865**	**27,848**	**27,233**	**28,208**	**28,177**	**19,529**	**-**	**103,147**

As of December 31, 2014

											Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 3 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
94,638,000-8	CMP	Chile	97,030,000-7	Banco Estado	Chile	USD	3.76%	Fixed	Fija 3.76%	Monthly	4,833	14,974	19,807	20,551	21,326	22,129	22,962	19,529	106,497
94,638,000-8	CMP	Chile	97,032,000-8	Banco Bilbao Viscaya Argentaria	Chile	USD	3.20%	Fixed	Fija 3.20%	Monthly	1,366	4,165	5,531	5,708	5,890	6,079	5,215	-	22,892
79,807,570-5	IMOPAC	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	USD	5.73%	Fixed	Fija 5.73%	Monthly	164	-	164	-	-	-	-	-	-
94637000-2	CSH	Chile	97006000-6	Banco Crédito Inversiones	Chile	UF$	6.35%	Fixed	6.35%	Monthly	535	1,657	2,192	1,736	-	-	-	-	1,736
94637000-2	CSH	Chile	96980910-9	Precisión S.A.	Chile	USD	11.04%	Fixed	11.04%	Monthly	790	963	1,753	-	-	-	-	-	-
Extranjero	Tupemesa	Perú	Extranjero	Banco Credito del Perú	Perú	USD	2.80%	Variable	2.80%	Monthly	-	43	43	-	-	5	-	-	5
										Total	**7,688**	**21,802**	**29,490**	**27,995**	**27,216**	**28,213**	**28,177**	**19,529**	**131,130**

20.6 The detail of the undiscounted amounts outstanding (estimations of cash flows that the group will have to spend) of the obligations with financial institutions is as follows:

As of December 31, 2015

											12.31.2015								
											Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP	Chile	59,002,220-9	The Bank of Tokyo	USA	USD	2.28%	Variable	Libor 180 + 1.75	Semestral	-	50,570	50,570	-	-	-	-	-	-
91,297,000-0	CAP	Chile	118904812	Export Develoment Canada	USA	USD	2.27%	Variable	Libor 180 + 1.75 bps	Semestral	-	2,270	2,270	4,540	2,270	101,135	-	-	107,945
91,297,000-0	CAP	Chile	13-5611820	Sumitomo Mitsui Banking Corporate	USA	USD	2.10%	Variable	Libor 180 + 1.75 bps	Semestral	525	525	1,050	1,050	51,050	-	-	-	52,100
94,638,000-8	CMP	Chile	97.023.000-9	Corpbanca	Chile	USD	0.74%	Fija	0.74%	Anual	30,113	-	30,113	-	-	-	-	-	-
94,638,000-8	CMP	Chile	97.036.000-k	Banco Santander	Chile	USD	1.13%	Fija	1.13%	Anual	50,276	-	50,276	-	-	-	-	-	-
94,638,000-8	CMP	Chile	97.032.000-8	Banco Bilbao Viscaya	Chile	USD	1.26%	Fija	1.26%	Anual	50,298	-	50,298	-	-	-	-	-	-
94,638,000-8	CMP	Chile	76.645.030-k	Itau	Chile	USD	1.62%	Fija	1.62%	Anual	-	35,425	35,425	-	-	-	-	-	-
94,638,000-8	CMP	Chile	99.500.410-0	Consorcio	Chile	USD	1.98%	Fija	1.98%	Anual	-	25,329	25,329	-	-	-	-	-	-
94,638,000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	1.92%	Fija	1.92%	Anual	-	20,189	20,189	-	-	-	-	-	-
94,638,000-8	CMP	Chile	97.006.000-6	BCI	Chile	USD	1.95%	Fija	1.95%	Anual	-	20,223	20,223	-	-	-	-	-	-
94,638,000-8	CMP		13-5611741	Bank Of Tokyo	Japón	USD	2.28%	Variable	2.28%	Anual	-	4,185	4,185	-	-	-	350,000	-	350,000
92,544,000-0	Cintac	Chile	76,645,030-K	Banco Itau	Chile	US$	4.13%	Variable	Lib 3M + Spr	Mensual	3,343	-	3,343	3,346	-	-	-	-	3,346
92,544,000-0	Cintac	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	US$	4.13%	Variable	Tab 6M + Spr	Mensual	3,343	-	3,343	3,346	-	-	-	-	3,346
92,544,000-0	Cintac	Chile	97,030,000-7	Banco Estado	Chile	US$	4.13%	Variable	Tab 6M + Spr	Mensual	3,344	-	3,344	3,346	-	-	-	-	3,346
92,544,000-0	Cintac	Chile	97,036,000-K	Banco Santander	Chile	US$	4.13%	Variable	Lib 6M + Spr	Mensual	3,344	-	3,344	3,346	-	-	-	-	3,346
30-62286204-9	Tubos Argentinos SA	Argentina	33-99924210-9	Banco Provincia Bs As	Argentina	ARS	14.30%	Fija	14.30%	Mensual	436	1,095	1,531	2,920	-	-	-	1,460	4,380
30-62286204-9	Tubos Argentinos SA	Argentina	33-99924210-9	Banco Provincia Bs As	Argentina	ARS	26.00%	Fija	26.00%	Mensual	166	431	597	432	-	-	-	-	432
30-62286204-9	Tubos Argentinos SA	Argentina	33-99924210-9	Banco Provincia Bs As	Argentina	ARS	26.00%	Fija	26.00%	Mensual	103	191	294	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	32.00%	Fija	32.00%	Mensual	763	-	763	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	38.00%	Fija	38.00%	Mensual	1,377	-	1,377	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000173-5	Banco Galicia	Argentina	ARS	32.00%	Fija	32.00%	Mensual	1,335	-	1,335	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	38.00%	Fija	38.00%	Mensual	19	-	19	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-60473101-8	Banco Comafi	Argentina	ARS	33.00%	Fija	33.00%	Mensual	389	-	389	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	32.43%	Fija	32.43%	Mensual	1,636	-	1,636	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	Extranjero	Banco Crédito del Perú	Perú	US$	1.49%	Fija	Lib 6M + Spr.	Mensual	7,399	7,413	14,812	-	-	-	-	-	-
76,399,400-7	Cleanairtech Sudamérica S.A.	Chile	45-0566494	Credit Agricole	Francia	USD	3.27%	Variable	Libor 180 + 0,0275	Semestral	-	13,657	13,657	13,657	13,657	13,657	13,657	89,598	144,226
76,399,400-7	Cleanairtech Sudamérica S.A.	Chile	45-0566494	Credit Agricole	Francia	USD	3.52%	Variable	Libor 180 + 0,0300	Semestral	-	11,797	11,797	11,797	11,797	11,797	11,797	82,582	129,770
76,339,130-6	Tecnocap S.A.	Chile	76,645,030-k	Banco Itaú Chile	Chile	USD	3.48%	Variable	Libor 180 + 0,0315	Semestral	-	5,581	5,581	5,591	5,602	5,613	5,624	14,019	36,448
										Total	**158,209**	**198,881**	**357,090**	**53,371**	**84,376**	**132,202**	**381,078**	**187,659**	**838,685**

As of December 31, 2014

											12.31.2014								
											Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP	Chile	59,002,220-9	The Bank of Tokyo	USA	USD	1.83%	Variable	Libor 180 + 1.25	Semestral	-	100,000	100,000	50,000	-	-	-	-	50,000
94,638,000-8	CMP	Chile	97,032,000-7	Banco Estado	Chile	USD	0.56%	Fija	0.56%	Anual	-	30,126	30,126	-	-	-	-	-	-
94,638,000-8	CMP	Chile	97,032,000-6	BCI	Chile	USD	0.70%	Fija	0.70%	Anual	-	50,210	50,210	-	-	-	-	-	-
94,638,000-8	CMP	Chile	13-5611741	Banco Santander	Chile	USD	0.56%	Fija	0.56%	Anual	-	50,209	50,209	-	-	-	-	-	-
94,638,000-8	CMP	Chile	13-5611741	Bank of Tokio	Chile	USD	1.58%	Variable	1.58%	Anual	141	1,620	1,761	-	-	-	200,000	-	200,000
92,544,000-0	Cintac	Chile	97,032,000-8	Banco BBVA	Chile	USD	0.88%	Variable	0.88%	Mensual	1,961	1,413	3,374	-	-	-	-	-	-
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	USD	1.61%	Variable	1.61%	Mensual	19,366	9,580	28,946	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,030,000-7	Banco Estado	Chile	USD	1.33%	Variable	1.33%	Mensual	-	1,261	1,261	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	USD	4.92%	Variable	4.92%	Mensual	-	3,333	3,333	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	76,645,030-K	Banco Itau	Chile	USD	4.92%	Variable	4.92%	Mensual	-	3,333	3,333	3,335	3,335	-	-	-	6,670
92,544,000-0	Cintac	Chile	97,018,000-1	Banco Scotia	Chile	USD	0.81%	Variable	0.81%	Mensual	2,199	-	2,199	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	76,645,030-K	Banco Itau	Chile	USD	3.66%	Variable	3.66%	Semestral	-	7,997	7,997	3,333	3,333	-	-	-	6,666
92,544,000-0	Cintac	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	USD	3.66%	Variable	3.66%	Semestral	-	12,648	12,648	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,030,000-7	Banco Estado	Chile	USD	3.66%	Variable	3.66%	Semestral	-	3,333	3,333	3,333	3,333	-	-	-	6,666
92,544,000-0	Cintac	Chile	97,036,000-K	Banco Santander	Chile	USD	3.63%	Variable	3.63%	Semestral	-	3,333	3,333	3,333	3,333	-	-	-	6,666
30-62286204-9	Tubos Argentinos SA	Argentina	33-99924210-9	Banco Provincia Bs As	Argentina	USD	14.30%	Fija	14.30%	Mensual	9	-	9	188	188	188	-	188	752
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	24.75%	Fija	24.75%	Mensual	3,575	-	3,575	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	33-99924210-9	Banco Rio	Argentina	ARS	27.00%	Fija	27.00%	Mensual	376	-	376	-	-	-	-		-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000173-5	Banco Galicia	Argentina	ARS	40.00%	Fija	40.00%	Mensual	110	-	110	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	30.00%	Fija	30.00%	Mensual	24	-	24	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	21.17%	Fija	21.17%	Mensual	2,475	-	2,475	-	-	-	-	-	-
76,399,400-7	Cleanairtech Sudamérica S.A.	Chile	45-0566494	Credit Agricole	Francia	USD	3.08%	Variable	Libor 180 + 0,0275	Semestral	11,451	11,451	22,902	22,902	22,901	22,902	22,902	114,508	206,115
76,339,130-6	Tecnocap S.A.	Chile	76,645,030-k	Banco Itaú Chile	Chile	USD	3.48%	Variable	Libor 180 + 0.0315	Semestral	-	5,571	5,571	5,581	5,591	5,602	5,613	19,643	42,030
											41,687	**295,418**	**337,105**	**92,005**	**42,014**	**28,692**	**228,515**	**134,339**	**525,565**

20.7 Leasing not discounted:

As of December 31, 2015

											Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 3 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
94,638,000-8	CMP	Chile	97,030,000-7	Banco Estado	Chile	USD	3.76%	Fija	3.76%	Mensual	6,037	18,111	24,148	24,148	24,148	24,148	24,147	2,012	98,603
94,638,000-8	CMP	Chile	97,032,000-8	Banco Bilbao Viscaya Argentari	Chile	USD	3.20%	Fija	3.20%	Mensual	1,587	4,761	6,348	6,348	6,348	6,348	528	-	19,572
94637000-2	CSH	Chile	97006000-6	Banco Crédito Inversiones	Chile	UF$	6.35%	Fija	6.35%	Mensual	530	1,591	2,121	-	-	-	-	-	-
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	USD	2.80%	Variable	2.80%	Mensual	-	44	44	-	-	-	-	27	27
										Total	**8,154**	**24,507**	**32,661**	**30,496**	**30,496**	**30,496**	**24,675**	**2,039**	**118,202**

As of December 31, 2014

Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 3 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
94,638,000-8	CMP	Chile	97,030,000-7	Banco Estado	Chile	USD	3.76%	Fija	3.76%	Mensual	6,037	18,111	24,148	24,148	24,148	24,148	24,147	20,123	116,714
94,638,000-8	CMP	Chile	97,032,000-8	Banco Bilbao Viscaya Argentari	Chile	USD	3.20%	Fija	3.20%	Mensual	1,587	4,761	6,348	6,348	6,348	6,348	5,289	-	24,333
79,807,570-5	Imopac	Chile	97,006,000-6	Banco de Crédito e Inversiones	Chile	USD	5.73%	Fija	5.73%	Mensual	166	-	166	-	-	-	-	-	-
94637000-2	CSH	Chile	97006000-6	Banco Crédito Inversiones	Chile	UF$	6.35%	Fija	6.35%	Mensual	590	1,769	2,359	2,359	-	-	-	-	2,359
94637000-2	CSH	Chile	96980910-9	Precisión S.A.	Chile	US$	11.04%	Fija	11.04%	Mensual	1,149	2,417	3,566	-	-	-	-	-	-
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	USD	2.80%	Variable	2.80%	Mensual	-	82	82	-	-	8	-	-	8
										Total	**9,529**	**27,140**	**36,669**	**32,855**	**30,496**	**30,504**	**29,436**	**20,123**	**143,414**

20.8 The maturities and currencies of bonds payable are as follows:

As of December 31, 2015

												31.12.2015								
										Amortization	Term	Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Identification	N° of Registry	Currency	Nominal interest rate	type of rate	payment of interest	Nominal value	of capital	(Years)	Less than 90 days	Over 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP S.A.	Chile	Bond Series F	434	USD	Libo 180 + 2.25%	Variable	Semi-annual	171,480,000	At maturity	10	-	612	612	171,480	-	-	-	-	171,480
91,297,000-0	CAP S.A.	Chile	International bond type 144-A	External	USD	7.375%	Fixed	Semi-annual	54,988,000	At maturity	30	-	1,205	1,205	-	-	-	-	54,988	54,988
Issue & placement costs												-		-	(4,180)	-	-	-	(1,471)	(5,651)
													Total	1,817						220,817

As of December 31, 2014

												31.12.2014								
										Amortization	Term	Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Identification	N° of Registry	Currency	Nominal interest rate	type of rate	payment of interest	Nominal value	of capital	(Years)	Less than 90 days	Over 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP S.A.	Chile	Bond Series F	434	USD	Libo 180 + 2.25%	Variable	Semi-annual	171,480,000	At maturity	10	-	539	539	-	-	171,480	-	-	171,480
91,297,000-0	CAP S.A.	Chile	International bond type 144-A	External	USD	7.375%	Fixed	Semi-annual	66,630,000	At maturity	30	-	1,210	1,210	-	-	-	-	55,703	55,703
Issue & placement costs												-		(1,749)						(5,723)
													Total	-						221,460

20.9 Detail of maturities and currencies of bonds issued (cash flows not discounted):

As of December 31, 2015

													31.12.2015								
													Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Identification	N° of Registry	Currency	Effective interest rate	Nominal interest rate	type of rate	payment of interest	Nominal value	Amortization of capital	Term (Years)	Less than 90 days	Over 90 days	Total	1 to 3 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP S.A.	Chile	Bond Series F	434	US$	2.250%	Libo 180 + 2.25%	Variable	Semi-annual	171,480,000	At maturity	10	-	4,642	4,642	4,630	176,110	-	-	-	180,740
91,297,000-0	CAP S.A.	Chile	International bond type 144-A	External	US$	7.375%	7.375%	Fixed	Semi-annual	54,988,000	At maturity	30	-	4,123	4,123	2,039	6,185	6,162	4,112	116,712	135,210
												Total	-	8,765	8,765	6,669	182,295	6,162	4,112	116,712	315,950

As of December 31, 2014

													31.12.2014								
													Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Identification	N° of Registry	Currency	Effective interest rate	Nominal interest rate	type of rate	payment of interest	Nominal value	Amortization of capital	Term (Years)	Less than 90 days	Over 90 days	Total	1 to 3 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP S.A.	Chile	Bond Series F	434	USD	2.250%	Libo 180 + 2.25%	Variable	Semi-annual	171,480,000	At maturity	10	-	2,246	2,246	4,541	4,529	176,009	-	-	185,079
91,297,000-0	CAP S.A.	Chile	International bond type 144-A	External	USD	7.375%	7.375%	Fixed	Semi-annual	66,630,000	At maturity	30	-	2,065	2,065	4,177	4,165	4,165	4,165	70,865	87,537
												Total	-	4,311	4,311	8,718	8,694	180,174	4,165	70,865	272,616

Additional information

a. Amendment agreement of CAP S.A.

