CANAL DE PANAMÁ

REGISTRO
DEL CANAL DE PANAMÁ

Volumen 17, Número 10 **Registro, 10 de septiembre de 2015**

CONTENIDO

ACUERDO No. 283
(de 10 de septiembre de 2015)
"Por el cual se aprueban los estados financieros intermedios condensados de la Autoridad del Canal de Panamá para los nueve meses terminados al 30 de junio del año fiscal 2015 y año fiscal 2014 requeridos para realizar una emisión de bonos en los mercados de capitales, con el objetivo de complementar las necesidades de financiamiento para la construcción del puente sobre el Canal de Panamá en el Atlántico" ……..…...……2

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(de 10 de septiembre de 2015)

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LA JUNTA DIRECTIVA
DE LA AUTORIDAD DEL CANAL DE PANAMÁ

CONSIDERANDO:

Que el artículo 18 de la Ley No. 19 de 11 de junio de 1997 (Ley Orgánica), por la que se organiza la Autoridad del Canal de Panamá (la Autoridad), establece como función de su Junta Directiva, la aprobación de los reglamentos necesarios o convenientes para el debido funcionamiento del Canal, entre ellos, los relativos a los criterios y procedimientos aplicables a la planificación financiera, a las normas de contabilidad y tesorería, al audito de las finanzas de la Autoridad del Canal y al proceso de elaboración del presupuesto y de ejecución presupuestaria; así como dictar su Reglamento Interno.

Que con fundamento en lo anterior, la Junta Directiva, mediante el Acuerdo No. 9 de 19 de abril de 1999, aprobó el Reglamento de Finanzas, así como ha aprobado sus posteriores modificaciones; y mediante Acuerdo No. 101 de 30 de junio de 2005, aprobó su Reglamento Interno de la Junta Directiva, así como ha aprobado sus posteriores modificaciones.

Que de conformidad con el artículo 3 del Reglamento de Finanzas, en concordancia con el numeral 12 del artículo 25 de la Ley Orgánica, corresponde a la Junta Directiva la aprobación de los estados financieros auditados por auditores externos presentados anualmente por el Administrador, dentro de los tres meses siguientes al cierre del respectivo año fiscal; y la Junta Directiva podrá solicitar en cualquier momento los estados financieros no auditados, los cuales deberán estar disponibles a su requerimiento.

Que el artículo 5 del Reglamento de Finanzas dispone que para efectos de la auditoría externa, la Autoridad preparará los estados financieros, incluyendo las notas correspondientes a los mismos; su personal estará disponible para asistir a reuniones, dar asistencia en la localización de los documentos necesarios y preparar los detalles que sustenten los balances en las cuentas; y que el Fiscalizador General facilitará los papeles de trabajo de las auditorías internas y los demás elementos que se requieran para que los auditores externos puedan cumplir su cometido.

Que el artículo 7 del Reglamento de Finanzas establece que la Autoridad aplicará las Normas Internacionales de Información Financiera y el Administrador tendrá la obligación de desarrollarlas y actualizarlas en los procedimientos que a tal efecto adopten.

Que, por su parte, el artículo 12 del Reglamento de Finanzas señala que la Autoridad preparará y presentará a la consideración de la Junta Directiva informes que muestren los resultados financieros y operacionales, y el uso de los recursos financieros en cualquier período determinado, o cualquier otro informe que la Junta Directiva requiera. Esta obligación incluye la presentación anual y cuando la Junta Directiva lo solicite, de los siguientes estados e informes financieros: 1. Estado de Situación Financiera. 2. Estado de Resultados. 3. Estado de Resultado Integral. 4. Estado de Cambios en el Patrimonio. 5. Estado de Flujos de Efectivo. 6. Notas complementarias, informes gerenciales y material

explicativo que se identifiquen como parte integral de los estados financieros y que logren describir la posición financiera de la empresa, así como los riesgos que enfrenta.

Que la Ley No. 28 de 17 de julio de 2006, por medio de la cual se aprobó la propuesta de construcción del Tercer Juego de Esclusas en el Canal de Panamá, sometida por el Órgano Ejecutivo, y se dictaron otras disposiciones, en su artículo 3 establece que, por razón de la construcción del Tercer Juego de Esclusas, la Autoridad deberá desarrollar los estudios necesarios para identificar la opción más conveniente, a fin de establecer un cruce vehicular, ya sea puente o túnel, en el extremo Atlántico del Canal de Panamá y que la construcción del mismo deberá iniciarse, a más tardar, inmediatamente después de concluido el tercer juego de esclusas, y el costo de la obra deberá ser cubierto por la Autoridad.

Que como resultado del estudio de factibilidad concluido en diciembre de 2010 para el diseño y revisión requeridos para la construcción de este cruce vehicular, se determinó que la mejor opción de cruce vehicular sobre el Canal de Panamá en el Atlántico era un puente.

Que mediante Resolución No. ACP-JD-RM 14-688 de 12 de junio de 2014, la Junta Directiva acordó solicitar al Consejo de Gabinete la aprobación para contratar empréstitos y otras obligaciones crediticias, para complementar las necesidades de financiamiento parcial del proyecto de cruce vehicular en el extremo Atlántico del Canal de Panamá, hasta por un monto de cuatrocientos cincuenta millones de dólares (US$450,000,000.00).

Que por consiguiente, el Consejo de Gabinete a través de la Resolución de Gabinete No. 118 de 17 de junio de 2014, aprobó la contratación de empréstitos y otras obligaciones crediticias de la Autoridad, hasta por un monto de cuatrocientos cincuenta millones (US$450,000,000.00), para complementar las necesidades de financiamiento del proyecto del puente en el extremo Atlántico del Canal, sujeto a los siguientes parámetros:

1. Los recursos contratados son para financiar parcialmente el proyecto, luego de cubrir los gastos relacionados con la contratación.
2. Lograr plazo y estructura de amortización a capital que sea compatible con los empréstitos existentes y flujos de fondos proyectados por la Autoridad, de forma que sea viable con el esquema de amortización del financiamiento existente obtenido para el Programa de Ampliación.
3. Obtener términos y condiciones similares o mejores a los pactados en el Acuerdo Común de Términos ("CTA"), con las agencias de desarrollo que financian el Programa de Ampliación, dentro los indicadores financieros acordados.
4. Obtener el mejor costo (*All In Cost*, tal como se define comúnmente en la industria financiera) posible acorde con las condiciones financieras del mercado y la fortaleza financiera de la Autoridad.
5. El financiamiento se otorgará sin garantía ni aval del Estado panameño.
6. El financiamiento no quedará sometido a compromisos de adquirir bienes y servicios de ninguna fuente en particular.
7. Los acreedores no intervendrán ni en la administración, ni en el funcionamiento del Canal de Panamá.
8. El financiamiento no afectará los aportes al Tesoro Nacional, de conformidad con la Ley No. 28 de 2006.
9. Las tasas y los gastos de compromiso y cierre serán competitivos dadas las condiciones del mercado.

Que en virtud de lo anterior, la Junta Directiva emitió la Resolución No. ACP-JD-RM 15-737 de 23 de marzo de 2015, en la cual autorizó la contratación de un empréstito, mediante una emisión de bonos en los mercados de capitales, hasta por un monto de cuatrocientos cincuenta millones de dólares (US$450,000,000.00), con el objetivo de complementar las necesidades de financiamiento para la construcción del puente sobre el Canal de Panamá en el Atlántico, sujeto a los parámetros indicados en el párrafo anterior, y autorizó la contratación de un banco suscriptor para tales efectos.

Que como parte de la información y validación que debe producir la Autoridad para poder realizar esta emisión de bonos en los mercados de capitales a través de un banco suscriptor, es necesario cumplir con la Sección 11 de la Ley de Valores de 1933 de los Estados Unidos y las regulaciones de la Comisión de Valores y Mercado de los Estados Unidos (SEC, por sus siglas en inglés), que requieren que los suscriptores garanticen la información sobre la emisión, mediante la realización, por parte de auditores externos, de una revisión razonable de la información financiera de la Autoridad, para confirmar que no hay omisiones materiales o inexactitudes en la información financiera intermedia, incluyendo los estados financieros intermedios a junio del 2015, y la emisión de una carta de conformidad, conocida como "carta de confort", que establezca que se ha llevado a cabo esta revisión razonable.

