January 28, 2014

E.CL REPORTED NET EARNINGS OF US$17 MILLION IN THE FOURTH QUARTER AND US$39.6 MILLION IN 2013.

EBITDA REACHED US$60.4 MILLION IN THE FOURTH QUARTER, AND FULL-YEAR EBITDA AMOUNTED TO US$251.5 MILLION IN 2013. ENERGY AND CAPACITY REVENUES DECREASED SLIGHTLY DUE TO AN INCREASE IN PHYSICAL SALES OFFSET BY LOWER AVERAGE REALIZED TARIFFS. IN 2013, RESULTS WERE AFFECTED BY HIGHER AVERAGE OPERATING COSTS RELATED TO LOWER GAS AVAILABILITY IN THE SYSTEM AS WELL AS BY PLANT OUTAGES, SUCH AS CTA AND CTH IN JANUARY, AND MAINTENANCE OF PLANTS OPERATED BY BOTH E.CL AND OTHER PLAYERS, PARTICULARLY DURING THE SECOND AND FOURTH QUARTERS OF THE YEAR. THIS CAUSED AN INCREASE IN GENERATION BASED ON MORE EXPENSIVE FUELS, SUCH AS DIESEL OIL, AND AN INCREASE IN PAYMENTS FOR SYSTEM GENERATION OVERCOSTS.

- **Operating revenues** reached US$311.8 million in the fourth quarter of 2013, a 3% increase compared to the same quarter the year before. In the full year, revenues increased 2% compared to 2012 mainly due to an increase in physical energy sales and increased gas sales.

- **Fourth quarter EBITDA** was US$60.4 million, a 51% increase compared to the fourth quarter of 2012. Full-year 2013 EBITDA decreased 1% compared to 2012.

- In the fourth quarter, **net results** amounted to US$17 million, a 35% increase compared to the fourth quarter of 2012. In 2013 net income decreased 30% mainly due to exchange differences and non-recurring effects which had a net positive impact in 2012.

Financial Highlights
(in US$ millions)

US$ millions	4Q12	4Q13	Var %	12M12	12M13	Var %
Total operating revenues	303.9	311.8	***3%***	1,185.0	1,207.1	***2%***
Operating income	4.1	39.8	***879%***	111.0	118.0	***6%***
EBITDA	40.0	60.4	***51%***	254.7	251.5	***-1%***
EBITDA margin	13.2%	19.4%	***47%***	21.5%	20.8%	***-3%***
Non recurring earning	7.1	-	-	6.5	8.0	***24%***
EBITDA without non recurring earnings	32.9	60.4	***83%***	248.2	243.5	***-2%***
Total non-operating results	8.2	(17.1)	***-309%***	(13.4)	(53.3)	***298%***
Net income after tax	12.3	18.3	***49%***	59.3	48.2	***-19%***
Net income attributed to controlling shareholders	12.6	17.0	***35%***	56.2	39.6	***-30%***
Net income attributed to minority shareholders	(0.2)	1.3	***-661%***	3.1	8.6	***174%***
Earnings per share	0.01	0.02	***35%***	0.05	0.04	***-30%***
Total energy sales (GWh)	2,481	2,437	***-2%***	9,580	9,704	***1%***
Total net generation (GWh)	2,136	2,285	***7%***	8,848	8,852	***0%***
Energy purchases on the spot market (GWh)	410	262	***-36%***	1,156	1,177	***2%***

E.CL is engaged in the generation, transmission and supply of electricity and the transportation of natural gas in the north of Chile. E.CL is the fourth largest electricity generation company in Chile and the largest electricity generation company in the SING, Chile's second largest power grid. As of December 31, 2013, E.CL accounted for 53% of the SING's installed capacity. E.CL primarily supplies electricity to large mining and industrial customers. E.CL also supplies the entire electricity needs of EMEL, the sole electricity distribution group in the SING. E.CL is currently 52.77% indirectly owned by GDF Suez. The remaining 47.23% of E.CL's shares are publicly traded on the Santiago stock exchange following Codelco's sale of its 40% shareholding interest on January 28, 2011. For more information, please refer to www.e-cl.cl.