On April 15, 2011, the syndicated loan agreement was amended with The Bank of Tokyo- Mitsubishi UFJ Ltd., as the agent bank. The principal modifications were the following:

- Increase in the amount of the loan from ThUS$150,000 to ThUS$200,000.
- Semi-annual repayments are maintained but the dates changed, the first being on October 17, 2014 and the last on April 17, 2016.
- The guarantees of the subsidiaries Compañía Siderúrgica Huachipato S.A. (CSH) and Compañía Minera del Pacifico S.A. (CMP) are released.
- The table for calculating the applicable margin was modified, increasing the margin bands and reducing the "spread" applied.

b. Loan agreement (project finance) of Cleanairtech Sudamérica S.A.

The subsidiary Cleanairtech Sudamérica S.A., on April 18, 2012, signed a loan agreement with Crédit Agricole CIB (agent bank), Corpbanca and Mizuho Corporate Bank, Ltd., to provide project financing for the first phase of the seawater desalination project being developed by this Company. On October 12, 2012, an amendment was signed to this loan agreement, resulting in the following conditions:

- Loan amount: ThUS$ 143,500
- Interest rate: Libor 180 days + 2.75% (years 1 to 10) and 3% (year 10 onward)
- All Cleanairtech's assets are charged in guarantee in favor of the creditor bank on receiving the first disbursement.
- Any other debt acquired by the Company shall be subordinated to the payment of the obligations under the project finance loan agreement
- Repayment: semi-annually from August 15, 2014.
- Final maturity: February 15, 2027.

On June 18, 2013 Sumitomo Mitsui Banking Corporation bought 46% of the ownership of Crédit Agricole CIB (agent bank) by means of a private agreement between both parties.

On June 23, 2014, the company amended its credit agreement with Banco Credit Agricole CIB (Agent Bank), in which it increased its share from 16.26% to 28.49% and increased the value of the credit from ThUS$ 123,000 to ThUS$ 139,855.

On September 10 the Company signed a credit agreement with Crédit Agricole CIB (agent bank) and Mizuho Corporate Bank Ltd., Banco Itaú Chile and Banco de Crédito e Inversiones S.A., Miami branch, to finance phase 2 of the seawater desalination project under the Project Finance method that is executing that subsidiary under the following conditions:

- Amount of the credit: Up to ThUS$ 130,000
- Interest rate: 180 day Libor + 3%
- All Cleanairtech's assets become part of the guarantee on behalf of the creditor bank when receiving the first disbursement.
- Any other debt assumed by the Company will be subject to the payment of obligations arising from the credit agreement (Project Finance).
- Repayment of principal: on a quarterly basis from February 15, 2015
- Termination of the credit: August 15, 2027

c. Financing agreement of Tecnocap S.A.

The subsidiary Tecnocap S.A. entered into a financing agreement with Banco Itau Chile, on June 27, 2014, in the amount of ThUS$43,000 to be used to finance the costs produced during the construction phase of the electrical transmission line. Next are presented the conditions of the agreement:

- Amount of the loan: ThUS$43,000
- Interest rate: Libor 180 days + 3.15%
- Amortization of capital: every six months, starting on December 25, 2014. A total of 18 installments.
- Termination of credit: June 25, 2023.

d. Financing Cintac S.A.

a) At December 31, 2015 and December 31, 2014 the balance includes bank loans for letters of credit for purchases of raw materials and fixed assets.

b) In May 2006, the Company carried out a factoring with recourse transaction with BCI Factoring for ChTh$ 15,931,877 (historic) against invoiced receivables from customers for the same amount. The proceeds were used to finance the investment in Imsatec Chile S.A. and Latin American Enterprises S.A. (Cintac S.A.I.C), on January 5, 2013 this was paid with a credit extended by Banco Itaú at a 180-day Libor rate plus 1.30% on an annual basis for 5 years with half-yearly repayments, the balance at December 31, 2012 (ThUS$ 14,462) and that was paid on January 5, 2013. As of 31 December 2015 and 2014 non-current balance is ThUS $ 3,333 (ThUS $ 6,668), respectively. As of December 31, 2015 and 2014, plus the portion is included due in the short term of long-term loans indicated in points (c) and (d) following by ThUS $ 13,349 (ThUS $ 13,345), respectively

c) In December 2012 the company took out a new long-term loan maturing in 5 years with Banco Santander Chile for ThUS$ 15,000 with semi-annual repayments at a 180-day LIBOR rate plus 3.3% on an annual basis. This loan was intended for the prepayment of the company's long-term debt with Banco Santander Madrid. At December 31, 2015 and 2014 the non-current balance was ThUS$ 3,333 and ThUS$ 6,668, respectively. As a result, the company recognized the write-off of the old financial liability and recorded the new financial liability in accordance with the IFRS. The finance costs from the refinancing are part of the transaction cost and are considered in the calculation of the effective rate in the statement of income.

d) In December 2012 the company took out two new loans maturing in 5 years with Banco BCI for ThUS$ 15,000 and Banco Estado for ThUS$ 15,000 with semi-annual repayments at a 180-day LIBOR rate plus 3.3%. These loans were intended for the prepayment of the liabilities in Chilean pesos with such banks. At December 31, 2015 and 2014 the non-current balance was ThUS$ 6,692 and ThUS$ 13,334, respectively. As a result, the company recognized the write-off of the old financial liability and recorded the new financial liability in accordance with the IFRS. The finance costs from the refinancing are part of the transaction cost and are considered in the calculation of the effective rate in the statement of income.

e. CMP Financing

At December 31, 2015, the subsidiary has the following bank loans.

i) On April 16, 2014, the subsidiary CMP signed a credit agreement with Bank of Tokyo Mitsubishi UFJ, Ltd. (Agent Bank), HSBC Bank USA NA, Mizuho Bank Ltd., Societe Generale, Sumitomo Mitsui Banking Corporation New York Branch, Export Development Canada and Natixis New York Branch, for financing of working capital, investments and exports. This credit agreement does not consider guarantees. The main terms and conditions are as follows:

- Amount of credit: Line of credit committed to for up to ThUS$ 350,000
- Interest rate: Libor 180 days + 1.25%
- Amortizations: At maturity.
- Maturity: April 16, 2019.

The company made the first withdrawal charging this agreement for ThUS$ 200,000 on May 9, 2014 maturing on May 7, 2015 with renewal option. On the above maturity date that credit was renewed for 1 year maturing on May 5, 2016 with renewal option. The annual interest rate is 2.28% with semi-annual restatement.

The company made the second withdrawal charging this agreement for ThUS$ 150,000 on October 27, 2015 maturing on April 27, 2016 with renewal option. The annual interest rate is 2.28% with semi-annual restatement.

ii) On July 27, 2015 the company signed a credit agreement with Corpbanca. The conditions are as follows:

- Amount of credit: ThUS$ 30,000
- Starting date: July 27, 2015
- Annual fixed interest rate: 0.74%
- Maturity date: January 27, 2016

iii) On July 28, 2015 the company signed a credit agreement with Banco Santander. The conditions are as follows:

- Amount of credit: ThUS$ 50,000
- Starting date: July 28, 2015
- Annual fixed interest rate: 1.13%
- Maturity date: January 20, 2016

iv) On August 3, 2015 the company signed a credit agreement with Banco Bilbao Viscaya Argentaria. The conditions are as follows:

- Amount of credit: ThUS$ 50,000
- Starting date: August 3, 2015
- Annual fixed interest rate: 1.26%
- Maturity date: January 20, 2016

v) On October 23, 2015 the company signed a credit agreement with Banco Itaú. The conditions are as follows:

- Amount of credit: ThUS$ 35,000
- Starting date: October 23, 2015
- Annual fixed interest rate: 1.62%
- Maturity date: July 19, 2016
-

vi) On October 29, 2015 the company signed a credit agreement with Consorcio. The conditions are as follows:

- Amount of credit: ThUS$ 25,000
- Starting date: October 28, 2015
- Annual fixed interest rate: 1.98%
- Maturity date: June 24, 2016

vii) On November 2, 2015 the company signed a credit agreement with Banco de Crédito e Inversiones. The conditions are as follows:

- Amount of credit: ThUS$ 20,000
- Starting date: November 2, 2016
- Annual fixed interest rate: 1.92%
- Maturity date: April 28, 2016

viii) On November 2, 2015 the company signed a credit agreement with Banco de Crédito e Inversiones. The conditions are as follows:

- Amount of credit: ThUS$ 20,000
- Starting date: November 2, 2015
- Annual fixed interest rate: 1.95%
- Maturity date: May 26, 2016

The following credits have been taken out and repaid in 2014 and 2015:

i) On February 10, 2014 the company signed a credit agreement with Banco Estado. The conditions are as follows:

- Amount of credit: ThUS$ 30,000
- Starting date: February 10, 2014
- Annual fixed interest rate: 0.85%
- Maturity date: November 7, 2014

ii) On August 05, 2014, the subsidiary CMP signed a credit agreement with Banco de Crédito e Inversiones.

The terms and conditions are as follows:

- Amount of credit: ThUS$50,000
- Start date: August 05, 2014.
- Fixed interest rate: 0.698% per year
- Maturity: May 04, 2015.

iii) On November 03, 2014, the subsidiary CMP signed a credit agreement with Banco Santander. The terms and conditions are as follows:

- Amount of credit: ThUS$50,000
- Start date: November 03, 2014.
- Fixed interest rate: 0.56% per year
- Maturity: July 30, 2015.

iv) On November 07, 2014, the Company signed a credit agreement with Banco Estado. The terms and conditions are as follows:

- Amount of credit: ThUS$30,000
- Start date: November 07, 2014.
- Fixed interest rate: 0.56% per year
- Maturity: August 04, 2015.

v) On February 4, 2015 the company signed a credit agreement with Banco Bilbao Viscaya

Argentaria. The conditions are as follows:

- Amount of credit: ThUS$ 50,000 (in Chilean pesos) with US dollar-Chilean peso forward
- Starting date: February 4, 2015
- Annual fixed interest rate: 1.15% in US dollars; equivalent to annual interest rate of 4.33% in Chilean pesos
- Maturity date: August 3, 2015

vi) On February 4, 2015 the company signed a credit agreement with Banco de Crédito e Inversiones. The conditions are as follows:

- Amount of credit: ThUS$ 50,000
- Starting date: February 4, 2015
- Annual fixed interest rate: 1.62%
- Maturity date: November 3, 2015

vii) On May 4, 2015 the company signed a credit agreement with Banco de Crédito e Inversiones. The conditions are as follows:

- Amount of credit: ThUS$ 50,000
- Starting date: May 4, 2014
- Annual fixed interest rate: 1.96%
- Maturity date: November 2, 2015

f. CAP S.A.'s lines of credit

- On June 25, 2015 the company signed an agreement for a line of credit committed with Export Development Canada (EDC) in accordance with the following conditions:

• Amount of credit: line of credit committed for US$ 100,000,000
• Starting date: June 25, 2015
• Interest rate: 180-day LIBOR + 175 bps
• Maturity date: June 25, 2020

- On August 5, 2015 the company signed an agreement for a line of credit committed with Exp Sumitomo Mitsui Banking Corporation in accordance with the following conditions:

• Amount of credit: line of credit committed for US$ 50,000,000
• Starting date: August 5, 2015
• Interest rate: 180-day LIBOR + 275 bps
• Maturity date: August 5, 2018

g. Obligations under bond issuances

On September 18, 2006, the Company issued a bond for US$ 200 million in the international market, at a price of 99.761% maturing in 2036. This issuance was prepaid on September 15, 2011, at redemption of only 67%.

On May 15, 2008, the Company issued in the market its Series F bonds for US$ 171,480,000, with a term of 10 years and an interest rate of 180-day LIBOR + 2.25%. An interest-rate swap contract was signed for this issue to fix the LIBOR stipulated for these bonds at 4.58%.

At December 31, 2015 and December 31, 2014 the company has made several early redemptions of the international bond through the payment of capital for an accumulated amount of ThUS$ 11,642 and ThUS$ 7,935, respectively. The amount is ThUS$ 715 in 2015.

21. Financial instruments

21.1 Financial instruments by category, Financial Assets

The accounting policies relating to financial instruments have been applied to the following categories:

As of December 31, 2015	Held to maturity ThUS$	Loans and accounts receivables ThUS$	Hedge derivatives (1) ThUS$	Total ThUS$
Derivative financial instruments	-	-	460	460
Trade debtors & accounts receivable	-	190,422	-	190,422
Accounts receivable to related entities	-	11,305	-	11,305
Cash and cash equivalents	227,734	-	-	227,734
Other financial assets	477,690	-	-	477,690
Total financial assets	**705,424**	**201,727**	**460**	**907,611**

As of December 31, 2014	Held to maturity ThUS$	Loans and accounts receivables ThUS$	Hedge derivatives (1) ThUS$	Total ThUS$
Derivative financial instruments	-	-	7	7
Trade debtors & accounts receivable	-	277,863	-	277,863
Accounts receivable to related entities	-	3,124	-	3,124
Cash and cash equivalents	131,156	-	-	131,156
Other financial assets	248,040	5,927	-	253,967
Total financial assets	**379,196**	**286,914**	**7**	**666,117**

(1) As of December 31, 2015 and 2014 the derivative instrument assets are presented net of liabilities for the same concept, respectively.

21.2 Financial instruments by category, Financial Liabilities

The accounting policies relating to financial instruments have been applied to the following categories:

As of December 31, 2015	Loans and accounts payable ThUS$	Hedge derivatives (1) ThUS$	Total ThUS$
Loans that accrue interest	1,307,496	-	1,307,496
Trade creditors and payable	282,305	-	282,305
Accounts payable to related entities	34,995	-	34,995
Hedge Liabilities	-	21,261	21,261
Other financial liabilities	150,030	-	150,030
Total financial liabilities	**1,774,826**	**21,261**	**1,796,087**

As of December 31, 2014	Loans and accounts payable ThUS$	Hedge derivatives (1) ThUS$	Total ThUS$
Loans that accrue interest	383,998	-	383,998
Trade creditors and payable	469,540	-	469,540
Accounts payable to related entities	50,759	-	50,759
Hedge Liabilities	-	26,360	26,360
Other financial liabilities	859,622	-	859,622
Total financial liabilities	**1,763,919**	**26,360**	**1,790,279**

(1) As of December 31, 2015 and 2014, derivative instruments are presented net of assets for the same concept.

21.3 Fair value of the group's assets and liabilities measured at fair value on a recurring basis

Some of the group's financial assets and liabilities are measured at fair value at each reporting year-end. The table below provides information on how the fair values of financial assets and liabilities are calculated (particularly the technique(s) of valuation and inputs used).

Financial asset/ liability	Fair values as of:		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	12-31-2015	12-31-2014				
1) Foreing currency forward contract (see note 10)	Assets ThUS$460 - Liabilities ThUS$307	Assets ThUS$0 - Liabilities ThUS$666	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rate (from observable forward exchange rates at the end of the reporting period) and contract forward rate, discounted at a rate that reflects the credit risk of various counterparties.	Non	Non
2) Interest rate swap (see note 10)	Assets ThUS$0 - Liabilities (designated to hedging) - ThUS$20,954	Assets ThUS$7 - Liabilities (designated to hedging) - ThUS$25,694	Level 2	Discounted cash flow. Future cash flows are estimated based on forward interest rate (from observable yield curves at the end of reporting period) and contract interest rate, discounted at a rate that reflects the credit risk of various	Non	Non

IFRS 13 Fair value measurement

The group has applied IFRS 13 for the first time in the current year. IFRS 13 establishes a single guiding source for fair value measurements and disclosures of fair value measurements The scope of IFRS is broad; the fair value measurement requirements of IFRS 13 apply to financial instruments and non-financial instruments, for which other IFRS require or allow fair value measurements and disclosures of fair value measurements.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the main (or the most favorable) market at the measurement date under current market conditions. In accordance with IFRS 13 fair value is the exit price, regardless if that price is directly observable or estimated by using other valuation technique.