Que esta "carta de confort*"* cubre temas, como: la independencia del auditor; si los estados financieros auditados incluidos en la oferta de valores cumplen, en todos los aspectos significativos, con la forma y demás requisitos contables aplicables conforme a las normas internacionales de información financiera; así como los estados financieros no auditados, información financiera intermedia y pro forma; cambios en los elementos de los estados financieros seleccionados durante un período posterior a la fecha y el período de los últimos estados financieros incluidos en la oferta de valores; tablas, estadísticas, tablas financieras, y otra información financiera incluida en el oferta de valores.

Que la información contenida en la "carta de confort", debe emitirse con base en una Revisión Limitada ejecutada por auditores externos según las Normas de Auditoría Generalmente Aceptadas en los Estados Unidos (*Generally Accepted Auditing Standards* - GAAS por sus siglas en inglés), específicamente la AU-C 920 – Cartas para agentes de colocación de emisiones y otros solicitantes (*AU-C 920 – Letters for Underwritters and Certain Other Requesting Parties*) y la AU-C 930 – Información Financiera Intermedia (*AU-C 930 – Interim Financial Information*), emitidas por el Instituto Americano de Contadores Públicos Autorizados (*American Institution of Certified Public Accountants* - AICPA por sus siglas en inglés).

Que la norma AU-C 920, en su párrafo .45, indica que para que un auditor pueda dar algún tipo de certeza sobre la información financiera intermedia que no ha sido auditada y que ha sido incluida en una emisión de bonos, debe haber realizado una revisión de la información financiera intermedia de conformidad con las normas de auditoría GAAS aplicables a dicha revisión, esto es, de acuerdo con la norma AU-C 930.

Que la norma AU-C 930, en su párrafo .02, señala que los auditores a realizar la revisión intermedia deben ser los mismos que han sido contratados para auditar los estados financieros del año fiscal corriente de la entidad o que han auditado los últimos estados financieros anuales de la entidad.

Que sobre la base de lo anterior, la Junta Directiva, mediante Resolución No. ACP-JD-RM 15-753 de 25 de junio de 2015, aprobó la contratación de los servicios especiales de la firma de auditoría Ernst & Young, actuales auditores externos de la Autoridad, para la revisión de la información financiera intermedia de los estados financieros de la Autoridad del Canal de Panamá al 30 de junio de 2015, así como para la expedición de la "carta de confort" en la que deben certificar que hicieron una investigación razonable conforme a la legislación internacional aplicable a la materia, para la emisión de bonos en los mercados de capitales para complementar las necesidades de financiamiento para la construcción del puente sobre el Canal de Panamá en el Atlántico.

Que la Norma Internacional de Contabilidad *NIC 34 – Información financiera intermedia*, indica que se entiende por esta, toda información financiera que contenga, o bien un conjunto de estados financieros completos (tales como los que se describen en la NIC 1, Presentación de Estados Financieros), o bien un conjunto de estados financieros condensados (tal y como se describen en dicha Norma), para un periodo intermedio.

Que la Norma Internacional de Contabilidad *NIC 10 – Hechos ocurridos después del periodo sobre el que se informa* (NIC 10), tiene como objetivo el prescribir cuándo una entidad debería ajustar sus estados financieros por hechos

ocurridos después del periodo sobre el que se informa; y la información a revelar que una entidad debería efectuar respecto a la fecha en que los estados financieros fueron autorizados para su publicación, así como respecto a los hechos ocurridos después del periodo sobre el que informa.

Que el párrafo 17 de la precitada NIC 10, establece que la entidad revelará la fecha en la que los estados financieros han sido autorizados para su publicación, así como quién ha dado esta autorización. En el caso de que los propietarios de la entidad u otros tengan poder para modificar los estados financieros tras la publicación, la entidad revelará también este hecho.

Que la Administración preparó los estados financieros intermedios condensados de la Autoridad del Canal de Panamá para los nueve meses terminados al 30 de junio del año fiscal 2015 y año fiscal 2014, señalando en las respectivas notas, que estos estados habían sido preparados de conformidad con las Normas Internacionales de Información Financiera, que no incluyen toda la información y revelaciones requeridas para un estado financiero anual, y que deben ser considerados en conjunto con los estados financieros de la Autoridad del Canal de Panamá emitidos al 30 de septiembre de 2014, y que estos estados financieros fueron revisados por los auditores externos de la Autoridad, la firma Ernst & Young.

Que de acuerdo con la Administración, los auditores externos de la Autoridad, la firma Ernst & Young, con base en el párrafo 17 de la NIC 10, indicaron que los estados financieros intermedios condensados de la Autoridad del Canal de Panamá para los nueve meses terminados al 30 de junio del año fiscal 2015 y año fiscal 2014 requeridos para realizar una emisión de bonos en los mercados de capitales, con el objetivo de complementar las necesidades de financiamiento para la construcción del puente sobre el Canal de Panamá en el Atlántico, deben ser aprobados.

Que en virtud de lo anterior, la Administración remitió a la Junta Directiva, los referidos estados financieros revisados por los auditores externos de la Autoridad, la firma Ernst & Young, a fin de que, de conformidad con el párrafo 17 de la NIC 10 precitada, sean considerados y aprobados por esta.

Que de acuerdo con el numeral 15 del artículo 18 de la Ley Orgánica y el artículo 37 del Reglamento Interno de la Junta Directiva, esta está facultada para nombrar comités, integrados por tres o más de sus miembros, y delegar en éstos determinadas funciones; mientras que el artículo 38 del precitado Reglamento establece al Comité de Auditoría y Gobierno Corporativo como uno de los comités permanentes de la Junta Directiva.

Que la Junta Directiva, mediante Resolución No. ACP-JD-RM 09-404 de 21 de diciembre de 2009, "Por la cual se aprueban las facultades, responsabilidades y normas internas de funcionamiento del Comité de Auditoría de la Junta Directiva de la Autoridad del Canal de Panamá", asignó al Comité de Auditoría y Gobierno Corporativo, la responsabilidad de recomendar a la Junta Directiva, la aprobación de los estados financieros auditados antes de su emisión.

Que en virtud de lo precitado, en reunión del Comité de Auditoría y Gobierno Corporativo de 1de septiembre de 2015, la Administración, en conjunto con los auditores externos de la Autoridad, la firma Ernst & Young, presentaron los Estados Financieros Intermedios Condensados de la Autoridad del Canal de Panamá para los nueve meses terminados al 30 de junio del año fiscal 2015 y año fiscal 2014.

Que en dicha reunión la Administración informó que dichos estados financieros intermedios condensados serán utilizados en conjunto con los estados financieros auditados de la Autoridad para el año fiscal que culminó el 30 de septiembre de 2014, y que, en conjunto con la "carta de confort" que deben expedir los auditores externos de la Autoridad, la firma Ernst & Young, se procederá con la respectiva emisión de bonos en los mercados de capitales a través de un banco suscriptor, a fin de complementar las necesidades de financiamiento para la construcción del puente

sobre el Canal de Panamá en el Atlántico, de acuerdo con las autorizaciones dadas tanto por la Junta Directiva de la Autoridad como por el Consejo de Gabinete.

Que en la reunión extraordinaria de la Junta Directiva celebrada hoy, el Administrador presentó para la consideración y aprobación de esta, los Estados Financieros Intermedios Condensados de la Autoridad del Canal de Panamá para los nueve meses terminados al 30 de junio del año fiscal 2015 y año fiscal 2014, preparados por la Administración de la Autoridad y revisados por los auditores externos de la Autoridad, la firma Ernst & Young, para los propósitos previamente indicados.

Que la Junta Directiva ha examinado los estados financieros presentados por el Administrador y, sobre la base de la recomendación del Comité de Auditoría y Gobierno Corporativo fundamentada en la consideración de que los referidos estados financieros son necesarios para que, en conjunto con la "carta de confort" que deben expedir los auditores externos de la Autoridad, la firma Ernst & Young, la Autoridad pueda proceder con la respectiva emisión de bonos en los mercados de capitales a través de un banco suscriptor para complementar las necesidades de financiamiento para la construcción del puente sobre el Canal de Panamá en el Atlántico, de acuerdo con las autorizaciones dadas tanto por la propia Junta Directiva y por el Consejo de Gabinete, estima conveniente su aprobación.

ACUERDA:

ARTICULO PRIMERO: APROBAR los estados financieros intermedios condensados de la Autoridad del Canal de Panamá para los nueve meses terminados al 30 de junio del año fiscal 2015 y año fiscal 2014, preparados por la Administración de la Autoridad del Canal de Panamá y revisados por los auditores externos de la Autoridad, la firma Ernst & Young y que se adjuntan a este Acuerdo, que son requeridos para realizar una emisión de bonos en los mercados de capitales con el objetivo de complementar las necesidades de financiamiento para la construcción del puente sobre el Canal de Panamá en el Atlántico.