HIGHLIGHTS:

- **4Q2013:**

  - **S&P raised E.CL's rating to BBB (Stable Outlook):** On December 11, Standard & Poor's raised E.CL's rating from 'BBB-' to 'BBB', on the basis of the company's strategic importance for its controlling shareholder, GDF SUEZ. S&P confirmed that E.CL conducts a profitable business with a satisfactory business risk profile.

  - **Electric Interconnection**: The chamber of deputies approved a draft bill seeking to empower the state of Chile, through the National Energy Commission, to promote the interconnection between the *Sistema Interconectado Central* (SIC) and the *Sistema Interconectado del Norte Grande* (SING). The initiative authorizes the government to launch a bidding process for the construction of a transmission line connecting both electricity grids. The project considers the construction of a 610-kilometer long transmission line, with capacity equivalent to 1,500 MW and an investment of approximately US$700 million.

  - **SING – SIC Transmission Line:** On December 20, E.CL's board of directors agreed to exercise an option granted by Suez Energy Andino S.A. to acquire a transmission project sponsored by its subsidiary, Transmisora Eléctrica del Norte ("TEN"), consisting of the construction of a double-circuit transmission line in 500kV, with an approximate extension of 580 kilometers connecting Mejillones with Copiapó in the northern segment of the SIC. E.CL will pay SEA approximately US$12 million for the acquisition.

  - **Rica Aventura Electric Substation:** E.CL submitted for approval by the *Servicio de Evaluación Ambiental de Antofagasta* an environmental impact declaration ("DIA") for the electric substation project called *"Subestación Eléctrica Rica Aventura"*. This project consists of the construction of a substation with a tension of 220 kV adjacent to the existing Crucero substation in the community of María Elena in the province of Tocopilla. It will demand an estimated investment of US$86 million. The project seeks to enhance the SING transmission system's security and safety given the progressive increase in the supply of solar generation and power demand in the region.

  - **Gasoducto NorAndino Argentina (GNAA):** During 2013 management undertook a cost reduction initiative at GNAA that included the renegotiation of the main transportation and operation and maintenance contracts with its supplier, TGN, in addition to the shut-down of certain facilities and personnel reductions. This will permit significant cost savings of approximately US$1 million per month starting May 2014. However, as a result of the impairment test, GNAA's valuation decreased, resulting in a US$10 million one-time after-tax loss on E.CL's consolidated results.

  - **Sale of Distrinor:** On December 31, E.CL reached an agreement with GDF SUEZ's subsidiary, Solgas S.A., for the sale of its subsidiary, Distrinor S.A., devoted to natural gas sales and distribution to industrial clients in the north of Chile. This transaction fits within the company's decision to focus its management efforts and financial capacity on its electricity generation business and, in particular, the development, either on a single basis or in association with other investors, of the TEN transmission project connecting Mejillones in the SING with Copiapó in the SIC.

- **FIRST NINE MONTHS OF 2013:**

  - **Terminal Use Agreement:** On September 3, 2013, E.CL signed a "Terminal Use Agreement" ("TUA") with its related company, Sociedad GNL Mejillones S.A., under which the latter is committed to provide liquefied natural gas reception, storage, regasification and delivery services for contractual annual volumes of 14,500,000 MMBtu in 2013; 17,400,000 MMBtu in 2014 and 14,500,000 MMBtu for the period running from 2015 to 2026.

- **NCRE**: On September 3, the Chilean congress approved a draft law promoting the expansion of the non-conventional renewable energy matrix ("NCRE") under which the percentage of NCRE to be supplied by generation companies under power supply contracts signed after July 2013 will increase to 20% by 2025.