21.4 Interest rate and exchange rate risks, assets

The exposure of the financial assets to interest rate risks and currency risks is as follows:

As of December 31, 2015

	Financial assets		
	Total ThUS$	**Fixed rate ThUS$**	**Without interest ThUS$**
Dollar	680,344	289,288	391,056
Peruvian soles	366	-	366
Argentine pesos	7,254	-	7,254
Chilean pesos	200,569	47,368	153,201
Other currencies	224	-	224
Total financial assets	**907,611**	**355,510**	**552,101**

As of December 31, 2014

	Financial assets		
	Total ThUS$	**Fixed rate ThUS$**	**Without interest ThUS$**
Dollar	488,809	245,519	243,290
Peruvian soles	736	-	736
Argentine pesos	11,768	-	11,768
Chilean pesos	162,017	4,930	157,087
Other currencies	635	-	635
Total financial assets	**666,117**	**252,601**	**413,516**

21.5 Interest rate risks and currency risks, Liabilities

The exposure of the financial liabilities to interest-rate risks and currency risks is as follows:

As of December 31, 2015

	Financial liabilities				Financial liabilities rate	
	Total ThUS$	**Floating rate ThUS$**	**Fixed rate ThUS$**	**Without interest ThUS$**	**Average rate %**	**Average term years**
Dollar	1,695,013	862,024	602,252	230,737	2.94%	12
UF	2,763	-	1,544	1,219	4.41%	5
Peruvian soles	1,822	-	-	1,822	0.00%	2
Argentine pesos	15,598	-	12,660	2,938	17.45%	1
Chilean pesos	80,693	307	-	80,386	2.53%	5
Other currencies	3	-	-	3	0.00%	1
Total financial liabilities	**1,795,892**	**862,331**	**616,456**	**317,105**		

As of December 31, 2014

	Financial liabilities				Financial liabilities rate	
	Total ThUS$	Floating rate ThUS$	Fixed rate ThUS$	Without interest ThUS$	Average rate %	Average term years
Dollar	1,636,539	674,128	564,086	398,325	1.80%	12
UF	5,188	-	3,928	1,260	5.35%	5
Peruvian soles	346	-	-	346	0.00%	2
Argentine pesos	10,032	-	7,189	2,843	16.89%	1
Chilean pesos	138,131	20,649	-	117,482	0.00%	5
Other currencies	43	-	-	43	0.00%	1
Total financial liabilities	**1,790,279**	**694,777**	**575,203**	**520,299**		

22. Trade and other accounts payables

The detail of trade creditors, various dry creditors and other accounts payable as of December 31, 2015 and 2014 is as follows:

	Current	
	12.31.2015 ThUS$	12.31.2014 ThUS$
Trade creditors	133,848	217,649
Various creditors	10,306	21,560
Advance payment for sale of minerals	44,406	125,716
Dividends payable	3,632	17,818
Withholdings	3,355	3,331
Documents to pay	86,758	83,466
Total	**282,305**	**469,540**

- Trade payables mainly includes operating accounts payable and obligations related to capital projects that are being executed by the group. The average period for its payment is 30 days; therefore, their fair value does not differ significantly from their book value. These accounts payable have no associated interest and there is no ownership relationship with the creditors.

The current trade creditors according to their term are presented below:

Current Period

	12.31.2015			
	Goods ThUS$	Services ThUS$	Other ThUS$	Total ThUS$
1 to 30 days	34,628	35,033	55,315	124,976
Between 31 and 60 days	798	636	6	1,440
Between 61 and 90 days	4,933	-	-	4,933
Between 91 and 120 days	-	-	-	-
Between 121 and 365 days	1,362	1,135	2	2,499
More than 365 days	-	-	-	-
Total	**41,721**	**36,804**	**55,323**	**133,848**
Period average pay bills on time (days)	27	30	30	29

Previous Period

	12.31.2014			
	Goods ThUS$	Services ThUS$	Other ThUS$	Total ThUS$
1 to 30 days	57,817	26,921	68,411	153,149
Between 31 and 60 days	2,229	350	55,609	58,188
Between 61 and 90 days	608	2	1	611
Between 91 and 120 days	1,373	183	6	1,562
Between 121 and 365 days	3,176	23	-	3,199
More than 365 days	940	-	-	940
Total	**66,143**	**27,479**	**124,027**	**217,649**
Period average pay bills on time (days)	31	27	30	30

At December 31, 2015, the Company does not present expired creditor accounts.

These are the details of the main creditors and their percentage of representation in total trade payables.

Current Period

Suppliers	Tax number	Customer	12.31.2015 %
Empresa Nacional de Electricidad S.A.	91,081,000-6	CMP S.A.-CSH S.A.	8.05%
Abengoa Chile S.A.	96,521,440-2	Cleanairtech S.A.	3.69%
Orica Chile S.A.	95,467,000-7	CMP S.A.	2.98%
Snc Lavalin Chile S.A.	79,563,120-8	CMP S.A.	2.28%
Transportes Tamarugal Ltda.	79,610,470-8	CMP S.A.	2.24%
Komatsu Chile S.A.	96,843,130-7	CMP S.A.	1.88%
Copec S.A.	99,520,000-7	CMP S.A.	1.67%
Naviera Ultranav Ltda.	92,513,000-1	CSH S.A.	1.55%
Amanecer Solar Spa	76,273,559-8	CMP S.A.	1.37%
Finning Chile S.A.	91,489,000-4	CMP S.A.	1.26%
Sodexo Chile S.A.	94,623,000-6	CMP S.A.-PLL	1.09%
Bailac Servicios	77,247,050-9	CMP S.A.	1.05%
Acreedores restantes menores al 1%		Grupo CAP	70.90%
Total			100.00%

Suppliers	Tax number	Customer	12.31.2014 %
Snc Lavalin Chile S.A.	79,563,120-8	CMP S.A.	6.33%
Empresa Nacional de Electricidad S.A.	91,081,000-6	CMP S.A.-CSH S.A.	4.93%
Acciona Cerro Negro S.A.	76,181,135-5	CMP S.A.-Cleanairtech S.A.	3.44%
Abengoa Chile S.A.	96521,440-2	Cleanairtech S.A.	3.22%
Empresa Transporte Ferroviario S.A.	96,545,600-7	CMP S.A.	2.27%
Araya Hnos.S.A.	78,567,810-9	CMP S.A.	1.92%
Orica Chile S.A.	95,467,000-7	CMP S.A.	1.31%
Naviera Ultranav Ltda.	92,513,000-1	CSH S.A.	1.17%
Acreedores Menores al 1%		Grupo CAP	75.41%
			100.00%

- Pre-payments for sale of ore are advances from clients. The main creditors are summarized in note 24.
- Dividends payable are mainly related to the recognition of the Company's dividend policy to the unrelated shareholders.

Documents to pay are mainly accounts payable to foreign suppliers of the subsidiaries Compañía Siderúrgica Huachipato S.A. and Cintac S.A.I.C. These are the details of the main creditors:

Creditors	Country	12.31.2015 ThUS$
Samsung C and T Corporation	China	43,095
Teck Coal Limited	Canadá	15,335
Steel Resources	Japón	11,441
Duferco S.A	Suiza	6,495
Arcelor	Brasil	4,459
Daewwoo International	China	2,196
Tianjin Zhihengtai	China	1,258
Aluzinc	China	551
Bratingham	China	330
Celsa	España	261
Otros		1,337
Totales		**86,758**

Creditors	Country	12.31.2015 ThUS$
Samsung C and T Corporation	China	27,276
Duferco	China	14,039
Coquecol S.A.C.I.	Colombia	10,041
Teck Coal Limited	Canadá	9,383
Avic	China	8,752
Jiangyin	China	4,699
Cumic Steel Limited	Korea	2,216
Huntsman Internacional	EE.UU.	1,696
SRI Steel Resources LLC	EE.UU.	1,538
Tianjin Zhihengtai	China	455
Cia. Española de Laminación S.L.	España	275
Otros		3,096
Totales		**83,466**

23. Provisions

23.1 The detail of provisions is as follows:

	Current		Non-Current	
	12.31.2015 ThUS$	12.31.2014 ThUS$	12.31.2015 ThUS$	12.31.2014 ThUS$
Provision for lawsuits	492	1,374	-	-
Provision for restoration	374	374	57,347	21,456
Volume discounts	312	381	-	-
Operational provision	2,349	2,661	-	-
Other provisions	2,209	3,567	-	1,818
Total other provisions	**5,736**	**8,357**	**57,347**	**23,274**

23.2 The movements in provisions are as follows:

As of December 31, 2015

Current	Provision for lawsuits ThUS$	Provision for restoration MUS$	Volume Discounts ThUS$	Operationals Provision ThUS$	Other provisions ThUS$
Beginnings balance as of January 1, 2015	1.374	374	381	2.661	3.567
Additional provisions	168	-	2.333	12.336	4.890
Use of provision	(314)	-	(2.335)	(12.648)	(4.754)
Reversal provision	(497)	-	(12)	-	(1.111)
Increase (decrease) in foreign exchange	(172)	-	(55)	-	(360)
Other increases (decreases)	(67)	-	-	-	(22)
Ending balance as of December 31, 2015	492	374	312	2.349	2.210

Non-Current	Provision for Restoration ThUS$	Other provisions ThUS$
Beginnings balance as of January 1, 2015	21,456	1,818
Additional provisions	35,891	-
Use of provision	-	(1,818)
Ending balance as of December 31, 2015	57,347	-

As of December 31, 2014

Current	Provision for lawsuits ThUS$	Provision for Restoration ThUS$	Participation dividends ThUS$	Volume Discounts ThUS$	Operationals Provision ThUS$	Other provisions ThUS$
Beginnings balance as of January 1, 2014	2,365	374	3,182	1,916	4,099	9,793
Additional provisions	-	-	-	-	2,987	6,912
Use of provision	(717)	-	(3,182)	(6,586)	(4,425)	(15,410)
Transfer to short term	-	-	-	-	-	(1,577)
Reversal provision	(548)	-	-	-	-	-
Increase (decrease) in foreign exchange	(293)	-	-	(259)	-	(201)
Other increases (decreases)	567	-	-	5,310	-	4,050
Ending balance as of December 31, 2014	1,374	374	-	381	2,661	3,567

Non-Current	Provisión para juicios MUS$	Other Provisions ThUS$
Initial balance as of January 1, 2014	-	944
Lawsuits provision	-	1,818
Other increases (decreases)	-	(944)
Ending balance as of December 31, 2014	-	1,818

24. Other non-financial liabilities

The detail of other liabilities as of December 31, 2015 and 2014 is as follows:

	Current		Non-Current	
	12.31.2015 ThUS$	12.31.2014 ThUS$	12.31.2015 ThUS$	12.31.2014 ThUS$
Mineral sales advance Cargill International (*)	-	-	15,356	25,400
Mineral sales advance Glencore AG. (*)	-	-	17,577	39,096
Mineral sales advance Deutsche Bank (*)	-	-	-	47,616
Mineral sales advance Pioneer Metals (*)	-	-	52,854	63,257
Mineral sales advance Prosperity Steel (*)	-	-	33,882	-
Others	1,523	3,354	25	10,248
Total	1,523	3,354	119,694	185,617

(*) These correspond to mineral sales advances. The current liabilitie is ThUS$ 44,406 in 2015 (ThUS$125,716 as of December 31, 2014), and is shown in Trade creditors and other accounts payable (Note 22).

The decrease in non-current liabilities with Deutsche Bank AG is due mainly to the fact that, in November, 2014, an early termination of contract was signed with that company for two of the three contracts for advances on sales, which will mean that the subsidiary Compañía Minera Del Pacifico S.A. had to pay MUS$78,874 on January 26, 2015 for the total amount of pending advanced payments.

25. Current and non-current personnel benefits and expenses

The Group have established a provision for severance indemnities and for aging prize to be paid to employees under collective bargaining agreements.

The detail of the main concepts included in the personnel benefits provision as of December 31, 2015 and 2014 is the following:

	Current		Non-Current	
Provisions for employee benefits	12.31.2015 ThUS$	12.31.2014 ThUS$	12.31.2015 ThUS$	12.31.2014 ThUS$
Vacation Provision	6,750	8,489	4,559	11,487
Provision for severance indemnities	958	2,432	52,257	60,019
Aging prize	2,446	5,385	5,819	11,323
Personnel provisions other	789	5,225	442	1,582
Profit Sharing	38	25	-	-
Total	10,981	21,556	63,077	84,411

The provision for personnel benefits is determined based on an actuarial calculation.

The movement in provisions is as follows:

As of December 31, 2015

Current	Vacation provision ThUS$	Provision for Severance Indemnities ThUS$	Aging Prize ThUS$	Personnel Provisions Other ThUS$	Profit sharing ThUS$
Beginning balance as of January 1, 2015	8,489	2,432	5,385	5,225	25
Additional provisions	5,507	354	5,092	3,622	462
Use of provision	(6,570)	(4,769)	(9,317)	(6,791)	(440)
Clasification to long term	1,011	3,386	2,038	20	-
Reversal provision	(457)	-	-	(530)	-
Increase (decrease) in foreign exchange rate	(1,230)	(231)	(775)	(757)	(9)
Other increases (decreases)	-	(214)	23	-	-
Ending balance as of december 31, 2015	6,750	958	2,446	789	38

Non-current	Vacation provision ThUS$	Provision for Severance Indemnities ThUS$	Aging Prize ThUS$	Personnel Provisions Other ThUS$	Profit sharing ThUS$
Beginning balance as of January 1, 2015	11,487	60,019	11,323	1,582	-
Additional provisions	521	8,221	198	-	-
Use of provision	(4,830)	(2,974)	(1,899)	(1,041)	-
Clasification to short term	(1,011)	(3,386)	(2,038)	(20)	-
Reversal provision	-	(1,139)	-	-	-
Increase (decrease) in foreign exchange rate	(1,636)	(8,555)	(1,736)	(79)	-
Other increases (decreases)	28	71	(29)	-	-
Endind balance as of december 31, 2015	4,559	52,257	5,819	442	-

As of December 31, 2014

Current	Vacation provision ThUS$	Provision for Severance Indemnities ThUS$	Aging Prize ThUS$	Personnel Provisions Other ThUS$	Profit sharing ThUS$
Beginning balance as of January 1, 2014	9,512	1,748	5,948	20,833	119
Additional provisions	19,502	1,354	2,561	3,598	8
Use of provision	(25,862)	(15,074)	(15,752)	(17,952)	(100)
Clasification to long term	988	11,554	6,702	-	-
Increase (decrease) in foreign exchange rate	(585)	(210)	(781)	(2,292)	(2)
Other increases (decreases)	4,934	3,060	6,707	910	-
Ending balance as of december 31, 2014	8,489	2,432	5,385	5,225	25

Non-current	Vacation provision ThUS$	Provision for Severance Indemnities ThUS$	Aging Prize ThUS$	Personnel Provisions Other ThUS$	Profit sharing ThUS$
Beginning balance as of January 1, 2014	9,461	72,221	32,018	1,512	-
Additional provisions	4,359	17,283	1,905	157	-
Use of provision	(66)	(8,826)	(2,363)	-	-
Clasification to short term	(988)	(11,554)	(6,702)	-	-
Reversal provision	-	-	-	-	-
Increase (decrease) in foreign exchange rate	(1,279)	(9,214)	(4,233)	(60)	-
Other increases (decreases)	-	109	(9,302)	(27)	-
Endind balance as of december 31, 2014	11,487	60,019	11,323	1,582	-

This is reconciliation of the balances of provisions for post-employment benefits:

Current Period

Movements	01.01.2015 12.31.2015	
	Severance indemnities ThUS$	Aging prize ThUS$
Opening balance	**62,451**	**16,708**
Cost of service	2,070	2,502
Interest cost	3,562	881
Contribution paid	(12,307)	(4,470)
Actuarial variation	4,692	(2,202)
Other operational costs	(760)	(3,614)
Subtotal	**59,708**	**9,805**
(Gain) losses for exchange differences	(6,493)	(1,540)
Ended balance	**53,215**	**8,265**

Previous Period

Movements	01.01.2014 12.31.2014	
	Severance indemnities ThUS$	Aging prize ThUS$
Opening balance	**73,969**	**62,661**
Cost of service	3,378	6,311
Interest cost	3,535	1,671
Contribution paid	(19,875)	(8,196)
Actuarial variation	3,401	(2,190)
Other operational costs	4,115	(16,400)
Subtotal	**68,523**	**19,162**
(Gain) losses for exchange differences	(6,072)	(2,454)
Ended balance	**62,451**	**16,708**

Also, the effect that it would have on the severance indemnity provision and the seniority bonus provision at December 31, 2015, a 1% change in the discount rate, in conjunction with the same change in the inflation rate directly related to such discount rate, is shown in the table below:

Sensibilización tasa descuento Año 2015
(Amount in ThUS$)

Discount rate Concept	5%			7%		
	IAS	Pant	Total	IAS	Pant	Total
Balance at 01.01.2015	62,451	16,708	79,159	62,451	16,708	79,159
Total cost of the period to comprehensive income	4,982	3,207	8,189	4,621	3,142	7,763
Benefits paid	(12,307)	(4,470)	(16,777)	(12,307)	(4,470)	(16,777)
Total Actuarial variation to comprehensive income	7,434	(1,806)	5,628	2,234	(2,574)	(340)
Financial cost to profit and loss por UF to USD exchange	(6,551)	(5,110)	(11,661)	(5,689)	(4,898)	(10,587)
Balance at 12.31.2015	**56,009**	**8,529**	**64,538**	**51,310**	**7,908**	**59,218**

Classes of employee expenses

Employee expenses as of December 31, 2015 and 2014 are as follows:

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
Wages and salaries	104,444	127,094
Short term benefits to employees	20,768	31,295
Severance indemnities	13,260	19,134
Aging prize	(976)	(4,636)
Other staff costs	36,370	46,044
Total	**173,866**	**218,931**

The principal assumptions used for the actuarial calculation are:

Actuarial bases used	12.31.2015	12.31.2014
Discount rate	6.00%	6.00%
Rotation Index	1.00%-3.00%	1.00%-5.00%
Rotation Index - retirement due to business needs	1.00%-7.00%	1.00%-4.50%
Expected salary increases	1.00%-1.50%	0.80%-1.50%
Retirement age		
Men	65 years	65 years
Women	60 years	60 years
Mortality table	RV-2009	RV-2009

The actuarial study was prepared by the independent actuary, Raúl Benavente, based on the assumptions provided by the management.