ARTICULO SEGUNDO: Este Acuerdo comenzará a regir a partir de su publicación en el Registro del Canal.

Dado en la ciudad de Panamá, a los diez (10) días del mes de septiembre del año dos mil quince (2015).

PUBLÍQUESE Y CÚMPLASE.

Roberto R. Roy

Presidente de la Junta Directiva

Giselle A. Fagette

Secretaria ad-hoc

Unaudited Financial Statements

Autoridad del Canal de Panama

Interim Condensed Financial Statements for the nine months ended June 30, 2015 and September 30, 2014

Autoridad del Canal de Panama
Financial Statements
June 30, 2015

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Autoridad del Canal de Panama
Interim condensed statement of financial position
As of June 30, 2015 and September 30, 2014

(In thousands of balboas B/.)

Notes	Assets:	June 30, 2015 Unaudited	September 30, 2014 Audited
	Non-current assets:		
	Properties, plant, and equipment:		
3	Properties, plant, and equipment, net	**B/. 2,610,227**	B/. 2,617,430
3	Construction in progress	**5,479,299**	4,547,682
3	Total properties, plant, and equipment	**8,089,526**	7,165,112
5	Other non-current assets	**856,194**	941,409
	Reimbursement right to ACP	**242,792**	219,982
4	Investment properties	**89,831**	89,757
	Total non-current assets	**9,278,343**	8,416,260
	Current assets:		
6	Inventories, net	**82,068**	84,205
12, 14	Trade and other receivables	**39,465**	42,927
12	Other financial assets	**1,939,238**	1,827,174
	Accrued interest receivable and other assets	**15,934**	12,961
7, 12	Cash and cash equivalent	**242,655**	823,677
	Total current assets	**2,319,360**	2,790,944
	Total assets	**B/. 11,597,703**	B/. 11,207,204
	Equity and liabilities:		
	Equity:		
	Contributed capital	**B/. 1,906,193**	B/. 1,905,210
	Contributions	**5,452,130**	4,811,774
	Reserves	**662,873**	849,445
8	Other equity accounts	**(144,975)**	(137,325)
9	Unappropriated retained earnings	**602,581**	653,821
	Total equity	**8,478,802**	8,082,925
	Non-current liabilities:		
	Borrowings	**2,300,000**	2,300,000
	Employee benefits	**251,364**	227,748
12, 14	Trade and other payables	**-**	83,639
12	Other financial liabilities	**144,035**	136,788
	Total non-current liabilities	**2,695,399**	2,748,175
	Current liabilities:		
12, 14	Trade and other payables	**308,960**	192,494
	Provision for marine accident claims	**13,004**	12,864
	Accrued salaries and vacation payable	**89,456**	124,851
12	Other financial liabilities	**4,348**	13,324
	Other liabilities	**7,734**	32,571
	Total current liabilities	**423,502**	376,104
	Total equity and liabilities	**B/. 11,597,703**	B/. 11,207,204

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

Autoridad del Canal de Panama
Interim condensed income statement
For the nine months ended June 30, 2015 and 2014

(In thousands of balboas B/.)

Notes		June 30, 2015	June 30, 2014
			Unaudited
	Revenues:		
	Toll revenues	**B/. 1,491,255**	B/. 1,436,481
	Other Canal transit services	**334,844**	315,437
		1,826,099	1,751,918
	Other revenues:		
	Sale of electricity	**79,445**	197,568
14	Sale of potable water	**21,994**	21,950
	Interest earned	**9,029**	8,762
	Miscellaneous	**17,085**	12,879
	Total other revenues	**127,553**	241,159
	Total revenues	**1,953,652**	1,993,077
	Expenses:		
11	Salaries and wages	**305,630**	303,588
11, 14	Employee benefits	**45,312**	44,759
11	Materials and supplies	**39,395**	41,156
11	Fuel	**66,882**	146,580
	Transportation and allowances	**1,518**	1,241
	Contracted services and fees	**55,076**	47,961
	Insurance	**8,587**	8,483
	Provision for marine accidents	**2,619**	163
6	Provision for obsolete inventory	**378**	450
3, 11	Depreciation	**68,459**	65,921
9,14	Fees paid to the Panamanian Treasury	**294,700**	284,005
11	Other expenses	**8,731**	8,918
	Total expenses	**897,287**	953,225
	Profit for the period	**B/. 1,056,365**	**B/. 1,039,852**

The accompanying notes are an integral part of these financial statements

Autoridad del Canal de Panama
Interim condensed statement of comprehensive income
For the nine months ended June 30, 2015 and 2014

(In thousands of balboas B/.)

Note		**June 30, 2015**	June 30, 2014
		Unaudited	
	Profit for the period	**B/. 1,056,365**	B/. 1,039,852
	Other comprehensive income		
	Other comprehensive income/(loss) to be reclassfied to profit or loss in subsequent periods:		
	Net loss in cash flow hedges - interest rate swap contracts	**(7,293)**	(8,805)
	Net gain on cash flow hedges - diesel prices swap contracts	**46**	255
	Net other comprehensive loss to be reclassified to profit or loss in subsequent periods	**(7,247)**	(8,550)
	Other comprehensive income not to be reclassified to profit or loss of subsequent periods:		
	Remeasurement losses of defined benefit plans	**(403)**	(447)
	Net other comprehensive losses not to be reclassified to profit or loss of subsequent periods	**(403)**	(447)
8	**Other comprehensive loss for the period**	**(7,650)**	(8,997)
	Total comprehensive income for the period	**B/. 1,048,715**	B/. 1,030,855

The accompanying notes are an integral part of these financial statements

Autoridad del Canal de Panama
Interim condensed statement of changes in equity
For the nine months ended June 30, 2015 and 2014

(In thousands of balboas B/.)

Notes		Contributed capital	Contributions	Reserves	Other equity accounts	Unappropriated retained earnings	Total equity
	Balance as of September 30, 2013	**B/. 1,905,223**	**B/. 4,309,164**	**B/. 684,250**	**B/. (131,845)**	**B/. 610,537**	**B/. 7,377,329**
	Profit for the period	-	-	-	-	1,039,852	1,039,852
8	Other comprehensive income:						
	Cash flow hedges	-	-	-	(8,550)	-	(8,550)
	Remeasurement of defined benefit plans actuarial loss	-	-	-	(447)	-	(447)
	Comprehensive income for the year	-	-	-	(8,997)	1,039,852	1,030,855
9	Transfer to the Panamanian Treasury	-	-	-	-	(610,537)	(610,537)
	Other	-	-	-	-	(3,846)	(3,846)
	Contributions	-	498,916	-	-	(498,916)	-
3	Properties transferred to the Republic of Panama	(13)	-	-	-	-	(13)
	Balance as of June 30, 2014 (unaudited)	**B/. 1,905,210**	**B/. 4,808,080**	**B/. 684,250**	**B/. (140,842)**	**B/. 537,090**	**B/. 7,793,788**
	Balance as of September 30, 2014	**B/. 1,905,210**	**B/. 4,811,774**	**B/. 849,445**	**B/. (137,325)**	**B/. 653,821**	**B/. 8,082,925**
	Profit for the period	-	-	-	-	1,056,365	1,056,365
8	Other comprehensive income:						
	Cash flow hedges	-	-	-	(7,247)	-	(7,247)
	Remeasurement of defined benefit plans actuarial loss	-	-	-	(403)	-	(403)
	Comprehensive income of the year	-	-	-	(7,650)	1,056,365	1,048,715
9	Transfer to the Panamanian Treasury	-	-	-	-	(653,821)	(653,821)
	Contributions	-	640,356	-	-	(640,356)	-
	Net decrease in equity reserves	-	-	(186,572)	-	186,572	-
	Properties transferred from the Republic of Panama	983	-	-	-	-	983
	Balance as of June 30, 2015 (unaudited)	**B/. 1,906,193**	**B/. 5,452,130**	**B/. 662,873**	**B/. (144,975)**	**B/. 602,581**	**B/. 8,478,802**

The accompanying notes are an integral part of these financial statements

Autoridad del Canal de Panama
Interim condensed statement of cash flows
For the nine months ended June 30, 2015 and 2014

(In thousands of balboas B/.)