26. Net equity information to be disclosed

26.1 Subscribed and paid in capital and number of shares:

As of the dates of the balances of financial position, subscribed and paid-in capital and number of shares is detailed as follows:

Number of shares

Series	Number of shares subscribed	Number of paid-in shares	Amount of shares with voting rights
Single	149,448,112	149,448,112	149,448,112

Capital

Series	Subscribed capital ThUS$	Paid-in capital ThUS$
Single	379,444	379,444

26.2 Dividend policy and reserve for proposed dividends.

Under current legislation, at least 30% of the net profits for the year should be distributed as cash dividends unless unanimously agreed otherwise by all shareholders at a Shareholders Meeting.

The Ordinary Shareholders meeting held on April 15, 2015 agreed the following dividend policy:

1. To continue with the policy of distributing 50% of distributable earnings as the final dividend.
2. In addition, authorized the board to agree to the distribution of interim dividends for the financial year 2015 on the understanding that during the same profits will be generated and there are no accumulated losses.
3. The Board is authorized to distribute eventual dividends against accumulated earnings if considered convenient.

In accordance with the dividend policy agreed by the Shareholders Meeting, the Company has made a reserve of ThUS$ 4,571 for proposed dividends as of December 31, 2015 and ThUS$ 33,425 as of December 31, 2014, equivalent to 50% of distributable earnings.

The dividends declared during the years 2015 and 2014 were the following:

Dividend Type	Number	Amount ThUS$	Payment Date
Interim	118	21,365	16-01-2014
Final	119	20,336	25-04-2014
Final	120	14,260	24-07-2014
Eventual	121	12,470	16-10-2014
Interim	122	12,315	15-01-2015
Final	123	8,543	23-04-2015
Final	124	6,972	23-07-2015
Final	125	5,594	22-10-2015

26.3 Other reserves

The detail of other reserves for each period is as follows:

	12.31.2015 ThUS$	12.31.2014 ThUS$
Hedge reserves effect	(11,986)	(15,288)
Equity- settled employee benefits reserve	(1,539)	(586)
Conversion reserve	-	1,415
Others	378	491
Total	**(13,147)**	**(13,968)**

26.4 Tax Reform Effect

Under the provisions of Circular No. 856 of the Superintendency of Securities and Insurance, a charge to income (losses) has been recorded in the amount of ThUS$83,360 for deferred taxes recognized as a direct effect of the increase of the first category tax rate.

26.5 Distributable net profits

As required by SVS, in Circular 1983 of July 30, 2010, the Board on August 30, 2010, established as policy to exclude the following concepts from the profits for the year for the purpose of calculating its distributable profits:

- The results of the fair value of assets and liabilities corresponding to CAP S.A. arising from the 50% of the previous interest ownership that its subsidiary CMP had in Compañía Minera Huasco S.A., that are not realized as a result of the merger with that Company.

The detail of distributable profits is as follows:

	12.31.2015 ThUS$	12.31.2014 ThUS$
Total Gain	2,149	55,514
Adjustment as per policy:		
Realization of profit from the business combination of CMP with Cia Minera Huasco S.A. conducted during the year	7,567	11,335
Distributable net income	**9,716**	**66,849**

As stated above, the unrealized amount arising from the combination of businesses of the subsidiary CMP and Cia. Minera Huasco S.A. is as follows:

	12.31.2014	12.31.2015	
	Effects of CMP-CMH merge ThUS$	**distribuitable earnings realized in the period** ThUS$	**Non-distributable earnings for realized** ThUS$
Gain on combination of businesses	419,716	-	419,716
Realization of fair value (*)	(73,769)	(14,827)	(88,596)
Deferred taxes	(25,494)	4,737	(20,757)
Non-distributable CMP subsidiary	320,453	(10,090)	310,363
Participation non distributable net income of CAP S.A. (74,999%)	240,336	(7,567)	232,768

(*) The gain in fair value from the combination of businesses (merger) of CMP and Cía. Minera Huasco S.A. is realized by the amortization of the mining properties and the depreciation of the fixed assets revalued at fair value.

26.6 Adjustments for first-time adoption of IFRS

The Group has adopted the policy of recording first-time IFRS adoption adjustments separately from the rest of retained earnings (losses) and maintaining the balance in the account Accumulated earnings (losses) in equity, recording the part of the accumulated gain coming from first-adoption adjustments that are realized.

The following table shows the portion of the principal first-time IFRS adoption adjustments that have been considered as unrealized and the evaluation of their realization as of December 31, 2015 and 2014:

		12.31.2014		12.31.2015	
	First-adoption adjustments to 01-01-2009 ThUS$	**Amount in year and variation other ThUS$**	**be realized ThUS$**	**Amount in year and variation other ThUS$**	**Balance to realized ThUS$**
Appraisal as attributed cost of land	305.481	(168)	305.313	-	305.313
Property, plant & equipment at revalued cost	15.615	(859)	14.756	(876)	13.880
Negative goodwill	16.445	-	16.445	-	16.445
Remeasurement of fixed assets due to change in functional currency and other IFRS adjustments	3.851	-	3.851	-	3.851
Deferred taxes	(58.052)	146	(57.906)	149	(57.757)
Total	**283.340**	**(881)**	**282.459**	**(727)**	**281.732**

26.7 Capital management

Capital management refers to the management of the Company's equity. The Group's capital management policies have the following objectives:

- To ensure the normal functioning of its operations and the long-term continuity of the business.
- To ensure the financing of new investments in order to maintain sustained growth over time.
- To maintain a suitable capital structure in line with the economic cycles that affect the business and the nature of the industry.
- To maximize the value of the Company, providing an adequate return for its shareholders.

The capital requirements are incorporated based on the Company's financing needs, taking care to maintain an adequate level of liquidity and complying with the financial covenants included in current loan agreements. The Company manages its capital structure by adjusting it to the predominant economic conditions in order to mitigate the risks associated with adverse market conditions and take advantage of opportunities that might present themselves for improving the Company's liquidity.

27. Non-controlling interest

The detail by Company of the effects of the participation by third parties in the equity and results of subsidiary companies in each of the years is as follows:

	Non-controller share		Noncontrolling interest on equity		Share in results Accumulated	
Company	**12.31.2015**	**12.31.2014**	**12.31.2015**	**12.31.2014**	**01.01.2015 12.31.2015**	**01.01.2014 12.31.2014**
	%	**%**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**
Manganeso Atacama S.A.	0.48000	0.48000	35	39	(2)	(2)
Cìa. Siderúrgica Huachipato S.A.	0.0001	0.0001	1	1	-	-
Cìa. Minera del Pacífico S.A.	25.0001	25.0001	1,101,752	1,102,743	4,733	28,312
Novacero S.A.	47.3200	47.3200	45,525	45,244	676	790
Cintac S.A.	38.0360	38.0360	68,518	67,857	1,245	1,323
Group Intasa S.A.	11.6496	11.6496	1,680	1,767	(87)	(33)
Puerto Las Losas S.A.	49.0000	49.0000	24,123	25,271	(1,149)	(1,060)
Cleanairtech Sudamérica S.A.	49.0000	49.0000	67,953	63,421	4,498	(136)
Total			**1,309,587**	**1,306,343**	**9,914**	**29,194**

28. Revenues, other income, expenses by function and other gains (losses).

28.1 Revenues

The detail of revenues as of December 31, 2015 and 2014 is as follows:

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
Proceeds from sale of Mineral	**662,021**	**942,099**
Proceeds from sale of mineral	371,997	670,395
Proceeds from sale of pellets	274,506	229,589
Mineral products other	15,518	42,115
Proceeds from sale of Steel	**442,928**	**548,933**
Proceeds from sales of steel	409,159	490,383
Product other	33,769	58,550
Proceeds from sales of steel processing	**373,700**	**387,221**
Proceeds from sale of processed steel	362,743	379,810
Proceeds from sales of service	293	512
Revenue from resale	10,664	6,899
By-products and other	-	-
Infrastructure	**82,193**	**34,983**
Sale of desalinated water	72,068	24,732
Electric transmission	8,176	8,256
Port operations	1,949	1,995
Others	-	-
(Elimination intercompany transactions)	(85,582)	(123,481)
Total	**1,475,260**	**1,789,755**

28.2 Other income

The detail of other income as of December 31, 2015 and 2014 is as follows:

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
Customer delayed payments	7	16
Sale of services	132	549
Other income and re-adjustments	14,485	17,729
Sale of scrap and by-products	564	604
Total	15,188	18,898

28.3 Other expenses by function

The detail of other expenses by function as of December 31, 2015 and 2014 is as follows:

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
Drilling and exploration	4,523	15,552
Management non-operating expenses	10,327	17,202
Impairment of stock		5,147
Others	15,080	22,357
Total	29,930	60,258

28.4 Other gains (losses)

The detail of other gains (losses) as of December 31, 2015 and 2014 is as follows:

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
Sales of projects	4,954	4,800
Others	3,849	1,405
Total	8,803	6,205

29. Financial income

The principal items of finance income as of December 31, 2015 and 2014 are:

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
Investments held to maturity	2,757	5,083
Hedge instruments	186	-
Others	1,076	228
Total	4,019	5,311

Finance income from financial assets, by category, is as follows:

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
Investments in time deposits and mutual funds	2,239	4,258
Investments in mutual funds	518	825
Interest on hedging instruments	186	1
Others	1,076	227
Total	4,019	5,311

30. Financial costs

The principal items of finance costs as of December 31, 2015 and 2014 are:

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
Interest expense, bank loans	27,474	12,534
Foreign suppliers expense	618	509
Interest expense, bonds	8,818	9,222
Expense/income of net financial derivatives valuation	11,957	28,225
Activated financial expense	2,444	2,444
Interest on leasing	839	1,363
Other financial expenses	8,363	15,318
Total	**60,513**	**69,615**

31. Depreciation and amortization

The detail for the years ended December 31, 2015 and 2014 is as follows:

	Accumulated	
	01.01.2015 12.31.2015 ThUS$	01.01.2014 12.31.2014 ThUS$
Depreciation	169,985	138,158
Amortization of Intangibles	28,624	39,610
Other amortization	-	-
Total	198,609	177,768

32. Operating segments

The following analysis of business and geographic segments is required by IFRS 8, Operating Segments, to be presented by entities whose capital or debt instruments are traded publicly, or which are in the process of issuing shares or debt instruments in the securities market. If an entity whose securities are not publicly traded decides to disclose segment information voluntarily in the financial statements complying with IFRS, the entity should comply fully with the requirements of IFRS 8.

Segments by business

For management purposes, the Group is organized into four large operative divisions - CAP Mining, CAP Steel, CAP Steel Processing and CAP Holding. These divisions are the basis on which the Group reports its primary informational segments. The principal products and services of each of the divisions are the following:

CAP Mining - the extraction of minerals and their subsequent processing and domestic and external sale.

CAP Steel - the production of finished steel from a production of liquid steel by reduction of iron ore in blast furnaces.

CAP Steel Processing - the processing of steel through the subsidiaries Cintac S.A. and Intasa S.A. whose objectives are the creation of solutions in steel mainly for the construction, industry and infrastructure sectors in Chile and abroad.

CAP Infraestructura: carries out its business through subsidiaries Cleanairtech Sudamérica S.A., Tecnocap S.A. and Puerto Las Losas S.A.

CAP Holding: Corresponds to the corporate management center.

Profits by Segments

	Acumulated 01.01.2015 12.31.2015						
	Mining ThUS$	Steel ThUS$	Steel processing ThUS$	Infrastructure ThUS$	Others (1) ThUS$	Eliminations (1) ThUS$	Total ThUS$
Operating Income	662,021	442,928	373,700	82,193	-	(85,582)	1,475,260
Cost of sales	(572,891)	(428,054)	(325,861)	(46,695)	-	88,031	(1,285,470)
Gross margin	**89,130**	**14,874**	**47,839**	**35,498**	-	**2,449**	**189,790**
Other revenues, by function	10,917	5,207	-	38	19,020	(19,994)	15,188
Distribution costs	-	-	(19,591)	-	-	-	(19,591)
Administrative expenses	(35,941)	(27,140)	(20,360)	(2,871)	(15,471)	19,521	(82,262)
Other expenses, by function	(25,273)	(5,051)	-	(79)	-	473	(29,930)
Other gains (losses)	-	-	4,954	66	3,783	-	8,803
Profit (loss) from operating activities	**38,833**	**(12,110)**	**12,842**	**32,652**	**7,332**	**2,449**	**81,998**
Financial income	633	-	476	25	11,409	(8,544)	4,019
Financial costs, net	(15,223)	(8,547)	(6,885)	(16,090)	(22,312)	8,544	(60,513)
Share in profit of associates accounted for using the method of participation	(388)	(2)	(228)	-	6,332	(6,785)	- (1,071)
Exchange differences	5,935	438	(612)	(4,887)	(119)	(1)	754
Result by readjustment unit	-	242	345	1,034	48	-	1,669
Income (loss) before tax	**29,810**	**(19,979)**	**5,938**	**12,734**	**2,690**	**(4,337)**	**26,856**
(Expense) income for income tax	(10,880)	4,286	(3,649)	(3,909)	(641)	-	(14,793)
Income (loss) after tax	**18,930**	**(15,693)**	**2,289**	**8,825**	**2,049**	**(4,337)**	**12,063**

	Acumulated 01.01.2014 12.31.2014						
	Mining ThUS$	Steel ThUS$	Steel processing ThUS$	Infraestructure ThUS$	Others (1) ThUS$	Eliminations (1) ThUS$	Total ThUS$
Operating Income	942,099	548,933	387,221	34,983	-	(123,481)	1,789,755
Cost of sales	(710,049)	(537,671)	(334,072)	(20,436)	-	122,746	(1,479,482)
Gross margin	**232,050**	**11,262**	**53,149**	**14,547**	**-**	**(735)**	**310,273**
Other revenues, by function	16,415	1,622	150	310	26,408	(26,007)	18,898
Distribution costs	-	-	(20,238)	-	-	-	(20,238)
Administrative expenses	(43,146)	(31,868)	(19,580)	(1,775)	(16,408)	26,007	(86,770)
Other expenses, by function	(52,228)	(8,009)	-	(21)	-	-	(60,258)
Other gains (losses)	-	-	107	(681)	6,779	-	6,205
Profit (loss) from operating activities	**153,091**	**(26,993)**	**13,588**	**12,380**	**16,779**	**(735)**	**168,110**
Financial income	1,581	-	648	102	13,422	(10,442)	5,311
Financial costs, net	(22,820)	(10,575)	(6,594)	(8,271)	(28,453)	7,098	(69,615)
Share in profit of associates accounted for using the method of participation	(8)	(3)	(87)	-	54,641	(56,580)	- (2,037)
Exchange differences	11,070	119	(3,712)	(8,367)	(599)	3,343	1,854
Result by readjustment unit	-	443	494	1,441	22	-	2,400
Income (loss) before tax	**142,914**	**(37,009)**	**4,337**	**(2,715)**	**55,812**	**(57,316)**	**106,023**
(Expense) income for income tax	(29,668)	9,993	(1,246)	118	(512)	-	(21,315)
Income (loss) after tax	**113,246**	**(27,016)**	**3,091**	**(2,597)**	**55,300**	**(57,316)**	**84,708**

(1) These columns show elimination adjustments on consolidation and the results generated by CAP S.A. and the other companies of the group.