Notes		June 30, 2015	June 30, 2014 Unaudited
	Cash flows from operating activities:		
	Profit for the year	**B/. 1,056,365**	B/. 1,039,852
3	Depreciation	**68,459**	65,921
	Movements in defined benefit plans, net of reimbursement right	**403**	3,267
3	Loss on disposal of fixed asset	**106**	511
6	Estimation of obsolete inventory	**378**	450
	Provision for marine accidents	**2,619**	163
	Changes in working capital:		
	Decrease (increase) in trade and other receivables	**3,463**	(25,600)
	Decrease (increase) in inventories	**1,759**	(3,455)
	(Increase) decrease in accrued interest receivable and other assets	**(2,972)**	1,008
	Increase in trade and other payables	**32,828**	8,576
	Payments of marine accident claims	**(2,479)**	(4,811)
	Decrease in accrued salaries and vacation payable	**(35,395)**	(34,303)
	Decrease in other current financial liabilities	**(8,976)**	(8,565)
	(Decrease) increase in other liabilities	**(24,838)**	1,994
	Net cash provided by operating activities	**1,091,720**	1,045,008
	Cash flows from investing activities:		
	Purchase of property, plant and equipment	**(906,856)**	(853,464)
	Purchase of other financial assets	**(1,960,781)**	(1,815,702)
	Maturities of other financial assets	**1,848,716**	1,729,716
	Net cash used in investment activities	**(1,018,921)**	(939,450)
	Cash flows from financing activities:		
	Proceeds from long-term borrowings	**-**	850,000
9	Transfer to the Panamanian Treasury	**(653,821)**	(610,537)
	Net cash (used in) provided by financing activities	**(653,821)**	239,463
	Net (decrease) increase in cash and cash equivalents	**(581,022)**	345,021
	Cash and cash equivalents at beginning of the period	**823,677**	453,538
7	Cash and cash equivalents at end of the period	**B/. 242,655**	B/. 798,559
	Investment activities that did not represent cash outflows:		
4	Reclassification from properties, plant, and equipment to investment properties	**B/. (74)**	B/. -
3	Fixed assets - capitalization depreciation	**(2,028)**	1,979
3	Properties transferred from the Republic of Panama	**(983)**	-
3	Properties transferred to ACP	**-**	(750)
		B/. (3,085)	B/. 1,229
	Interests:		
	Received	**B/. 33,412**	B/. 32,011
	Paid	**B/. 69,222**	B/. 46,692

The accompanying notes are an integral part of these financial statements

1. General information

The interim condensed financial statements of the Autoridad del Canal Panama ("The ACP") for the nine months ended June 30, 2015, were approved by the Board of Directors and authorized for issuance on September 10, 2015.

The ACP is an autonomous legal entity of public law established by Article 316 of Title XIV of the Constitution of the Republic of Panama and subject to special arrangements made by the provisions of that Title, of Law No. 19 of June 11, 1997 and regulations that dictates the Board of Directors as mandated by articles 319 and 323 of the same Title. This scheme provides, inter alia, that corresponds to the ACP exclusively the administration, operation, conservation, maintenance and modernization of the Canal de Panamá (the Canal) and its related activities, for which it establishes a special labor regime applicable to the ACP and its workforce, and provides it with its own patrimony and the right to its administration.

The ACP, in coordination with government entities designated by law, is also responsible for the management, maintenance, use and conservation of the water resources of the Canal watershed, including lakes and their tributary streams. As part of this responsibility, the ACP optimizes these resources through the sale of water, energy and tourism related activities in the Canal.

With the expiration of the 1977 Torrijos-Carter Treaty at noon on December 31, 1999, the Panama Canal reverted to the Republic of Panama free of debts and liens, becoming an inalienable patrimony of the Republic of Panama, open to the peaceful and uninterrupted transit of vessels of all nations and whose use will be subject to the requirements and conditions established by the Political Constitution of Panama, the Organic Law of the ACP and its management.

The main ACP offices are located at the Administration Building No. 101, Balboa, Corregimiento de Ancon, Republic of Panama.

2. Basis of preparation and changes to the ACP accounting policies

2.1 Basis of preparation

The interim condensed financial statements of the ACP for the nine months ended 30 June 2015, have been prepared in accordance with the International Financial Reporting Standards (IFRS), and disseminated by the International Accounting Standards Board (IASB).

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the ACP´s financial statements as at September 30, 2014.

2. Basis of preparation and changes to the ACP accounting policies (continued)

Functional and presentation currencies

The ACP maintains its accounting records in U.S. dollars, which is its functional currency, and the interim condensed financial statements are presented in balboas (B/.). The balboa, monetary unit of the Republic of Panama, is at par and of free exchange with the U.S. dollar. The Republic of Panama does not issue paper currency and instead uses the U.S. dollar as legal tender.

2.2 New standards, interpretations and amendments adopted by the ACP

The accounting policies used in preparing the interim condensed financial statements are consistent with those followed in the preparation of ACP´s annual financial statements for the year ended September 30, 2014. The ACP has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The nature and the impact of each new standard or amendment are described below:

IFRS 13 Fair Value Measurement. The amendment is applied prospectively and clarifies that the portfolio exception in IFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of IFRS 9 or IAS 39, as applicable. This amendment has no impact on the ACP.

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets. The amendment is applied retrospectively and clarifies in IAS 16 and IAS 38 that the asset may be revalued by reference to observable data on either the gross or the net carrying amount. In addition, the accumulated depreciation or amortization is the difference between the gross and carrying amount of the asset. This amendment has no impact on the ACP.

IAS 24 Related Party Disclosures. The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. This amendment has no impact on the ACP.

IAS 40 Investment Property. The description of ancillary services in IAS 40 differentiates between investment property and owner-occupied property (i.e., property, plant and equipment). The amendment is applied prospectively and clarifies that IFRS 3, and not the description of ancillary services in IAS 40, is used to determine if the transaction is the purchase of an asset or business combination. This amendment has no impact on the ACP.

3. Properties, plant, and equipment

Property, plant, and equipment are detailed as follows:

Cost	**Buildings**	**Structures**	**Equipment**	**Land**	**Construction in progress**	**Total**
Balance as of October 1, 2013	B/. 114,158	B/. 863,416	B/. 1,440,623	B/. 1,111,985	B/. 3,674,314	B/. 7,204,496
Additions	2,158	19,591	130,488	-	873,368	1,025,605
Retirements	(65)	(242)	(13,213)	(89,757)	-	(103,277)
Property transfers:						
To the Republic of Panama	-	-	(50)	-	-	(50)
Balance as of September 30, 2014	116,251	882,765	1,557,848	1,022,228	4,547,682	8,126,774
Additions	3,869	21,931	36,681	909	931,617	995,007
Retirements	(54)	(133)	(3,334)	-	-	(3,521)
Balance as of June 30, 2015	B/. 120,066	B/. 904,563	B/. 1,591,195	B/. 1,023,137	B/. 5,479,299	B/. 9,118,260

Accumulated Depreciation	**Buildings**	**Structures**	**Equipment**	**Land**	**Construction in progress**	**Total**
Balance as of October 1, 2013	B/. (38,031)	B/. (285,557)	B/. (558,111)	B/. -	B/. -	B/. (881,699)
Depreciation	(2,484)	(21,904)	(66,881)	-	-	(91,269)
Retirements	45	90	11,133	-	-	11,268
Property transfers:						
To the Republic of Panama	-	-	38	-	-	38
Balance as of September 30, 2014	(40,470)	(307,371)	(613,821)	-	-	(961,662)
Depreciation	(1,777)	(16,351)	(52,359)	-	-	(70,487)
Retirements	37	103	3,275	-	-	3,415
Balance as of June 30, 2015	B/. (42,210)	B/. (323,619)	B/. (662,905)	-	-	B/. (1,028,734)
Net Book Value						
Balance as of June 30, 2015	B/. 77,856	B/. 580,944	B/. 928,290	B/. 1,023,137	B/. 5,479,299	B/. 8,089,526
Balance as of September 30, 2014	B/. 75,781	B/. 575,394	B/. 944,027	B/. 1,022,228	B/. 4,547,682	B/. 7,165,112

For nine months ended June 30, 2015, the ACP recorded losses of B/.106 (June 30, 2014: B/.511) as a result of the derecognition of assets. Main assets derecognized included transformers, ducts system, air compressor y diesel tanks. During 2014, main assets derecognized included hydraulic shear, switches, concrete duct and alarm system.

Depreciation as of June 30, 2015 B/.2,028 (June 30, 2014: B/.1,979) corresponding to equipment used in investment projects was capitalized as properties, plant and equipment during the period.

As of June 30, 2015, two lands with an aggregate value of B/.74 were transferred to investment properties (see note 4).

3. Properties, plant, and equipment (continued)

Construction in progress is detailed as follows:

	Investment Program - Canal Expansion	Investment Program - Others	Construction in progress total
Balance as of October 1, 2013	B/. 3,369,546	B/. 304,768	B/. 3,674,314
Additions	786,621	171,019	957,640
Transfers to property, plant, and equipment	(454)	(150,262)	(150,716)
Interests, commissions and other financing expenses	66,444	-	66,444
Balance as of September 30, 2014	4,222,157	325,525	4,547,682
Additions	782,143	159,980	942,123
Transfers to property, plant, and equipment	(204)	(62,278)	(62,482)
Interests, commissions and other financing expenses	51,976	-	51,976
Balance as of June 30, 2015	B/. 5,056,072	B/. 423,227	B/. 5,479,299

4. Investment properties

The following table presents details of investment properties at June 30, 2015 and at September 30, 2014:

	June 30, 2015	September 30, 2014
Opening balance as of October 1,	**B/. 89,757**	B/. -
Reclassification from property, plant, and equipment	**74**	89,757
Closing balance at the end of period	**B/. 89,831**	B/. 89,757

4. Investment properties (continued)

As of June 30, 2015, ACP investment properties were increased by reclassifications from property, plant, and equipment as follows:

An area of 180,345 square meters of land, water surface and underwater background, granted in concession to the PSA Panama International Terminal, S.A. for a period of 20 years (with option of extension for the same period subject to ACP determination) to develop, build, operate and manage a container yard and two docks with a total length of 797 linear meters, with a book value of B/.52 and fair value of B/.65,082. Upon termination of the contract, all facilities such as docks, buildings and other improvements constructed within the port will be property of the ACP free of any debt and lien. The ACP may terminate this concession contract early, if it determines that the use or activity is no longer compatible with the operation of the Canal, or the area is required for the operation or expansion of the Canal. Upon termination of the contract under these circumstances, the ACP will be obliged to pay the Concessionaire a compensation limited to the total amount of the cost of design and construction of the installations and dredging works made in the area of the concession which has been previously authorized by the ACP. To the amount of the cost of the facilities built and dredging works made, the ACP will deduct a proportional depreciation leading to zero the value of the compensation, within a period not to exceed twenty (20) years from the start of operations of the container terminal.

An area of 1,499.95 square meters granted in concession to Large Screen Cinema Corp. for a period of 10 years, renewable for another 10 years period with a book value of B/.22 and fair value of B/.9,376. The concessionaire will transfer to the ACP both, the building and the additional assets, upon completing the construction phase of the theater. The concessionaire is responsible for the design, construction, operation and maintenance of a large-format film theater that will be located at the adjacent area of the Miraflores Visitor Center.

The fair value of land given in concession is calculated using a discounted cash flow analysis performed on the contractual cash flow of the concession with a discount rate derived from the internal rate of return expected for similar concessions.

5. Other non-current assets

Other non-current assets represent advances to contractors as follows:

	June 30, 2015	September 30, 2014
Grupo Unidos Por El Canal, S.A. (GUPCSA)		
Mobilization	**B/. 247,959**	B/. 247,959
Plant	**300,000**	300,000
Suppliers of key project materials	**-**	68,279
Specific suppliers	**99,078**	147,417
Lock gates	**30,754**	42,754
Specified expenditures	**99,995**	100,000
Subcontractors and suppliers	**49,722**	-
Sub-total	**827,508**	906,409
Others:		
Puente Atlántico, S.A.	**28,686**	35,000
Sub-total	**28,686**	35,000
Total other non-current assets	**B/. 856,194**	B/. 941,409

Grupo Unidos por el Canal, SA (GUPCSA) is the Contractor Project Company which is responsible of the contract for the Design and Construction of the Third Set of locks of the Panama Canal, and its shareholders are Sacyr Vallehermoso, S.A., Jan de Nul N.V., Salini-Impregilo S.p.A and Constructora Urbana, S.A. *Advance payments for mobilization and plant* were secured by irrevocable letters of credit for B/.547,959, of which B/.347,959 were issued by The Bank of Nova Scotia, Panama and B/.200,000 by Banistmo, with credit rating from Standard & Poor of A and BBB, respectively. *Advance Payment for Lock Gates- Second* of B/.18,000 is fully secured by a payment bond issued by Nacional de Seguros de Panama y Centroamerica, S.A.

According to "*Advance Payment for VO No.149 Suppliers*" of the contract, the ACP have to make a further advance payment of part of the contract price up to a maximum of B/.120,000 and the contractor shall obtain and provide to the ACP a joint and several guarantee subject to UK Law to secure such advance payment. The guarantee had to be furnish by the contractor to the ACP, no later than 50 business days after the date of the variance order, which ended on August 14, 2015. According to the contract, if the contractor fails to obtain and furnish the aforementioned guarantee to ACP, the whole of the balance of this advance payment shall immediately become due and payable by the contractor to ACP. As of June 30, 2015 the ACP paid B/.49,722 and GUPCSA still have pending to furnish the related guarantee to ACP.

As of June 30, 2015, all other advance payments for B/.211,828 are secured by a Joint and Several Guarantee for up to B/.250,000 issued by all shareholders of GUPCSA.

On December 31, 2014, the Dispute Adjudication Board (DAB) issued its decision recognizing the payment of a fraction of the amounts claimed by GUPCSA, of alleged cost overruns related to the basalt aggregates and concrete mix design for the construction of the Third Set of Locks. In this case, GUPCSA claimed B/.463,935 of which the DAB recognized just B/.233,234.

5. Other non-current assets (continued)

As stipulated in the contract, B/.116,617 or 50% of the funds granted to GUPCSA were applied to fully repay the *Advance Payment for Key Suppliers* for B/.68,279 and to reduce the *Advance Payment for Specified Suppliers* for B/.48,338.

The remainder amount for B/.116,617 was paid to GUPCSA by transfer according to the terms and conditions established in the contract.

Puente Atlantico, S.A. is the Contractor Project Company created by Vinci Construction Grand Projects (VINCI), for the construction of a bridge across the Canal at the Atlantic Side. The ACP made advance payments to the Contractor for a total aggregate of B/.37,317 (2014: B/.37,317). As of June 30, 2015, the amount withheld from payments to the contractor is B/.8,631 (2014: B/.2,317).

6. Inventories, net

Inventories are detailed as follows:

	June 30, 2015		September 30, 2014	
Supplies and materials	**B/.**	**67,543**	B/.	76,049
Fuel		**19,519**		15,456
Provision for obsolete inventory		**(4,994)**		(7,300)
	B/.	**82,068**	B/.	84,205

Change in the estimation for obsolete inventory of supplies and materials is as follows:

	June 30, 2015		September 30, 2014	
Beginning balance	**B/.**	**7,300**	B/.	4,100
Provision for the period		**378**		4,018
Write-off		**(2,684)**		(818)
Ending balance	**B/.**	**4,994**	B/.	7,300

The amount of materials and supplies, recognized in the income statement for the nine months ended June 30, 2015 was B/.27,163 (2014: B/.27,547).

The amount of fuel, recognized in the income statement for the nine months ended June 30, 2015 was B/.66,882 (2014: B/.146,580).

7. Cash and cash equivalent

Cash and bank deposits are comprised of the following:

	June 30, 2015	September 30, 2014
Cash on hand	**B/. 33**	B/. 40
Deposits in current accounts	**52,579**	92,382
Deposits in saving accounts	**140,043**	200,055
Time deposits with original maturities under 90 days	**50,000**	531,200
Total cash and cash equivalents	**B/. 242,655**	B/. 823,677

Cash deposit in bank accounts earns interest based on daily rates determined by corresponding banks. As of June 30, 2015 and September 30, 2014, there were no restrictions over the balance of cash and bank deposits.

8. Components of other equity accounts - other comprehensive income

Other equity accounts are composed entirely by the unrealized gain (loss) for the evaluation of the cash flows hedging instruments and for the unrealized (loss) in actuarial valuations of the defined post-employment benefit plans.

Adjustments for nine months ended on June 30, 2015 and 2014 to the other equity accounts - other comprehensive income are as follows:

	For the nine months ended June 30	
	2015	2014
Balance as of October 1	**B/. (137,325)**	B/. (131,845)
Cash flow hedges:		
Interest rate swap contracts:		
Reclassification of losses during the period to construction in progress	**26,252**	26,122
Net loss of not-yet matured contracts	**(33,545)**	(34,927)
Diesel prices swap contracts:		
Net loss of not-yet matured contracts	**46**	255
	(7,247)	(8,550)
Actuarial valuations:		
Net loss in actuarial valuations of defined post-employment benefit plans	**(403)**	(447)
Net loss arising during the period	**(7,650)**	(8,997)
	B/. (144,975)	B/. (140,842)

9. Distributions made and proposed

The Organic Law establishes that after covering the costs for the investment program and the reserves, any surplus shall be remitted to the Panamanian Treasury in the following fiscal period. Therefore, in November 26, 2014, the ACP transferred the total amount of B/.653,821 to the Panamanian Treasury which corresponds to the year ended September 30, 2014. As of June 30, 2015 and September 30, 2014, the accrued unappropriated retained earnings is B/.602,581 and B/.653,821, respectively. Unappropriated retained earnings are subject to approval by the Board of Directors at the annual general meeting.