Assets and Liabilities by Segments

	12.31.2015						
	Mining ThUS$	Steel ThUS$	Steel processing ThUS$	Infraestructure ThUS$	Others (1) ThUS$	Eliminations (1) ThUS$	Total ThUS$
Current assets	417,623	154,044	216,783	78,086	655,797	(262,805)	1,259,528
Non-current assets	3,160,241	667,383	144,070	452,308	2,390,972	(2,365,961)	4,449,013
Total Assets	**3,577,864**	**821,427**	**360,853**	**530,394**	**3,046,769**	**(2,628,766)**	**5,708,541**
Current liabilities	435,857	292,488	131,098	53,576	66,888	(262,365)	717,542
Non-current liabilities	1,035,147	110,837	30,736	265,502	443,488	(55,489)	1,830,221
Total Liabilities	**1,471,004**	**403,325**	**161,834**	**319,078**	**510,376**	**(317,854)**	**2,547,763**

	12.31.2014						
	Mining ThUS$	Steel ThUS$	Steel processing ThUS$	Infraestructure ThUS$	Others (1) ThUS$	Eliminations (1) ThUS$	Total ThUS$
Current assets	329,182	238,466	275,933	110,392	625,283	(411,510)	1,167,746
Non-current assets	3,234,954	692,085	143,498	464,827	2,407,011	(2,355,000)	4,577,261
Total Assets	**3,564,136**	**930,551**	**419,431**	**575,219**	**3,032,294**	**(2,766,510)**	**5,745,007**
Current liabilities	524,796	373,639	182,884	109,916	144,241	(408,801)	926,675
Non-current liabilities	928,508	122,920	38,180	262,882	346,455	(40,270)	1,658,675
Total Liabilities	**1,453,304**	**496,559**	**221,064**	**372,798**	**490,696**	**(449,071)**	**2,585,350**

(1) These columns show elimination adjustments on consolidation and the results generated by CAP S.A. and the other companies of the group.

Cash flows by segment

	Acumulated													
	01.01.2015 12.31.2015							01.01.2014 12.31.2014						
	Mining	Steel	Steel processing	Infraestructure	Others (1)	Eliminations (1)	Total	Mining	Steel	Steel processing	Infraestructure	Others (1)	Eliminations (1)	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Cash flows from (used in) operating activities	(8,344)	291,968	42,352	102,724	45,337	(235,409)	238,628	126,718	343,884	60,418	5,699	136,733	(411,318)	262,134
Cash flows from (used in) investing activities	(130,622)	(11,216)	150	(30,644)	(108,945)	(1,010)	(282,287)	(299,403)	(10,183)	(4,530)	(109,525)	(59,778)	9,335	(474,084)
Cash flows from (used in) financing activities	166,735	(281,338)	(44,763)	(66,971)	132,334	236,374	142,371	176,465	(334,227)	(39,106)	113,928	(86,927)	401,983	232,116
	27,769	**(586)**	**(2,261)**	**5,109**	**68,727**	**(45)**	**98,713**	**3,780**	**(526)**	**16,782**	**10,102**	**(9,972)**	**-**	**20,166**

(1) These columns include the elimination adjustments on consolidation and the results generated by CAP S.A. and the other companies of the group.

Other information by segment

Geographic segments

The four divisions of CAP S.A. operate in three principal geographic areas, the North, Center and South of Chile. The composition of each geographic segment is as follows:

North - Through CAP Mining, the Group operates iron-ore mines in the north of Chile. (Huasco Valley, Elqui Valley and Copiapó Valley).

Center - Through CAP Holding and CAP Steel Processing, the group has operations in the center of Chile. (Metropolitan Region).

South - Through CAP Steel, the Group operates its steel-making plant in the southern part of Chile. (Talcahuano, 8th Region).

Main clients and level of dependence

This is the information on CAP group's clients representing more than 10% of income in their respective segments:

As of December 31, 2015

Customers	Tax Number	Segment	Total ThUS$	% Revenues segment	% Revenues CAP group
Moly - Cop Chile S.A.	92,244,000-K	Steel	141,194	38.37%	9.57%
Mitsubishi Corporation RtM	O-E	Mining	105,970	15.24%	7.18%
Prosperity Steel United Singapure	O-E	Mining	78,101	11.23%	5.29%
Ind. Chilena Alam. Inchalam S.A.	91,868,000-4	Steel	54,773	15.07%	3.71%
Sodimac S.A.	96,792,430-K	Prosecution	33,395	14.21%	2.26%

As of December 31, 2014

Customers	Tax Number	Segment	Total ThUS$	% Revenues segment	% Revenues CAP group
Moly - Cop Chile S.A.	92,244,000-K	Steel	187,472	37.16%	10.47%
Deutsche Bank AG	O-E	Mining	149,456	15.86%	8.35%
Prosperity Steel United Singapure	O-E	Mining	132,138	14.03%	7.38%
Ind. Chilena Alam. Inchalam S.A.	91,868,000-4	Steel	56,326	12.10%	3.15%
Sodimac S.A.	96,792,430-K	Prod. Steel	42,123	13.86%	2.35%

In the mining segment income from sales to the related Compañía Siderúrgica Huachipato S.A. represents 11.61 % of its total income as of December 31, 2015.

Geographical distribution of clients

This is the information on the destination of CAP group's sales segmented by the geographical area of its clients:

As of December 31, 2015

Local market	% Revenues	ThUS$
Chile	47%	695,412

Foreing Market	% Revenues	ThUS$
China	27%	392,477
Peru	7%	106,009
Japan	6%	84,983
Korea	5%	68,206
Bahrein	3%	44,071
Otros	6%	84,102

As of December 31, 2014

Local market	% Revenues	ThUS$
Chile	50%	885,949

Foreing Market	% Revenues	ThUS$
China	30%	541,658
Japan	6%	104,771
Bahrein	5%	97,604
Peru	4%	75,497
Otros	5%	84,276

33. Guarantees to third parties

33.1 Direct guarantees

	Debtor		Committed assets			Outstanding balance		Release of	
Creditor	Name	Relationship	Type of security	Currency	Book value ThUS$	12.31.2015 ThUS$	12.31.2014 ThUS$	2016 ThUS$	2017 onward ThUS$
Corporación Nacional del Cobre	Cintac SAIC	Customer	Bank Guarantee	PESOS	-	-	1	-	-
Corporación Nacional del Cobre	Cintac SAIC	Customer	Bank Guarantee	UF	12	12	-	12	-
Corporación Nacional del Cobre	Instapanel S.A.	Customer	Bank Guarantee	UF	18	18	-	18	-
Fisco de Chile Ser. Nac. De Aduan	Cintac SAIC	Customer	Bank Guarantee	USD	1,150	1,150	-	1,150	-
Fisco de Chile Ser. Nac. De Aduan	Cintac SAIC	Customer	Bank Guarantee	USD	173	173	-	173	-
Fisco de Chile Ser. Nac. De Aduan	Cintac SAIC	Customer	Bank Guarantee	USD	105	105	-	105	-
Comité Innova Chile	Cintac SAIC	Customer	Bank Guarantee	PESOS	49	49	-	49	-
Comité Innova Chile	Cintac SAIC	Customer	Bank Guarantee	PESOS	2	2	-	-	2
Comité Innova Chile	Cintac SAIC	Customer	Bank Guarantee	PESOS	56	56	-	-	56
Comité Innova Chile	Cintac SAIC	Customer	Bank Guarantee	PESOS	1	1	-	-	1
Bateman Chile S.A.	Instapanel S.A.	Customer	Bank Guarantee	PESOS	-	-	24	-	-
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	195	195	195	-	195
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	126	126	126	-	126
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	177	177	177	-	177
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	1	1	1	1	-
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	519	519	519	519	-
Ministerio de Bienes Nacionales	Cleanairtech Sudamerica S.A.	Supplier	Bank Guarantee	UF	65	65	85	65	-
Candelaria	Cleanairtech Sudamerica S.A.	Supplier	Bank Guarantee	UF	289	289	-	-	289
Ministerio de Obras Públicas	Cleanairtech Sudamerica S.A.	Supplier	Bank Guarantee	UF	261	261	305	261	-
Abengoa	Tecnocap S.A.	Supplier	Bank Guarantee	USD	85	85	3,590	85	-
Banco Provincia Bs As	Intasa S.A.	Bank	Mortgage	$ Arg	5,872	5,872	756	1,492	4,380
				Total	9,156	9,156	5,779	3,930	5,226

As mentioned in Note 16.1, on April 18 the subsidiary Cleanairtech Sudamérica S.A. signed a credit agreement with Crédit Agricole CIB, Corpbanca and Mizuho Corporate Bank, Ltd., to finance the first phase of the Seawater Desalination Project being developed by that Company, as a Project Finance. Together with the first disbursement of the Banks under the above credit agreement, all of the assets of Phase I of Cleanairtech Sudamérica S.A. were delivered as a guarantee.

On September 10, 2013, the Company signed another credit agreement with Crédit Agricole CIB (agent bank) and Mizuho Corporate Bank Ltd., Banco Itaú Chile and Banco de Crédito e Inversiones S.A., Miami branch, to finance phase 2 of the seawater desalination project under the Project Finance method. As well as in phase 1 with the first disbursement of the banks under the aforementioned credit agreement, all the assets of phase 2 of Cleanairtech Sudamérica S.A. were pledged as collateral to the aforementioned banks.

As of December 31, 2015 the amount of committed fixed assets is ThUS$ 335,963.

33.2 Indirect guarantees

	Debtor		Committed Assets			Outstanding balance		Release of security	
Creditor	**Name**	**Relationship**	**Type of security**	**Currency**	**Book value ThUS$**	**12.31.2015 ThUS$**	**12.31.2014 ThUS$**	**2016 ThUS$**	**2017 onward ThUS$**
International bond in US$	CAP S.A.	Parent	Solidarity	USD	56,913	56,913	56,913	1,205	54,988
					56,913	56,913	56,913	1,205	54,988

- Compania Siderurgica Huachipato S.A. and Compañía Minera del Pacífico S.A. granted their joint guarantee to CAP S.A., supporting the issue and placement on the market of the International Bond in the amount of ThUS$200,000. On September 15, 2011, the International Bond was prepaid, but only 66.685% could be settled. During 2014, partial redemptions were made of this bond, and as of December 31, 2015 a balance of ThUS$56,193 was still outstanding, including interest.

- The subsidiary Compañía Siderúrgica Huachipato S.A. signed a leasing agreement with Banco de Crédito e Inversiones to finance the construction of the corporate building for a sum of ThUS$ 14,232, whose first installment was paid in September 2008 and the last is payable in 2016.

- The indirect subsidiaries Cintac S.A.I.C. and Instapanel S.A. (through Cintac S.A.I.C.) are joint and several guarantors of loans contracted by their Parent with Banco de Crédito e Inversiones and Banco Estado.

- On July 1, 2011, the board of the Company agreed to authorize the granting of the guarantee of CAP S.A. to cover contracts signed with CAP Mining customers for the future production of the Cerro Negro Norte project and increased production from Los Colorados mine and pellets plant in Huasco valley, which could include in certain cases, the advance payment of US$75 per ton annually of purchase commitments, plus other conditions, for up to 10 years. As of December 31, 2015, advance payments received by the subsidiary CMP related to this guarantee amount to ThUS$62,581.

- On May 27, 2014, at the Extraordinary Shareholders' Meeting of CMP, was agreed the granting by CMP of a first degree pledge of property securities and a first degree pledge commitment of the property securities in conformity with Law 4,287, in relation to all the shares that Tecnocap S.A. has or will have, and prohibition to sell and encumber such shares, all with the aim of guaranteeing the obligations that the company Tecnocap S.A. will acquire when signing a bank financing agreement.

- On May 28, 2014 during the Extraordinary Shareholders' Meeting of subsidiary Cia Siderurgica Huachipato, was approved the signing and subscription by the Company of a first degree pledge of property securities in favor of Banco Itau and a promise of a first degree pledge of property securities in favor of Banco Itau, on all shares that owned or that will be owned by Tecnocap S.A.. The pledge of shares will be established in order to ensure each and every one of the obligations of Tecnocap S.A. in favor of Banco Itau under the credit agreement, the promissory note, derivative contracts and other financing documents, including payments of principal adequately indexed plus interest, commissions, fees and other obligations that have been contracted and will be contracted in the future.

- On June 26, 2014, the subsidiary Tecnocap S.A. entered into a credit agreement with Banco Itau. Among the main limitations of this agreement is established the obligation of the subsidiary, in favor of the creditor, as a third party commitment, that the shareholders of the Company shall not cede or transfer their shares held in Tecnocap S.A. which could lead to loss of control of the debtor by CAP SA, without the prior written consent of the creditor. Also it agrees not to sell, transfer, assign, lease or otherwise dispose of or sell the assets, land, equipment, machinery, permits, rights, concessions and, in general, all essential elements for the normal operation of the Project except in the ordinary course of business.

33.3 Collateral received from third parties

As of December 31, 2015, insurance policies contracted and guarantees received are as follows:

The Company and its subsidiaries have insurance contracts on their fixed assets and civil liability for US$4,234 million, amounts that the projects that are already in operation have already incorporated. The maximum annual amount for compensations, varies according to the type of policy and company affected by the loss possible loss.

Compañía Siderúrgica Huachipato S.A. has contracted insurance policies for its fixed assets and other business risks for ThUS$ 721,678. The maximum compensable amount of the insurance is ThUS$ 300,000 per each claim, except for earthquakes, fires, tsunamis, and volcanic eruptions that have limits per event and/or annual combined aggregate for physical assets and damage due to shut-down.

The following are the guarantees received from third parties:

	Accumulated	
	12.31.2015 ThUS$	**12.31.2014 ThUS$**
Securities & notes received from suppliers & contractors to guarantee work & advances	275,905	156,343
Worker's mortgage guarantees for mortgage loans and others	74	184
Values in guarantee for sales	1,967	1,799
Collateral received for contracts (bank ballots and other)	31,639	36,459
Total	**309,585**	**194,785**

The indirect subsidiary Cintac S.A.I.C. has received mortgages from customers amounting to ThUS$ 1,157.

33.4 Commitments

Direct commitments

	Accumulated	
	12.31.2015 ThUS$	**12.31.2014 ThUS$**
Commitments to one year	419,144	652,053
Commitments over a year	975,225	2,292,845
Total	**1,394,369**	**2,944,898**

These commitments refer to mineral sales under contracts with domestic and foreign customers, valued at the sales prices prevailing at the end of each period. These prices are agreed on FOB or CIF terms and are negotiated annually. The average contract term is three years and there are no fines for default as the contracts provide options regarding the volumes shipped each year.

Other commitments

1) Purchase orders and consignments

	Accumulated	
	12.31.2015 ThUS$	**12.31.2014 ThUS$**
Purchase orders placed	167,411	368,390
Consignment stock	1,926	2,325
Total	**169,337**	**370,715**

2) Other

The subsidiary Tubos Argentinos S.A. has granted a floating pledge over its inventories in favor of Siderar S.A.I.C. to guarantee commercial operations of ThUS$2,150.

As of December 31, 2015 and December 31, 2014 Intasa S.A. is guarantor of Tubos Argentinos S.A. to respond jointly for the banking obligations with Banco Patagonia Sudameris (granted for and on behalf of Banco Credito e Inversiones S.A.) in the amount of ThUS$4,000.

In August 2005, Tubos Argentinos S.A. granted a joint, outright, unconditional and main bond, payable to Banco Patagonia S.A., to guarantee for 10 years all obligations with said bank, for up to the maximum amount of ThUS$3,000.

Tubos Argentinos S.A. received a loan in the context of the production financing program of Bicentennial under Decree No.783/2010 through Banco de la Provincia de Buenos Aires for AR$ 76,163,494 (equivalent to ThUS$ 8,894). The first disbursement was made in December 2014 and AR$ 76,163,494 (equivalent to ThUS$ 5,872) have been received at December 31, 2015.
For this purpose, the subsidiary set up first ranking mortgage on behalf of Banco de la Provincia de Buenos Aires on the plant located in a lot in El Talar, Buenos Aires Province.