In compliance with Law 28 of July 17, 2006, during the construction period of the third set of locks, the payments to the Panamanian Treasury based on an operational surplus shall not be less than those made to the Panamanian Treasury in 2005 for the amount of B/.268,850.

The combined payments based on Canal tonnage fees and operational surpluses shall not be less than the payments effected in fiscal year 2006 for the amount of B/.568,128.

	For the nine months ended 30 June	
	2015	2014
Payments to the Panamanian Treasury:		
Fees per net ton	**B/. 292,512**	B/. 282,220
Public service fees	**2,188**	1,785
Total	**B/. 294,700**	B/. 284,005

10. Income taxes

The ACP is not subject to income taxes, as stated in Article 43 of the Organic Law which exempts it from the payment of all national or municipal taxes, except for the employer's contribution of social security, educational insurance, workmen's compensation, fees for public services, and the fee per net ton.

11. Labor, materials, and other capitalized costs

The investments programs have been executed with ACP own resources and equipment, therefore, the operating expenses and capitalized costs are detailed as follows:

	June 30, 2015		
	Total expenses	**Capitalized costs**	**Net operating expenses**
Salaries and wages	**B/. 338,149**	**B/. 32,519**	**B/. 305,630**
Employee benefits	**46,568**	**1,256**	**45,312**
Materials and supplies	**44,163**	**4,768**	**39,395**
Fuel	**73,175**	**6,293**	**66,882**
Depreciation	**70,487**	**2,028**	**68,459**
Other expenses	**8,857**	**126**	**8,731**
	B/. 581,399	**B/. 46,990**	**B/. 534,409**

	June 30, 2014		
	Total expenses	Capitalized costs	Net operating expenses
Salaries and wages	B/. 332,501	B/. 28,913	B/. 303,588
Employee benefits	45,909	1,150	44,759
Materials and supplies	45,366	4,210	41,156
Fuel	155,696	9,116	146,580
Depreciation	67,900	1,979	65,921
Other expenses	9,032	114	8,918
	B/. 656,404	B/. 45,482	B/. 610,922

12. Financial instruments

The ACP maintains a financial policy oriented to preserve its capital and generate optimal performance with low risk, for which various risk management activities are performed throughout the year, including: analysis, evaluation and risk mitigation. This allows management to plan and make decisions that enhance the economic contribution and operational excellence, improving the chances of achieving the strategic goals.

The ACP's capital structure consists of net debt, compensated by cash and bank deposit balances (note 7) and equity (consisting of contributed capital, reserves, other equity accounts, and unappropriated retained earnings, as disclosed in notes 8 and 9, respectively).

Historically, the ACP has operated with its own resources due to its high levels of cash generated by its operations. However, on December 9, 2008 the ACP subscribed to a common term agreement with development agencies, which committed to grant borrowings totaling B/.2,300 with the purpose of partially finance the Canal Expansion Program.

Categories of financial instruments

	June 30, 2015		September 30, 2014	
Financial assets				
Cash and bank deposits (Note 7)	**B/.**	**242,655**	B/.	823,677
Amortized cost:				
Trade and other receivables		**39,465**		42,927
Other financial assets		**1,939,238**		1,827,174
	B/.	**2,221,358**	B/.	2,693,778
Financial liabilities				
Other financial liabilities designated as hedging instruments	**B/.**	**148,383**	B/.	150,112
Amortized cost:				
Trade and other payables		**308,960**		276,133
Borrowings		**2,300,000**		2,300,000
	B/.	**2,757,344**	B/.	2,726,245

Financial risk management objectives

ACP’s main financial liability consists of borrowings and trade accounts payable. The main purpose of these financial liabilities is to finance the Canal Expansion Program. The ACP also has trade and other receivables, cash and bank deposits which originate directly from its operations and optimizes the performance of its funds through its investment in debt instruments with short maturities which are held until maturity. The ACP also contracts hedging instruments.

The ACP is exposed to credit, market and liquidity risks.

12. Financial instruments (continued)

The ACP administration monitors these risks. ACP's Treasury coordinates the access to international financial markets, monitors and manages the financial risks related to the ACP's operations through internal risk reports, which analyze the exposures depending on their degree and magnitude. These risks include market risk (including exchange risk, and price risk), credit risk, liquidity risk, and interest rate risk. All the activities related to risk hedging are performed by teams of specialists with the knowledge, experience and appropriate supervision.

The ACP maintains policies that provide written principles about foreign exchange risk management, interest rate risk, credit risk, and the use of hedge financial instruments and the liquidity investment. The internal auditors periodically monitor the compliance with the policies and exposure limits. The ACP does not subscribe or negotiate financial instruments for speculative purposes.

The ACP's treasury quarterly updates the Board of Directors Finance Committee and follows up the risks and implemented policies to mitigate risk exposure. The Office of Inspector General periodically audits treasury operations and reports to the Board of Directors.

The Board of Directors revises and approves the policies for managing each of the following risks:

Market risk

ACP activities are primarily exposed to financial risks due to variations of currency exchange, interest rates, and commodity prices. With the purpose of managing exposure to these risks, the ACP subscribes a variety of hedge financial instruments, including:

- Interest rate swaps to mitigate the risk of interest rate increases.
- Diesel price swaps to mitigate the risk of fluctuations in the price of this commodity used in the third set of locks contract for the Expansion Program and the contract of the construction of a bridge across the Canal at the Atlantic side.
- Option contracts for future diesel purchases to mitigate the risk of fluctuations in the price of light diesel required in the Canal's regular operations.

Exchange rate risk management

The ACP has established a policy to manage foreign currency risk related to its functional currency. This policy indicates that all investments, and bank deposits, shall be in the currency of the United States of America, or in other currencies authorized by the Board of Directors.

As of June 30, 2015 the ACP does not maintain commitments in other currencies. It only maintains deposits in the currency of the United States of America.

12. Financial instruments (continued)

Interest rate risk management

The ACP is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the ACP through the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rates and the defined risk tolerance, ensuring that the most cost-effective hedging strategies are applied.

Interest rate swap contracts

Since March 2010, the ACP established interest rate swap contracts, without collateral, to fix the floating interest rate of the B/.800,000 variable rate loan. Of the B/.800,000, B/.200,000 were disbursed on March 1, 2010; B/.300,000 on October 29, 2010, and B/.300,000 on April 13, 2011. Biannual amortizations of B/.40,000 are programmed to start on May 15, 2019 until loan maturity on November 15, 2028.

According to interest rate swap contracts, the ACP agrees to swap the difference between the fixed and floating interest rate amounts calculated on the agreed notional principal amounts. Such contracts allow the ACP to mitigate the risk of interest rate changes over the cash flow of the hedged debt agreed at a floating interest rate. The fair value of interest rate swaps at the end of the reporting period is determined by discounting future cash flows using the curves at the end of the period in question and the inherent credit risk in the contract, as it is detailed further ahead.

The following table details the notional principal amounts and the remaining terms of the outstanding interest rate swap contracts at the end of the reporting period:

Cash flow hedges
(Effective date: May 15, 2010, maturity: Nov 15, 2028)

Contracts with floating interest rates and outstanding fixed payment rates	**Average contracted fixed interest rate**		**Notional principal value**		**Fair value**	
	June 30 2015	September 30 2014	**June 30 2015**	September 30 2014	**June 30 2015**	September 30 2014
5 years or more	**4.67%**	4.67%	**B/. 800,000**	B/. 800,000	**B/. (147,825)**	B/. (150,055)

The interest rate swaps are paid biannually. The floating rate on the interest rate swaps is at 6-month LIBOR. The ACP will pay or receive the difference between the floating and the fixed interest rate on a net basis.

All interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the ACP's cash flow exposure resulting from floating interest rates on borrowings.

12. Financial instruments (continued)

Interest rate sensitivity analysis

The following sensitivity analyses have been determined based on the financial instruments exposure to interest rates at the end of the reporting period.

As of June 30, 2015, for each basis point increase/decrease in the LIBOR curve through the remaining term of the contract, the unrealized loss on the interest rate swap contract would decrease/increase by B/.704.6. This amount was calculated based on the DV01 indicator generated by Bloomberg's valuation model tool used in the valuation of interest rate swap contracts.

Fuel price risk

The ACP is exposed to commodity price fluctuations risk, mainly from the fuel used in its maritime operations and power generation activities for its operations and for the sale of surplus energy to Panama's National Grid (Sistema Integrado Nacional), to the extent that such variations cannot be transferred to ACP's customers.

Maritime operations

Annually the ACP uses approximately 10 to 12 million gallons of light diesel on its vessel transit operations. Since October 20, 2009, risk management for price fluctuations on this commodity is mainly performed during the fiscal year, period that was considered significant for the implementation of appropriate commercial policies. The risk management is performed through specific hedging transactions that cover approximately 80% of the estimated volume.

For fiscal year 2015, the ACP purchased a hedge instrument (swap) establishing a fixed price of B/.2.438 per gallon for 9.625 million annual gallons in order to hedge the price fluctuation risk for the diesel used in operations, of which 8.589 million gallons were consumed by June 30, 2015.

Energy generation

Power generation is related to the consumption of the Canal operations, while excess capacity is sold in the domestic electricity market. Until June 30, 2015, the ACP consumed 15% of the energy produced, while the remaining 85% was sold to the electricity market. Hydroelectric plants produced 16% of the energy and thermal plants 84%.

Thermal plant generation is exposed to the risk of fuel price volatility. However, this price is indexed to the energy sale rate. This indexing is defined in contractual clauses when the energy is sold under previously defined contracts or in weekly reports when energy is not sold under contracts, namely, in the spot market.

Operational fuel price risk sensitivity analysis

As of June 30, 2015, the current price index for light diesel purchases made by the ACP was B/.2.22 per gallon. With an estimated consumption for fiscal year 2015 of 12.34 million gallons, assuming an upward variation trend that increases diesel prices by 5% or B/.0.11 per gallon during the remaining months of the fiscal year 2015, fuel expenses would show an increase of approximately B/.0.41 million.

12. Financial instruments (continued)

Credit risk management

It refers to the risk that the borrower or issuer of a financial asset may not comply, completely and on time, with any payment to be made in accordance with the terms and conditions agreed upon when the obligation was acquired. To mitigate the credit risk, the liquidity investment policy establishes limits by industry and limits by issuer, as the result of the categorization of the Risk Assessment System adopted by the ACP, which includes the following factors: short-term risk rating, issuer leverage index, economic factor, liquidity index, and deterioration index.

Counterparty risk refers to the risk of a counterparty defaulting in the payment of a security purchase transactions. The ACP does not have counterparty risk, as it buys all of its securities using the method of payment on delivery ("delivery versus payment") through payment systems, using a custodian account.

Credit risk refers to the risk that one of the parties does not comply with its contractual obligations, resulting in financial loss to the ACP. ACP's policies only allow depositing funds in banking institutions and financial instruments that have more than one short-term international investment quality risk rating of at least the following: A-2 by Standard & Poors, P-2 by Moody's Bank Deposit Ratings, or F-2 by Fitch Ratings.

The ACP is not allowed to place its funds in banks or financial instruments when one of its ratings is lower than what is indicated herein, except for the Banco Nacional de Panamá (National Bank of Panama). ACP's exposure and the credit ratings of its counterparties are reviewed continuously. The credit exposure is controlled by counterparty limits that are reviewed quarterly through the use of an own financial model called "Risk Assessment System for Banking Institutions and Financial Instruments".

The maximum limits for funds deposits in each bank institution and financial instruments are assigned according to the assessment of the following weighted factors:

1. External rating
2. Capital coverage
3. Country risk
4. Liquidity index
5. Deterioration index
6. Performance index
7. Credit risk

Banking institutions are rated in three categories within the ACP's risk system:

A. Up to B/.100 million
B. Up to B/.80 million
C. Up to B/.60 million

12. Financial instruments (continued)

In addition to the credit risk of the treasury portfolio, the ACP maintains a credit risk from advances made to GUPCSA under the Contract for the Design and Construction of the Third Set of Locks, as explained in note 5. On the B/.827,508 advance payment receivable from GUPCSA, ACP has bank and insurance guarantees for approximately 73.2%. The unsecured balance is covered under a joint and several guarantee by each of the four companies in the consortium for B/.250,000, which make them accountable and obliges each them for the outstanding advanced balance as if they were acquired on an individual basis. The fundamental analysis applied to the four companies in the consortium indicated that one or more of these companies are able to repay the total of this obligation.

Liquidity risk management

The ACP manages the liquidity risk through continuous monitoring of the forecasted and actual cash flows, and reconciling the maturity profiles for the financial assets and liabilities. Historically, the cash generated by the ACP's operations has been enough to cope with its operations and the requirements of its investments program, while generating adequate returns to the ACP. However, since 2008, the ACP faced the necessity to obtain financing for a portion of the Canal Expansion Program. The credit facilities available to the ACP to reduce the liquidity risk are detailed afterwards.

Interest and liquidity risk tables

To finance the expansion program, the ACP has a credit facility with five development financial institutions. Currently 4.35% of the debt is contracted at fixed effective rate of 5.31%, and the remaining 95.65% shows a moving average effective rate of 2.99%. The effective rate for the financing is 3%.

	Weighted average effective interest rate (%)	1 month or less	1 - 3 months	1 - 5 years	More than 5 years	Total
June 30, 2015						
Variable interest loan	2.99%	B/. -	B/. -	B/. 330,000	B/. 1,870,000	B/. 2,200,000
Fixed interest loan	5.31%	-	-	15,000	85,000	100,000
		B/. -	B/. -	B/. 345,000	B/. 1,955,000	B/. 2,300,000

	Weighted average effective interest rate (%)	1 month or less	1 - 3 months	1 - 5 years	More than 5 years	Total
September 30, 2014						
Variable interest loan	3.10%	B/. -	B/. -	B/. 110,000	B/. 2,090,000	B/. 2,200,000
Fixed interest loan	5.31%	-	-	5,000	95,000	100,000
		B/. -	B/. -	B/. 115,000	B/. 2,185,000	B/. 2,300,000

12. Financial instruments (continued)

The following table details the ACP's expected cash flows for its main financial assets:

June 30, 2015	Up to 1 month	1 - 3 month	3 months - 1 year	1 - 5 years	More than 5 years	Total
Cash and Cash equivalent	B/. 192,655	B/. -	B/. -	B/. -	B/. -	B/. 192,655
Time deposits	-	50,000	1,039,658	-	-	1,089,658
Corporate bonds						
Held-to maturity	-	-	899,580	-	-	899,580
Trade and other receivables	39,465	-	-	-	-	39,465
	B/. 232,120	B/. 50,000	B/. 1,939,238	B/. -	B/. -	B/. 2,221,358

September 30, 2014	Up to 1 month	1 - 3 months	3 months - 1 year	1 - 5 years	More than 5 years	Total
Cash and Cash equivalent	B/. 292,477	B/. -	B/. -	B/. -	B/. -	B/. 292,477
Time deposits	355,600	175,600	1,084,013	-	-	1,615,213
Corporate bonds						
Held-to maturity	-	4,627	738,534	-	-	743,161
Trade and other receivables	42,927	-	-	-	-	42,927
	B/. 691,004	B/. 180,227	B/. 1,822,547	B/. -	B/. -	B/. 2,693,778

The ACP has used all the creditors financing for the Canal Expansion Program. The ACP expects to comply with its obligations with the cash flows from future operations.

The following table details the ACP's liquidity analysis for its financial instruments. The table has been designed based on contractual net cash flows that are paid on a net basis. Cash flows are based on the contractual maturities of financial instruments.

	Less than 3 months	3 a 12 months	1 - 5 years	More than 5 years
June 30, 2015				
Trade and other payables	B/. 308,960	B/. -	B/. -	B/. -
Other financing liabilities	4,348	-	-	144,035
Borrowings	-	-	345,000	1,955,000
	B/. 313,308	B/. -	B/. 345,000	B/. 2,099,035
September 30, 2014				
Trade and other payables	B/. 192,494	B/. -	B/. 83,639	B/. -
Other financing liabilities	13,324	-	-	136,788
Borrowings	-	-	115,000	2,185,000
	B/. 205,818	B/. -	B/. 198,639	B/. 2,321,788

12. Financial instruments (continued)

All subscribed contracts with the different counterparties have a clause that prevents the ACP from having to provide collateral guarantees for any unrealized loss resulting from the periodic valuations of these financial instruments.