On September 9, 2008, it was submitted to the Superintendency of Securities and Insurance, the registration application of bonds of Cintac S.A. in the Securities Register under the provisions of Law No 18,045 and Section IV of the general standard of such Superintendency.

On November 4, 2008, the Superintendency of Securities and Insurance recorded the registration of the bonds line of Cintac S.A. in the Securities Register, under registration No. 556 as of the same date, for an amount of UF 1,500,000, with a maturity of 10 years starting on September 3, 2008.

As of December 31, 2015, Cintac S.A. has not placed any of these bonds.

Additionally, at December 31, 2015 and 2014 the subsidiary Cía. Siderúrgica Huachipato is liable for promissory notes discounted to coal suppliers for ThUS$ 40,605 and ThUS$ 37,742, respectively.

The company has entered into power supply agreements with Empresa Eléctrica Larena Spa and Hidroeléctrica Río Lircay S.A.

The company has no restrictions for contracts or agreements with creditors.

Association agreement

On September 5, 2005, the subsidiary Compañía Minera del Pacífico S.A. (CMP) signed a tailings purchase agreement with Compañía Contractual Minera Candelaria (CCMC) relating to the Candelaria copper mine located in the district of Tierra Amarilla in Chile's 3rd Region. Under this agreement, CCMC commits to sell CMP fresh tailings sufficient to reach an estimated production of 3,000,000 tons of iron concentrates. The agreement runs until December 31, 2022.

This contract was amended on March 9, 2011 to authorize CMP to process iron-ore minerals at the Magnetite Plant.

Purchase option contract for mining rights with Sociedad Minera el Aguila Limitada.

On December 24, 2014 subsidiary CMP entered into a memorandum of understanding (MOU) with Hot Chili Limited (hereinafter, HCHL) with domicile in Australia, subject, among other conditions, to the approval by the board of directors of CMP and the shareholders of HCHL.

HCHL and Kalgoorlie Auto Service Pty Ltda. (KAS) are the owners of 99.9% and 0.1%, respectively, of Sociedad Minera El Corazón Limitada (El Corazón).

Also, El Corazón and KAS are the only shareholders with 99.9995% and 0.00005%, respectively, of Sociedad Minera El Águila SpA (hereinafter, SMEA), which is the owner of Productora Project. It should be noted that CAP S.A., which is the controller of CMP S.A., has 11.08% ownership in HCHL through its subsidiary Port Finance Ltd. NV (hereinafter, Port).

In accordance with the draft letter of intent called "Infrastructure for Productora", the parties have agreed that SMEA will issue new shares representing 17.5% of its capital, which will be registered and paid by CMP S.A. To pay those shares of SMEA, CMP S.A. is obliged to contribute to SMEA a number of surface rights, easements and ownership in mining rights. All of them are assets required to build the infrastructure necessary for the operation of the project. For this contribution, CMP will have to:

- Transfer to SMEA the rights, instruments and ownership that it has on mining rights identified in the mining right fee purchase option agreement dated October 5, 2009.

- Transfer to SMEA the ownership of part of Estancia Higueras de las Minillas after a lot subdivision.

- Set up easements on its own surface rights and mining rights on half of SMEA to build an aqueduct from Productora to the coast.

While CMP performs a pre-feasibility study (PFS) of Productora Project, CMP will be a free-carried forward. Once the PFS is finished, CMP will have to contribute to the expenses in accordance with its ownership in SMEA.

Also, CMP will be granted a share purchase option right for an additional 32.6%. This will allow CMP to have up to 50.1% of the shares issued by SMEA. This option would be purchased by CMP for US$ 1,500,000. If so, this amount will be discounted from the price of the shares below:

Such option establishes two segments to exercise the option in different periods of time. The first segment for 10% of ownership and CMP paying ThUS$ 25,000 and the second segment for 22.6% of ownership and CMP paying a minimum of ThUS$ 55,000 at the respective dates established in the option, which establish the prior compliance with certain financial information of the project qualified by a third party specialist.

Also, CMP and El Corazón will enter into a SMEA shareholders' agreement. The conditions of this agreement has not been established yet. SMEA's by-laws have not been established either. These by-laws will be effective so that CMP may enter.

Also, CMP and HCHL agreed that if both parties decide not to proceed in Productora Project when it is appropriate to exercise and register the first or second segment of the option, the "capital increase agreement", and the subscription and payment of shares and others will be canceled. All the parts of the agreement will be invalidated. In that case, HCHL will have to refund CMP the price paid for the option.

In the event that HCHL decides through SMEA to build a mine in Productora Project, in spite of CMP's opposition, SMEA will be entitled to pay CMP the higher amount between (i) ThUS$ 42,900 or (ii) 17.5% of the valuation of Productora Project, or relinquish the assets contributed by CMP. This will cancel the the "capital increase agreement", and the subscription and payment of shares and others. All the parts of the agreement will be invalidated.

After the first segment is fully paid and in the event that HCHL decides through SEMA and notwithstanding CMP's opposition to build a mine in Productora Project, once the final feasibility study is completed, the corporate interest purchased by CMP due to the exercise of the first segment of the option will be:

- Subject to the standard rules of dissolution related to the expenses contributed by HCHL;
- Available for sale to third parties subject to the preferred purchase option with the expenses contributed by HCHL;or
- If the selling price has not been paid, or the mine does not exist after 9 months, once CMP has informed HCHL that it has decided not to proceed with the mine, HCHL will pay CMP ThUS$ 20,000, considering the payment of the shares purchased by CMP in SMEA under the first segment.

The aforementioned obligations are subject to a number of conditions, including the approval by CMP's board of directors.

The shareholder CMP will be responsible for the use of the corporate name and the management of the company. Acting on its own and through representatives, CMP will have management and disposal powers, and will be able to exercise the judicial and out-of-the court representation of the company in all matters, businesses, operations, procedures, actions, lawsuits, acts, and agreements that are related to its corporate purpose, or required by its purposes.

In order to formalize the above, Sociedad CMP Productora SpA was incorporated on May 20, 2015. The corporate purpose of this company is exploring, operating and undertaking mining projects, mining operations, ore processing, smelting and refining of ore, and purchase and sale of mining related assets.

The only shareholder of CMP Productora SPA is Compañía Minera del Pacífico S.A. with 100.00% ownership in its share capital. Compañía Minera del Pacífico S.A. exercises administrative and financial control over the company.

The extraordinary meeting of shareholders of CMP Productora SpA held on August 27, 2015 approved the merger with Sociedad Minera El Águila SpA through the take-over of the former by the latter. Therefore, CMP Productora SpA was dissolved. Compañía Minera del Pacífico S.A. has 17.5% of the ownership of Sociedad Minera El Águila SpA.

Projects in progress in the subsidiary Cía. Minera del Pacífico S.A.

- In August 2010, the Company's board approved the Cerro Negro Norte project, consisting of the exploitation of the Cerro Negro Norte mine located in the district of Copiapó, in Chile's 3rd Region. This project has environmental approval dated October 7, 2009. In January 2014 the Company informed the Superintendency of Securities and Insurance that the start-up of the operation will be in May 2014 with an estimated total cost of MUS$ 1,200. Such project will produce 4 million tons of feed pellets on an annual basis. The normal operation started in July 2015 with an investment for MUS$ 1,157.

- In September, 2012, the Company's Board of Directors approved he continuation of the mining activities of its ore deposit Minas El Romeral, in the community of La Serena, via the "Romeral Phase V" project. The project will mean a production of about 36 million tons of iron ore, over a period of 14 years, with an annual production of 2,500,000 tons. The estimated investment is about MUS$129 and its operation will start towards the end of 2015.

Sales Advances

The subsidiary CMP, in 2011 the following sales contracts involving long-term sales advances were signed:

- Agreement with Prosperity Steel United Singapore Pte. Ltd. from Singapore for the purchase and sale of 500,000 annual tons of feed pellets for a 10 year period starting from April 1, 2013. The purchaser promises to pay the Company ThUS$ 37,500 as a pre-payment for sales. At December, 2014 the total pre-payment has been received, of which ThUS$ 12,500 were received in 2013 and the rest was received in prior years.

- In September 2012, a contract was signed with Deutsche Bank AG, Germany, for the sale of 560,000 tons of pellets feed during 2013 and 960,000 tons of pellet feed annually between 2014 and 2017 inclusive. The buyer commits to pay the Company the sum of ThUS$ 75,000 as an advance, which was received in full on September 21, 2012.

- In November 2012 it signed the agreement with Glencore AG from Switzerland for the purchase and sale of 1,000,000 annual tons of feed pellets between 2013 and 2019, inclusive. The purchaser promises to pay the Company ThUS$ 75,000 as a pre-payment for sales, which was fully received on February 27, 2013.

- In February 2013 it signed another agreement with Prosperity Steel United Singapore Pte. Ltd. from Singapore for the purchase and sale of 500,000 annual tons of feed pellets for a 10 year period starting from April 1, 2014. The purchaser promises to pay the Company ThUS$ 37,500 as a pre-payment for sales, which was fully received on June 10, 2013.

- In June 2013 it signed another agreement with Deutsche Bank AG from Germany for the purchase and sale of 500,000 annual tons of feed pellets between 2013 and 2018, inclusive. The purchaser promises to pay the Company ThUS$ 37,500 as a pre-payment for sales, which was fully received on June 24, 2013.

- In October 2013 it signed another agreement with Deutsche Bank AG from Germany for the purchase and sale of 1,000,000 annual tons of feed pellets between 2014 and 2018, inclusive. The purchaser promises to pay the Company ThUS$ 75,000 as a pre-payment for sales, which was fully received on October 10, 2013.

- In October 2013 the Subsidiary CMP entered into a contract with Cargill International Trading PTE Ltd. from Singapore, for the purchase of 500,000 annual tons of feed pellets for 5 year period from October 21, 2013. The purchaser agrees to pay the company the amount ThUS$ 37,500 in advance sales, which was fully received on November 4, 2013.

- In November, 2014, an early termination of contract was signed with the company Deutsche Bank AG, for the first two advances on sales contracts, which will mean that the Subsidiary CMP will have to pay MUS$ 78,874 for all of the pending advanced payments on January 26, 2015.

- In September 2015 a novation of the contract was signed with Deutsche Bank AG, the only valid contract, are transferred all its obligations to ICBC Standard Bank PLC.

Mineral transportation contract from Los Colorados to the pellets plant

In October 2011, the subsidiary CMP formalized the renewal of the contract with Empresa de Transportes Ferroviario S.A. for the transportation of minerals from the Los Colorados mines to the pellets plant. The term of the contract is from July 1, 2011 to December 31, 2029. The provider of the service committed to sell the Company the transport equipment and other assets related to the provision of the service should the contract be terminated before December 2028 for any reason imputable to this supplier.

Port services contracts

- In April 2011, the subsidiary CMP signed a service contract with Santa Fe Mining, by which the Company commits to provide the services of reception, storage or temporary stockpiling, handling and shipment of iron ore produced by Santa Fe Mining from its mining properties or for which it has exploitation rights, to be shipped through CMP's Punta Totoralillo mechanized port.

- In March 2012, CMP signed a services contract with Hierro Taltal S.C.M. by which the Company commits to provide the services of reception, storage or temporary stockpiling, handling and shipment of iron ore produced by Hierro Taltal S.C.M. from its mining properties or for which it has exploitation rights, to be shipped through CMP's Punta Totoralillo mechanized port.

- In April 2013, CMP signed a services contract with Compañía Minera Don Daniel S.C.M. by which the Company commits to provide the services of reception, storage or temporary stockpiling, handling and shipment of iron ore produced by Hierro Taltal S.C.M. from its mining properties or for which it has exploitation rights, to be shipped through CMP's Punta Totoralillo mechanized port.

Equipment leasing agreement for Mina El Romeral and Los Colorados

In November, 2012, the subsidiary CMP signed a lease agreement with Banco del Estado de Chile for equipment intended for the continuation project of El Romeral mine and Los Colorados mine. The total value of equipment is ThUS$ 129,536.

Electricity supply agreement with Guacolda S.A.

- In September 2012 the subsidiary CMP signed an electricity purchase and sale agreement with Guacolda S.A., in which the latter is obliged to sell and provide the subsidiary with electricity that it consumes in its mining and industrial facilities and services related to its production process, mainly located in Atacama Region and Coquimbo Region. The supply will be provided between January 1, 2016 and December 31, 2027.

Sales agreement of electric power project to Endesa

- In February 2009 CAP S.A. signed an agreement where it sells, assigns and transfers to Endesa S.A. several studies for the engineering, environmental and economic feasibility of a power plant project in Huasco, Atacama Region, in land owned by the group. Also, Endesa intends to execute a power plant project in this land that in its initial phase includes 370 megawatts as gross output and may be extended to other generating units in the future. For this agreement in June 2013 Endesa paid CAP US$ 4,800,000 for having obtained a favorable environmental rating of the studies for the installation of the project. Future payments depend on the power to be installed in the following phases. US$ 45,000 is for each MW as gross output of the installed initial phase. The following phases involve US$ 25,000 for each MW as gross output additional to the MW that were included in the initial phase of the project.

Desalination plant contracts

On March 3, 2011, the subsidiary Cleanairtech Sudamerica S.A. signed an engineering, supply and construction contract with Acciona Agua S.A.U. Agency in Chile, which includes the design, supply and construction of the project called "Copiapó Valley seawater desalination plant". The base project's price is ThUS$81,949 and the term for execution 24 months.

On the same date, the subsidiary Cleanairtech Sudamerica S.A. signed a contract with Acciona Agua S.A.U. Agency in Chile, for the operation and maintenance of the desalination plant for a period of 20 years. The contract price is a fixed monthly charge based on the base guaranteed minimum capacity of the plant.

In October 2012, the subsidiary CMP signed a desalinated water sale contract with the subsidiary of CAP, Cleanairtech Sudamérica S.A., whereby the latter is obliged to produce, sell and deliver to the Cerro Negro Norte project a maximum volume of 200 liters per second of desalinated water. The term opf the contract is 20 years from the start-up of the service, although this term may be extended according to the needs of both parties. This contract becomes effective in 2013.

On October 4, 2012, a transmission (Cerro Negro Norte Mine and Punta Totoralillo Desalination Plant Electricity Transmission Line) service contract was signed between Cleanairtech Sudamérica S.A., CAP S.A., Cía.Minera del Pacífico S.A. and Tecnocap S.A. The purpose of the contract will be:

- The provision of transmission services by Tecnocap to Cleanairtech S.A. from the Cardones substation to the Totoralillo substation;
- The operation, maintenance and administration of the transmission line by Tecnocap.
- Payment for the services by Cleanairtech to Tecnocap.

On January 4, 2013, the Cleanairtech Sudamérica S.A. and SCM Minera Lumina Copper Chile signed an agreement where Cleanairtech promises to meet the needs of the work site called Proyecto Minero Caserones, and also other projects owned by third parties.

The client will be able to require the delivery of a total maximum volume of desalinated water up to 170 liters per second in accordance with the weekly daily delivery program. From that amount 50 liters are for Caldera delivery point and 120 liters per second for Canal Mal Paso delivery point.

The supplier will do its best to supply water to the client on or before January 1, 2014. From the start-up date the supplier should be able to supply up to 100% of the client's requirements in accordance with the monthly program. Otherwise, fines will be applied depending on the cause of non-compliance in accordance with the agreement.

The client will pay the price of desalinated water production and pressure in US dollars on a monthly basis.

On January 25, 2013 Cleanairtech Sudamérica S.A. and Acciona Agua S.A.U. Agency in Chile signed an agreement, the objective of which is to extend the desalination plant of 200 liters per second to a plant with an effective production of 400 liters per second.

Aqueduct-Concentrates duct contracts

On March 14, 2012, the subsidiary CMP signed a contract with Acciona Cerro Negro Norte S.A. for the construction of a CNN-Planta Totoralillo concentrates duct between the Cerro Negro Norte mine and the desalination plant located in the coastal sector of Totoralillo port. The construction contract began to operate on November 30, 2012.

On January 4, 2013 Cleanairtech Sudamérica S.A. and Abengoa Chile S.A. signed Tierra Amarilla and Ramal to Caldera water supply system agreement to carry desalinated water from the desalination plant located in Puerto Totoralillo area, north of Caldera, to a distribution area located in Cardones area, near Tierra Amarilla district. The agreement also includes the design and construction of a branch line of approximately 4 km to Caldera, which has its connection point in km 28.7 of the main line approximately.