Fair value of financial instruments measured at amortized cost

Except for what is detailed in the following table, the ACP considers that the carrying amounts of short term financial assets and financial liabilities recognized at amortized cost in the financial statements approximate their fair values:

	June 30, 2015		September 30, 2014	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Financial assets				
Financial assets measured at amortized cost:				
Corporate bonds	**B/. 899,580**	**B/. 898,405**	B/. 743,161	B/. 742,777
	B/. 899,580	**B/. 898,405**	B/. 743,161	B/. 742,777
Financial liabilities				
Financial liabilities measured at amortized cost:				
Floating rate borrowings	**B/. 2,200,000**	**B/. 2,175,834**	B/. 2,200,000	B/. 2,204,051
Fixed rate borrowings	**100,000**	**113,574**	100,000	114,975
	B/. 2,300,000	**B/. 2,289,408**	B/. 2,300,000	B/. 2,319,026

Valuation techniques and assumptions applied in order to measure fair value

The fair value of financial assets and financial liabilities is determined in the following manner:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices.

- The fair value of other financial assets and financial liabilities (excluding hedging instruments) is determined in accordance with generally accepted fixed pricing models based on discounted cash flow analysis using prices from current observed market transactions and quotes for similar instruments.

12. Financial instruments (continued)

- The fair value of derivative instruments is calculated using quoted prices. When such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

Fair value measurements recognized in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequently to initial recognition at fair value, grouped into levels from 1 to 3 based on the degree to which the fair value is observed:

- Level 1: fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: fair value measurements are those derived from indicators other than quoted prices included within Level 1 which are observable for the assets or liabilities either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: fair value measurements are those derived from valuation techniques that include indicators for the assets or liabilities that are not based on observable market data (unobservable indicators).

	June 30, 2015			
	Level 1	**Level 2**	**Level 3**	**Total**
LIABILITIES:				
Other financial liabilities at fair value with changes in other comprehensive				
Hedged financial instruments	**B/. -**	**B/. 148,383**	**B/. -**	**B/. 148,383**

	September 30,2014			
	Level 1	Level 2	Level 3	Total
LIABILITIES:				
Other financial liabilities at fair value with changes in other comprehensive				
Hedged financial instruments	B/. -	B/. 150,112	B/. -	B/. 150,112

13. Commitments and contingencies

Commitments as a result of incomplete construction contracts and undelivered purchase orders amounted to approximately as of June 30, 2015 B/.890,518 (2014: B/.1,363,187), as follows:

	June 30, 2015		September 30, 2014	
Investment programs:				
Canal Expansion	**B/.**	**476,365**	B/.	941,744
Others		**312,701**		385,266
Sub-total		**789,066**		1,327,010
Operations		**101,452**		36,177
	B/.	**890,518**	B/.	1,363,187

Total commitments include the Panama Canal expansion program contracts awarded during the nine months ended June 30, 2015 totaling B/.12,594 (2014: B/.21,015).

Contracts awarded during 2015, include supply of butterfly valves for filling tests of the Third Set of Locks, Atlantic Side to Pro Desarrollo, S. A. for B/.494, engineering services for Borinquen 1E Dam to URS Holdings Inc. for B/.3,500 and pumping equipment rental services for the Third Set of Locks, Pacific Side to Xylem Water Solutions Panama S de R L for B/.6,420.

Contracts awarded during fiscal year 2014, include extension of insurance period coverage for Third Set of Locks granted to insurance broker Willis Limited for B/.1,807, cleaning of unexploded ordenance (UXO) at Cerro Valdes Borrow site on the west side of the Canal to Fatutto for B/.2,433 B/.486 and legal services for Canal Expansion Program to Mayer Brown LLP for B/.11,114.

As June 30, 2015 balance includes the design-build contract for the Canal Expansion Program´s major component, the third set of locks, to Grupo Unidos por el Canal, S.A. (GUPCSA) of B/.414,264 (2014: B/.830,277).

Contingent liabilities

As of June 30, 2015, the ACP has received GUPCSA claims for a total of B/.2,910,278 in relation to the Third Set of Locks Project. These claims are at different stages of the dispute resolution process established in the Contract for the Design and Construction of the Third Set of Locks. Below is some general information in relation to the status of these claims.

13. Commitments and contingencies (continued)

Two of these claims, concerning concrete mixtures and aggregates, were denied by the ACP and subsequently submitted to the Dispute Adjudication Board (DAB), which ordered the ACP to pay B/.233,234 plus interest in December 2014. Although this amount was paid by the ACP, both sides have referred this dispute to arbitration under the International Chamber of Commerce (ICC) Arbitration Rules in March 2015, in two separate arbitrations. GUPCSA is seeking a total of B/.577,109 from the ACP, and the ACP is in turn calling for the return of the amount that was paid pursuant to that DAB decision. These two arbitrations are at the stage of arbitral-tribunal constitution, in the course of which the ACP is seeking their consolidation.

During 2015, GUPCSA also presented other claims for an aggregate amount of B/.309,857. The majority of these claims have been denied by the ACP and subsequently submitted to the DAB by GUPCSA between March and June 2015.

In relation to the temporary cofferdam at the Pacific entrance, claims have been submitted against ACP, which have been denied by the DAB. GUPCSA presented a notice of dissatisfaction and an ICC arbitration was commenced in December 2013. The amount of the dispute is currently valued at B/.218,158. The arbitration procedure is underway and the final hearing has been scheduled for December 2015.

The ACP has received claims relating to other investments projects for an overall amount of B/.47,106 which are at different stages. Some of them have been denied in their entirety by the ACP while others are awaiting a resolution from the ACP Contracting Officer.

The notes contained herein relate to claims against the ACP and cannot, nor should not, be considered as support or proof of acceptance of responsibility on the part of the ACP. In the opinion of the Administration and its legal counsel, the determination of these matters will not have adverse effects of a significant nature on the financial position of the ACP.

14. Related party transactions

Commercial transactions

For the nine months ended June 30, 2015 and 2014, the ACP executed the following commercial transactions with the Government of Panama Institutions:

	Sale of goods and services		Purchase of goods and services	
	June 30, 2015	June 30, 2014	**June 30, 2015**	June 30, 2014
Sale of potable water to the Instituto de Acueductos y Alcantarillados Nacionales (IDAAN)	**B/. 21,995**	B/. 21,950	**B/. -**	B/. -
Other government entities	**4,429**	2,377	**-**	-
Caja del Seguro Social	**-**	-	**46,568**	45,909
Fees paid to the Panamanian Treasury	**-**	-	**294,700**	284,005
	B/. 26,424	B/. 24,327	**B/. 341,268**	B/. 329,914

The following balances were outstanding at the end of June 30, 2015 and September 30, 2014:

	Amounts owed by the Republic of Panama		Amounts owed to the Republic of Panama	
	June 30, 2015	September 30, 2014	**June 30, 2015**	September 30, 2014
Sale of potable water to the Instituto de Acueductos y Alcantarillados Nacionales (IDAAN)	**B/. 5,034**	B/. 5,321	**B/. -**	B/. -
Other government entities	**1,600**	1,643	**-**	-
Caja del Seguro Social	**-**	-	**18,862**	12,726
Public service fees	**-**	-	**196**	198
Panamanian Treasury - fees per net ton	**-**	-	**30,873**	32,314
	B/. 6,634	B/. 6,964	**B/. 49,931**	B/. 45,238

Amounts owed by and owed to the Republic of Panama are classified as accounts receivable and accounts payable, respectively.

Sales of goods and services to the Republic of Panama were made at ACP's usual list prices without discount.

The outstanding amounts are unsecured and will be settled in cash. No guaranties have been given or received. No expense has been recognized in the current or prior period for bad or doubtful debts with respect to the amounts owed by related parties.

14. Related party transactions (continued)

Compensation and benefits to key executives

For the nine months ended June 30, 2015, the ACP paid a total of B/.2,688 (2014: B/.2,625) for remuneration and benefits to its key management personnel. It is the responsibility of the Administration to determine the salaries of key management personnel in conformity with the Personnel Administration Regulations, subject to the Board of Directors ratification. It is the Board of Directors' responsibility to determine the salaries of the Administrator, Deputy Administrator, Inspector General and the Secretary of the Board of Directors.

15. Events that occurred after the reporting period

On July 14, 2015, the ACP received from GUPCSA an updated amount for the claim of alleged disruption and delay caused by various circumstances from B/.898,000 to B/.1,405,565. The ACP continues its assessment of this claim