Tierra Amarilla and Ramal to Caldera water supply system agreement

On January 4, 2013, a contract was signed between Cleanairtech Sudamérica S.A and Abengoa Chile S.A. to develop a project to produce and convey desalinated water in the Atacama region.

The plant has a maximum production capacity of 600 liters per second. The first phase of the project has an initial capacity of 200 liters per second. The second phase of the project is aimed at increasing its capacity to 400 liters per second.

On September 2, 2013 Cleanairtech Sudamérica S.A. and Abengoa Chile S.A. signed Tierra Amarilla - Ramales to Canal Mal Paso and Planta Magnetita water supply system agreement to produce and carry desalinated water in Atacama Region. This agreement includes the construction of a branch line of approximately 18 km to Canal Mal Paso in Tierra Amarilla and a branch line of approximately 5 km to Planta Magnetita owned by CMP.

Electricity Transmission Line Contract

The subsidiary Tecnocap S.A. signed a contract with Abengoa Chile for carrying out the electricity transmission line project at Punta Totoralillo. According to the administrative bases to the contract, Abengoa Chile has provided performance bonds which totaled ThUS$ 85 as of December 31, 2015.

The construction of the electric transmission line finished during the second half of 2013 and the line is operating at the year-end of these consolidated financial statements. This electric transmission line will supply electricity to the desalination plant, Puerto Punta Totoralillo and Cerro Negro Norte.

Electricity sale agreements and non-conventional renewable energy source (NCRES) agreements with Amanecer Solar SPA and Sunedison Chile Construction Limitada

On January 28, 2013, the subsidiary CMP signed an agreement for a 20 year period with Amanecer Solar SPA y Sunedison Chile Construction Limitada for the purchase of photovoltaic electricity. The energy will be generated by a plant with a annual capacity of 100 MW. The above will comply with local requirements, as from 2016 the subsidiary CMP should validate the use of a percentage of non-conventional renewable energy sources (NCRES). Such energy will be used for the operation of Cerro Negro from 2015.

33.5 Contingencies that could result in losses for the Group

(i) There are 9 tax settlement claims by the Chilean Internal Revenue Service, all involving tax stamp and all ruled in favor by the Supreme Court, rejecting the appeal for annulment filed by the Council for the Defense of the State. There are also five claims for drawings, also involving stamp tax, three of which have been ruled on by the Supreme Court and the other two are still in the Tax Courts pending a hearing. Currently, we are waiting for the Santiago Court of Appeal to issue a resolution ordering the Chilean IRS to comply with the decision of the court and issue a resolution voiding the Settlements and Drawings issued. The contingency at December 31, 2015 is about ThUS$1,824 plus any adjustments, interest and fines that might apply.

No provision has been made in view of the opinions of the Company's legal and taxation advisers that it is reasonable to believe that no contingency is likely to result.

(ii) The subsidiary CMP is being sued by Agrícola Konavle Ltda. before the Freirina civil court in order to annul the settlement signed by the Company with third parties which allegedly would alter the western border of the Estancia Higuera de Las Minillas property, superposing on an area of approximately 9,470 hectares of another property of the plaintiff, land which consequently it requests be returned. The proceedings are still in the discussion stage, but no losses are expected to result.

(iii) The subsidiary CMP is plaintiff in the legal proceeding for the collection of debt against former client Perwaja Steel Sdn. Bhd. in the amount of US$1,436,845.96. This case is in hands of the High Court of Kuala Lumpur, Malaysia, and after that court extended for 180 days the period of moratorium that prevents the collections against the debtor, which expires accordingly on January 22, 2015. The company is aware that the high indebtedness of Perwaja and the preferential claims on its assets make it difficult to recover the debt; accordingly the company decided to adjust the value negatively.

(iv) The subsidiary CMP is sued jointly in an ordinary labor proceedings by by Isamar Jessenie Marín Brignardello, Cristián Sebastián Marín Brignardello, Kevin Eliazar Marín Bermúdez, Margarita Irene Brito Álamos, Rossana de Lourdes Marín Brito, Wladimir Antonio Marín Brito, Patricia del Carmen Marín Brito, Elisabeth Irene Martín Brito, etc. at the Thirtieth Civil Court of Santiago. The purpose of this claim is the payment of a compensation for damages for CLP$ 1,324,057,500, due to the alleged liability of CMP for the death of the contractor's former worker Mr. Cristián Marín Brito, who was the father, son, and brother of the plaintiffs. The lawsuit is being discussed and is not expected to result in losses for the company.

(v) As of December 31, 2015 and 2014, the subsidiary Compañía Siderúrgica Huachipato S.A. is defendant in claims related to civil cases, which have been provisioned in the amount of ThUS$373 and ThUS$1,178, respectively.

(vi) In September 2011 the subsidiary Tubos Argentinos S.A. filed an ordinary lawsuit against the Federal Administration of Public Revenues regarding the illegal actions carried out by the Department of Promotional Schemes of the Internal Revenue Service, who at the time of crediting the relevant promotional benefits corresponding to Tubos Argentinos S..A failed to apply the restatement established in Resolution (ME) No. 1280/92. The purpose of the aforementioned restatement is to express in uniform values the services and payments of the industrial promotional regime, in effect in the Province of San Luis. According to the development of the trial and the estimates made by lawyers, at the closing date of the period under review, the Company has a good chance of obtaining a favorable outcome.

33.6 Liens of any kind that could affect the Group's assets agement restrictions and financial covenants

As mentioned in Note 16.1, on April 18 the subsidiary Cleanairtech Sudamérica S.A. signed a credit agreement with Crédit Agricole CIB, Corpbanca and Mizuho Corporate Bank, Ltd., to finance the first phase of the Seawater Desalination Project being developed by the subsidiary, as a Project Finance. Together with the first disbursement of the Banks under the above credit agreement, all of the assets of Cleanairtech Sudamérica S.A. will be delivered as a guarantee.

On September 10, 2013, the subsidiary Cleanairtech Sudamérica S.A. signed a credit agreement with Crédit Agricole CIB (Agent Bank) and Mizuho Corporate Bank, Ltd., Banco Itaú Chile and Banco de Crédito e Inversiones S.A., Miami Branch, to finance the second phase of the seawater desalination plant being developed by the subsidiary, as a Project Finance. Together with the first disbursement of the Banks under the above credit agreement, all of the assets of Cleanairtech Sudamérica S.A. will be delivered as a guarantee. At December 31, 2015, the amount of the committed assets is ThUS$335,963.

On June 27, 2014, the subsidiary Tecnocap S.A. signed a credit agreement with Banco Itaú Chile to finance part of the costs of construction of the Power Line owned by the subsidiary. Together with the disbursement from the Bank under the above credit agreement, which occurred on December 31, 2014, all of the assets of Tecnocap were delivered in guarantee; the amount of the assets committed is ThUS$ 56,878.

On May 27, 2014, the Extraordinary Shareholders' Meeting of the subsidiary CMP agreed that CMP should furnish a first priority security interest and promise of a first priority security interest in accordance with Law 4,287 on all of the shares held or to be held in the future by Tecnocap S.A., and the prohibition to encumber or dispose of those shares, all of the above in order to secure obligations contracted by Tecnocap S.A. by reason of entering into a bank financing agreement.

On May 28, 2014, the Extraordinary Shareholders' Meeting of the subsidiary Cía Siderúrgica Huachipato approved the Company entering into and signing a first priority security interest to Banco Itaú and a promise of a first priority security interest to Banco Itaú on all of the shares held or to be held in the future by Tecnocap S.A.. The pledge of stock will be furnished to guarantee each and every one of the obligations of Tecnocap towards Banco Itaú under the credit agreement, promissory note, derivative contracts and other financing documents, including duly adjusted payments of capital plus interest, commissions, fees and other obligations that have been contracted or may be contracted in the future.

33.7 Management restrictions and financial covenants

In September 2015 the subsidiary CMP signed a novation of the current agreement with Deutshe Bank AG, transferring all the obligations to ICBC Standard Bank PLC for the purchase and sale of pellets feed, which gave rise to an advance of sales for ThUS$ 75,000. The company was required to comply with the following consolidated financial indicators, calculated for a moving period that considers the last twelve months.

i) Coverage of financial expenses - The quotient between EBITDA and net financial expenses should be equal to or greater than 2.5 times. EBITDA is defined as gross profit less administrative expenses and distribution expenses plus depreciation expenses and amortization.

ii) Leverage ratio - The quotient between the net financial debt and EBITDA should be equal to or lower than: (a) 5.5 times during the period until March 31, 2016; (b) 5.25 times during the period between March 31, 2016 and June 30, 2016; (c) 5.00 times during the period between June 30, 2016 and September 30, 2016; (d) 4.75 times during the period between September 30, 2016 and December 31, 2016; (e) 4.50 times during the period between December 31, 2016 and March 31, 2017; (f) 4.25 times during the period between March 31, 2017 and June 30, 2017; and (g) 4.00 times in the periods after June 30, 2017.

iii) Equity - The minimum level of equity must be ThUS$550,000.

The Company has complied fully with all of the limitations, restrictions and obligations imposed by the agreement referred to above.

				Values	
Indicator	**Description**	**Unit**	**Limited**	**12.31.2015**	**12.31.2014**
Net Interest Expense	EBITDA last 12 months / (expense last 12 months - revenue last 12 months)	Times	Greater than or equal to 2,5 times	8.77	10.44
Net Financial Debt to	Net financial debt / EBITDA last 12 months	Times	Less than or equal to 5,5 times	2.95	1.42
Equity	Equity Total	ThUS$	Greater than ThUS$ 550.000	2,106,860	2,110,832

On April 16, 2014, the direct subsidiary CMP signed a credit agreement with Bank of Tokyo Mitsubishi UFJ, Ltd. (Agent Bank), HSBC Bank USA NA, Mizuho Bank Ltd., Societe Generale, Sumitomo Mitsui Banking Corporation New York Branch, Export Development Canada and Natixis New York Branch, for financing of working capital, investments and exports. This credit agreement does not consider guarantees. The main terms and conditions are as follows:

- Amount of credit: Line of credit committed to for up to ThUS$ 350,000
- Interest rate: Libor 180 days + 1.25%
- Amortizations: At maturity
- Maturity: April 16, 2019.

This financing requires that the subsidiary should comply with the following levels of consolidated financial indicators, calculated for a mobile period that considers the last twelve months:

i) Coverage of Financial Expenses - The EBITDA to net financial expenses ratio must be more than or equal to 2.5 times. The EBITDA is defined as the gross earnings less administrative and distribution expenses, plus depreciation expenses and plus amortization.

ii) Leverage Ratio – The net financial debt (EFN) to EBITDA ratio must be equal to or less than 4.0 times. The net financial debt is the total obligations of a financial nature less cash balances, time deposits and securities involving amounts of more than ThUS$5,000.

iii) Equity - The minimum level of equity must be ThUS$550,000.

The syndicated credit agreement signed by CMP with Bank of Tokyo Mitsubishi UFJ, as an agent bank, was amended on May 12, 2015. The main amendments were the following:

a) Leverage Ratio – The quotient between the net financial debt and EBITDA should be equal to or lower than (i) 5.5 times during the period until March 31, 2016; (ii) 5.25 times during the period between March 31, 2016 and June 30, 2016; (iii) 5.00 times during the period between June 30, 2016 and September 30, 2016; (iv) 4.75 times during the period between September 30, 2016 and December 31, 2016; (v) 4.50 times during the period between December 31, 2016 and March 31, 2017; (vi) 4.25 times during the period between March 31, 2017 and June 30, 2017; and (vii) 4.00 times in the periods after June 30, 2017.

b) Hedge of Financial Expenses – The quotient between EBITDA and net financial expenses should be equal to or greater than (i) 2.00 times during the period until March 31, 2016 and (ii) 2.50 times during the periods after that date.

These covenants must be calculated based on the financial statements of CAP S.A. The Company has complied fully with all of the limitations, restrictions and obligations imposed by the agreement referred to above.

The credit agreements signed by CAP S.A. with the bak of Tokyo-Mitsubishi UFJ, Ltd., require that the Company complies with the following level of consolidated financial indicators, calculated for a rolling period that considers the last twelve months:

i) Coverage of financial expenses - the quotient between EBITDA and net financial expenses should be equal to or greater than 2.5 times.
ii) EBITDA is defined as gross profit less administrative expenses and distribution expenses plus depreciation expenses and amortization.
iii) Equity - The minimum level of equity should be ThUS$ 550,000.
iv) Leverage ratio - From January 2011 the quotient between net leverage and EBITDA should be equal to or lower than 4.0 times.

The net leverage is total financial obligations less the balances in cash, time deposits and marketable securities for the amount exceeding ThUS$ 5,000.

CAP S.A.'s Amendment agreement

The syndicated credit agreement signed with The Bank of Tokyo - Mitsubishi UFJ Ltd., as an agent bank, was amended on May 12, 2015. The main amendments were the following:

a) Leverage Ratio – The quotient between net financial debt and EBITDA should be equal to or lower than (i) 5.50 times during the period until March 31, 2016 and (ii) 5.25 times during the periods after that date.

b) Hedge of Financial Expenses – The quotient between EBITDA and net financial expenses should be equal to or greater than (i) 2.00 times during the period until March 31, 2016 and (ii) 2.50 times during the periods after that date.

On June 25, 2015 the company signed an agreement for a line of credit committed with Export Development Canada (EDC) in accordance with the following conditions:

- Amount of credit: line of credit committed for US$ 100,000,000
- Starting date: June 25, 2015
- Interest rate: 180-day LIBOR + 175 bps
- Maturity date: June 25, 2020

On August 5, 2015 the company signed an agreement for a line of credit committed with Sumitomo Mitsui Banking Corporation in accordance with the following conditions:

- Amount of credit: line of credit committed for US$ 50,000,000
- Starting date: August 5, 2015
- Interest rate: 180-day LIBOR + 275 bps
- Maturity date: August 5, 2018

At year-end of these financial statements the company made withdrawals for the total of these two lines of credit, which are invested in short and medium term deposits.

Credit Agreements

At year-end of these consolidated financial statements, the financial indicators are as follows:

				Values	
Indicator	**Description**	**Unit**	**Limited**	**12.31.2015**	**12.31.2014**
Net Interest Expense	EBITDA last 12 months / (expense last 12 months - revenue last 12 months)	Times	Greater than or equal to 2,0	5.07	5.93
Net Financial Debt to Equity	Net financial debt / EBITDA last 12 months	Times	Less than or equal to 5,5 times	2.85	2.43
	Equity Total	ThUS$	Greater than ThUS$ 550.000	3,160,778	3,159,657

Note: The values shown in the above table were calculated based on formulas established in the respective credit agreements.

Bond issue agreements

At year-end of these consolidated financial statements, the financial indicators related to these agreements are as follows:

				Values	
Indicator	**Description**	**Unit**	**Limited**	**12.31.2015**	**12.31.2014**
Net Interest Expense	EBITDA last 12 months / (expense last 12 months - revenue last 12 months)	Times	Greater than or equal to 2,5	4.57	5.25
Net Financial Debt to Equity	Net financial debt / EBITDA	Times	Less than or equal to 1,2 times	0.25	0.29
	Equity Total	ThUS$	Greater than ThUS$ 550.000	3,160,778	3,159,657

This is the calculation methodology and the figures used to calculate the ratios in the table above:

Concept / Account NIIF	Note	Values 12.31.2015 ThUS$	Values 12.31.2014 ThUS$
Assets			
Cash and banks	(6.1)	20,561	23,007
Time deposits	(6.1)	141,203	75,568
Mutual funds	(6.1)	65,970	32,581
Time Deposits more than 90 days	(6.3)	390,264	180,673
Hedging Assets	(10)	460	7
Other financial assets	(6.3)	49,086	36,324
Corporate bonds	(6.3)	21,243	20,887
Current liabilities			
Loans from financial entities	(20.1)	(337,944)	(323,600)
Bonds payable (Notes)	(20.1)	(1,817)	(1,749)
Overdrafts	(20.1)	(5,473)	(6,437)
Finance Leasing	(20.1)	(27,848)	(29,490)
Capitalized expenses related to credits	(20.2)	180	2,399
Hedging Liabilities	(10)	(4,383)	(8,813)
Pasivos No corrientes			
Loans from financial entities	(20.1)	(777,313)	(549,419)
Bonds payable (Notes)	(20.1)	(226,469)	(227,183)
Finance Leasing	(20.1)	(103,147)	(131,130)
Capitalized expenses related to credits	(20.2)	22,305	22,989
Hedging Liabilities	(10)	(16,878)	(17,547)
Total net Financial Debt		**(790,000)**	**(900,933)**

Ebitda last 12 months	Values 12.31.2015 ThUS$	Values 12.31.2014 ThUS$
Gross Profit	189,790	310,273
Administrative expenses	(82,262)	(86,770)
Distribution costs	(19,591)	(20,238)
Depreciation	169,985	138,158
Amortization	28,624	39,610
Ebitda last 12 months	**286,546**	**381,033**

Net financial expense coverage		Values 12.31.2015 ThUS$	Values 12.31.2014 ThUS$
Ebitda			
Ebitda last 12 months	(a)	**286,546**	**381,033**
Financial expenses net			
(-) Financial expenses last 12 months		(60,513)	(69,615)
(-) Capitalized financial interests		(6,179)	(8,329)
(+) Financial income last 12 months		4,019	5,311
(=) Earnings (loss) financial net	(b)	**(62,673)**	**(72,633)**

Net Financial Liabilities to Equity		Values	
		12.31.2015	12.31.2014
		ThUS$	ThUS$
Total net debt	(c)	(790,000)	(900,933)
Equity	(d)	3,160,778	3,159,657
Net Financial Liabilities to Equity	(c / d)	**0.25** (**)	**0.29**

Net debt to EBITDA		Values	
		12.31.2015	12.31.2014
		ThUS$	ThUS$
Net financial debt	(e)	(790,000)	(900,933)
Ebitda last 12 months	(f)	286,546	381,033
Net debt to EBITDA	(e / f)	**2.76** (**)	**2.36** (**)

(**) These ratios are shown in absolute values.

Also, CAP S.A. is subject to several other restrictions and limitations:

a) Limitations to dispose or sell all or a substantial part of its assets.

b) Limitations to provide guarantees over assets: For the series F bond line, CAP S.A. has agreed to keep assets free from liens, security guarantees, burdens, restrictions or any type of privilege (called restricted liens) for an amount equivalent to at least 0.5 times the amount of its total current liabilities at year-end of the interim consolidated financial statements. This indicator shows the following values:

Indicator	Description	Unit	Limited	Values 12.31.2015	Values 12.31.2014
Liens restricted	(Asset at book values - assets with liens) / current	Times	Greater than or equal to 0,5	2.02	2.00

This is the calculation methodology and the figures used to calculate the ratios in the table above:

Restricted liens		Values	
		12.31.2015	12.31.2014
		ThUS$	ThUS$
(+) Total assets		5,708,541	5,745,007
(-) Assets with liens (Cleanairtech - Tecnocap)		(393,794)	(406,984)
(-) Sales Prepayments secured by CAP		(62,581)	(101,855)
(-) Direct guarantees		(9,156)	(5,008)
(-) Indirect guarantees		(96,798)	(56,913)
(=) Net Assets (Unrestricted)	(g)	5,146,212	5,174,247
Liabilities (Total liabilities)	(h)	2,547,763	2,585,508

c) obligation to provide financial information on a quarterly basis

d) obligation to update the commitments with third parties

Also, due to the loan agreements signed during 2012 and 2013, the indirect subsidiary Cintac S.A. has to meet certain obligations mainly related to providing periodical financial information and complying with certain financial indicators related to the net leverage ratio to equity, coverage of financial expenses and net financial debt to EBITDA and minimum equity.

Such agreements state that the financial indicators should be complied from the financial statements for the year ended at December 31, 2013. These are the indicators that should be complied:

i. Net financial debt / EBITDA - At initial measurement from December 31, 2013 it should not be greater than 3.5 times. For these purposes, net financial debt is understood as the total short-term and long-term obligations with banks, plus short-term and long-term bonds and debentures, less cash, marketable securities and by EBITDA, the operating income, plus depreciation and amortization for the year.

ii. Coverage of financial expenses / EBITDA - At initial measurement from December 31, 2013 the quotient between EBITDA and net financial expenses should not be lower than 3.5 times.

iii. Net financial debt / equity: At initial measurement from December 31, 2013 the quotient between net leverage and equity should be equal to or lower than 1.2 times.

iv. Minimum equity - At initial measurement from December 31, 2013 the minimum equity should be equal to or greater than 1,800,000 *unidades de fomento* (UF) (inflation index-linked units of account). For these purposes equity is understood as the debtor's total equity.

At December 31, 2015, the financial indicators specified above have the following values.

Indicator	Description	Unit	Values 12.31.2015
Net financial debt /	(Financial liabilities, less cash and cash equivalents) /	Times	0.7
Financial expenses net hedge	EBITDA / Net financial expenses	Times	3.8
Net financial debt / Equity	Financial debt / Equity	Times	0.1
Equity	Equity Total	UF	5,036,818

At December 31, 2015, the indirect subsidiary Cintac S.A. has complied with the above financial indicators.

Novacero S.A. promised to keep at least a 51% interest in Cintac S.A.

The bank obligation of the indirect subsidiary Puerto Las Losas S.A. during 2008 with Banco de Crédito e Inversiones requires that this subsidiary meets certain obligations mainly related to providing periodical financial information, not agreeing on capital reductions without prior approval by the bank, not distributing profits if it is has not paid the obligations, and not changing its corporate purpose, except for extensions of its corporate purpose that may be agreed without written approval of the aforementioned bank.

Cleanairtech Sudamerica S.A.'s Syndicated Credit Covenants

For the syndicated credit agreement related to the Finance Project, for Phase I, signed with Crédit Agricole CIB (agent bank), Corpbanca, Mizuho Corporate Bank Ltd. and Sumitomo Mitsui Banking Corporation, and for Phase II, signed with Crédit Agricole CIB (agent bank), Mizuho Corporate Bank Ltd., Banco Itaú Chile, Banco de Crédito e Inversiones S.A., Miami Branch.
Cleanairtech should meet the following level of indicators.

At year-end of these consolidated financial statements, the financial indicators are as follows:

Indicator	Description	Unit	Limited	Values 12.31.2015	Values 12.31.2014
Debt service	Disposable income-pocket costs	Times	Greater than or equal to 1,3	1.56	N/A

Indicator	Description	Unit	Limited	Values 12.31.2016
Debt service coverage ratio	Projecting Income less costs available disbursed based on the financial model	Times	Greater than or equal to 1,35 times	1.60

The ratio of debt service hedge is the quotient of the balance of cash after operating income received, less paid operating costs, divided into the bank debt.

The company and its subsidiaries have fully complied and comply with all the limitations, restrictions and obligations of the aforementioned credit agreements and agreements for the issue of the bonds.

34. The environment

The detail of disbursements related to the environment in the periods to December 31, 2015 and 2014 is as follows:

Concept	Accumulated 01.01.2015 12.31.2015 ThUS$	Accumulated 01.01.2014 12.31.2014 ThUS$
Monitoring of air quality	11	84
Monitoring and analysis	351	360
Advising and improvement projects	7,332	8,252
Waste Management	16	17
Wastewater treatment	79	94
Others	301	247
Total	**8,090**	**9,054**

The detail of expenses to be disbursed after to December 31, 2015 are as follows:

Expenses to be made

Concept	12.31.2015 ThUS$
Pretriles ponds	600
Channelling rainwater ZOMARE	-
Advisory & improvement projects	6,308
Waste management	12
Storage Hazardous Substances	400
Others	2,300
Total	**9,620**

35. Assets and liabilities by currency

Assets

IFRS Heading	Currency	12.31.2015 ThUS$	12.31.2014 ThUS$
Cash and cash equivalents	Non-indexed Arg $	264	49
	Non-indexed Ch$	60,289	47,817
	US$	166,895	82,544
	Peruvian soles	155	586
	Others	131	160
Other financial assets current	Non-indexed Ch$	29,766	1,263
	US$	410,400	215,741
Other non-financial assets, current	Non-indexed Arg $	275	47
	Non-indexed Ch$	8,373	10,545
	US$	1,886	1,744
	UF	280	-
	Peruvian soles	6	-
Trade and other receivables, net, current	Non-indexed Arg $	6,979	11,707
	Non-indexed Ch$	92,760	105,939
	US$	66,653	150,178
	Peruvian soles	368	150
	Others	93	475
Accounts receivable from related entities, current	Non-indexed Ch$	96	676
	US$	11,209	2,448
	US$	326,837	362,123
Current tax assets	Non-indexed Arg $	1,039	129
	Non-indexed Ch$	37,919	91,681
	US$	36,853	69,931
	Peruvian soles	-	3,952
	Others	2	20
Non-current assets or Disposal Groups of assets classified as held for sale	US$	-	7,841
Other financial assets, non-current	Non-indexed Ch$	-	326
	US$	37,984	36,637
Other non-financial assets, non-current	Non-indexed Arg $	-	661
	Non-indexed Ch$	11,926	23,670
	US$	7,180	5,342
	Peruvian soles	528	-
	Others	74	-
Rights receivable, non-current	Non-indexed Arg $	11	12
	Non-indexed Ch$	5,461	8,148
	US$	18,097	1,261
Investments accounted for using the equity method	US$	35	7,858
Intangible assets other than goodwill	US$	746,024	774,188
Property, plant and equipment, net	US$	3,588,306	3,691,706
Property Investment	US$	6,694	-
Goodwill	US$	1,767	1,767
Investments Properties	US$	-	6,649
	US$	24,926	18,973
	UF	-	63
Total		**5,708,541**	**5,745,007**

Liabilities as of December 31, 2015

Rubro IFRS	Moneda	Hasta 90 días	90 días hasta 1 año	1 a 3 años	3 a 5 años	5 a 10 años	mas de 10 años
Other financial liabilities, current	Non-indexed Arg $	6,130	1,718	-	-	-	-
	Non-indexed $	307	-	-	-	-	-
	US$	139,928	227,658	-	-	-	-
	UF	506	1,038	-	-	-	-
Trade accounts payable and other payables	Non-indexed Arg $	2,938	-	-	-	-	-
	Non-indexed $	39,425	39,893	-	-	-	-
	US$	106,133	90,872	-	-	-	-
	UF	1,219	-	-	-	-	-
	Peruvian soles	799	1,023	-	-	-	-
	Others	3	-	-	-	-	-
Accounts payable to related entities, current	Non-indexed $	54	1,014	-	-	-	-
	US$	21,382	10,909	-	-	-	-
Other short-term provisions	Non-indexed Arg $	119	-	-	-	-	-
	Non-indexed $	1,469	540	-	-	-	-
	US$	2,933	675	-	-	-	-
Current Tax liabilities	Non-indexed Arg $	251	-	-	-	-	-
	Non-indexed $	3,795	1,299	-	-	-	-
	US$	1,008	-	-	-	-	-
Current provisions for employee benefits	Non-indexed Arg $	307	831	-	-	-	-
	Non-indexed $	2,449	6,782	-	-	-	-
	US$	-	10	-	-	-	-
	Peruvian soles	-	602	-	-	-	-
Accounts payable to related entities, non-current	US$	-	-	-	1,077	559	-
Other current non-financial liabilities	Non-indexed $	1,173	-	-	-	-	-
	US$	350	-	-	-	-	-
Other non-current financial liabilities	Non-indexed Arg $	-	-	4,812	-	-	-
	US$	-	-	641,181	230,722	161,585	63,202
Other Long Term Provisions	US$	-	-	12,488	8,192	20,480	16,387
Deferred Tax Liabilities	Non-indexed Arg $	-	-	2,488	-	-	-
	US$	-	-	93,566	75,532	147,943	167,436
Non-current provisions for employee benefits	Non-indexed $	-	-	15,112	7,803	20,637	17,048
	US$	-	-	2,477	-	-	-
Other non-current non-financial liabilities	Non-indexed Arg $	-	-	-	-	-	-
	Non-indexed $	-	-	36	-	-	-
	US$	-	-	94,404	18,400	6,854	-
Total		**332,678**	**384,864**	**866,564**	**341,726**	**358,058**	**264,073**

Liabilities as of December 31, 2014

IFRS Heading	Currency	Up to 90 days	90 days to 1 year	1 to 3 years	3 to 5 years	5 to 10 years	Over 10 years
Other financial liabilities, current	Non-indexed Arg $	6,437	-	-	-	-	-
	Non-indexed Ch$	666	20,649	-	-	-	-
	US$	45,317	292,429	-	-	-	-
	UF	535	1,657	-	-	-	-
Trade accounts payable and other payables	Non-indexed Arg $	2,843	-	-	-	-	-
	Non-indexed Ch$	58,633	48,314	-	-	-	-
	US$	160,772	196,865	-	-	-	-
	UF	1,260	-	-	-	-	-
	Peruvian soles	810	-	-	-	-	-
	Others	43	-	-	-	-	-
Accounts payable to related entities, current	Non-indexed Ch$	69	1,078	-	-	-	-
	US$	38,349	11,263	-	-	-	-
Other short-term provisions	Non-indexed Arg $	196	-	-	-	-	-
	Non-indexed Ch$	2,129	1,236	-	-	-	-
	US$	3,896	810	-	-	-	-
	Peruvian soles	90	-	-	-	-	-
Current tax liabilities	Non-indexed Arg $	2,015	-	-	-	-	-
	Non-indexed Ch$	3,231	114	-	-	-	-
	US$	49	-	-	-	-	-
	Otras	10	-	-	-	-	-
Current provisions for employee benefits	Non-indexed Arg $	495	995	-	-	-	-
	Non-indexed Ch$	5,226	13,812	-	-	-	-
	US$	481	-	-	-	-	-
	Peruvian soles	537	-	-	-	-	-
	Others	10	-	-	-	-	-
Other current non-financial liabilities	Non-indexed Ch$	2,754	-	-	-	-	-
	US$	600	-	-	-	-	-
Other non-current financial liabilities	US$	-	-	414,416	258,108	115,139	112,891
	UF	-	-	1,736	-	-	-
Other Long Term Provisions	US$	-	-	6,417	3,066	7,665	6,126
Deferred tax liabilities	Non-indexed Arg $	-	-	1,332	-	-	-
	US$	-	-	94,809	58,825	143,886	164,231
Non-current provisions for employee benefits	Non-indexed Ch$	-	-	27,452	9,848	26,372	20,610
	US$	-	-	129	-	-	-
Other non-current non-financial liabilities	Non-indexed Ch$	-	-	36	-	-	-
	US$	-	-	140,049	28,275	17,257	-
Total		**337,453**	**589,222**	**686,376**	**358,122**	**310,319**	**303,858**

36. Exchange differences and indexation adjustments

The following details the effects of exchange differences and indexation adjustments booked in the results for the year:

36.1 Exchange differences

		Accumulated	
		01.01.2015 12.31.2015	01.01.2014 12.31.2014
Heading	**Currency**	**ThUS$**	**ThUS$**
Current Assets	Non-indexed Arg $	(5,187)	(3,714)
	Non-indexed $	(31,731)	(53,351)
	Others	(110)	(104)
Non-Current Assets	Non-indexed Arg $	(6)	(203)
	Non-indexed $	(4,285)	(7,184)
	Others	-	(44)
Total Assets		**(41,319)**	**(64,600)**
Current Liabilities	Non-indexed Arg $	6,018	3,576
	Non-indexed $	22,725	43,488
	Others	2	9
Non-Current Liabilities	Non-indexed Arg $	1,838	-
Non-Current Liabilities	Non-indexed $	11,490	19,381
Total Liabilities		**42,073**	**66,454**
Total Exchange differences		**754**	**1,854**

Note 35 provide a detail of the assets and liabilities that generate the exchange differences shown above.

36.2 Indexation adjustments

Heading	Currency	Accumulated 01.01.2015 12.31.2015 ThUS$	Accumulated 01.01.2014 12.31.2014 ThUS$
Current Assets	Non-indexed Arg $	1,645	2,666
Non-Current Assets	Non-indexed Arg $	67	31
Total Assets		**1,712**	**2,697**
Current Liabilities	Non-indexed $	(2)	175
	Others	(74)	(147)
Non-Current Liabilities	Non-indexed $	-	(118)
	Others	33	(207)
Total Liabilities		**(43)**	**(297)**
Total Exchange differences		**1,669**	**2,400**

Note 35 provide a detail of the assets and liabilities that generate the indexation adjustments shown above.

37. Subsequent events

Between January 1, 2016 and March 4, 2016, the date of issue of these consolidated financial statements, no significant subsequent events have occurred that could materially affect them.

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