- **Pampa Camarones**: E.CL filed with the *"Servicio de Evaluación Ambiental (SEA)"* an environmental impact declaration *("Declaración de Impacto Ambiental (DIA)*") for a solar project called *"Planta Solar Fotovoltaica Pampa Camarones"*. According to the DIA, the initiative, consisting of the installation of a photovoltaic plant with nominal capacity of up to 300MW, could represent a total investment of up to US$620 million. If developed, this project will be built in stages and will inject its power output to the SING system.

- **E.CL inaugurated its first photovoltaic plant directly connected to the SING:** The 2MW pilot solar project, El Águila I, located 57 kms. east of Arica, required an investment of approximately US$7 million and has enough capacity to supply 5% of the electricity demand of the city of Arica. It began commercial operations in July 2013.

- **Shareholders meeting:** The Annual Ordinary Shareholders' Meeting held on April 23, 2013, approved a dividend payment on account of 100% of 2012's net income in the amount of US$ 0.0533351281 per share. A new board was elected during the meeting.

- **Codelco arbitration:** On March 26, 2013, E.CL's board of directors became aware of an arbitration proceeding initiated by Codelco against E.CL referred to a PPA signed on November 6, 2009, whereby Codelco asks the arbitration tribunal to order E.CL to re-calculate the tariffs charged from January 1, 2010 through September 30, 2012. According to Codelco this would presumably result in a US$42.8 million plus interest credit in its favor. As of this date, the arbitration process remains on course, and the date of resolution remains uncertain. E.CL is convinced that the proceeding has no grounds.

- **CTA and CTH plant outages:** On January 8, 2013, E.CL posted material public information with the SVS *(Superintendencia de Valores y Seguros)* indicating that on January 5 it became aware of water leakages at the civil works of the cooling systems surrounding its CTA and CTH plants. To avoid further damage and to begin repair works, both units were taken out of service. The economic impact and potential responsibility of contractors remain under evaluation.

  On January 25, 2013, E.CL posted updated material information informing about CTH's return to service given the completion of provisional repair works in the unit's cooling system. It also informed about the expected return to service of CTA, which was in effect synchronized on January 28, 2013. Both units have been operating normally since then.

SUBSEQUENT EVENTS:

- **Chairman of the Board:** On January 28, 2014, the board of directors agreed to accept the resignation of Mr. Jan Flachet as member and chairman of E.CL's board of directors. Mr. Flachet has accepted a new position within the GDF SUEZ group. The board appointed Mr. Juan Clavería Aliste as the new chairman of E.CL's board.

INDUSTRY OVERVIEW

The company operates on the SING Grid (*Sistema Interconectado del Norte Grande* or '*Northern Grid*'), Chile's second largest power grid, which serves the country's north and a major portion of its mining industry. Given local conditions, it is a thermoelectric system, with generation based on coal, natural gas, LNG, and diesel and fuel oil.

During the 1Q13 the SING's spot electricity prices or marginal costs averaged US$78.3/MWh, slightly above US$76.6/MWh recorded in the first quarter of the year before, due to the 20-day unavailability of CTA and CTH. The 1Q13 average stood slightly below the 4Q12's US$78.4/MWh average, which at the time reflected increased demand and lower availability of cost-efficient generation in part caused by the CTH outage.

In the second quarter of 2013, marginal costs averaged US$76.9/MWh. Due to planned and forced outages of coal-fired plants and the LNG terminal maintenance between June 1 and June 28 for the connection of its new onshore storage tank, the system had to meet the shortfall in coal and gas generation with higher cost fuels. As a result, the fuel mix used in generation in the SING changed in the second quarter, increasing the relative weight of diesel and fuel oil and decreasing the percentage of gas generation.

In the third quarter, marginal costs averaged US$74.4/MWh. During the third quarter, E.CL's power plants were generally available; coal and gas generation increased, displacing higher cost diesel generation.

In the fourth quarter, average marginal costs increased to US$89.1/MWh. E.CL and the SING in general reported more outages for maintenance, in part related to the installation and commissioning of emissions reduction equipment. Consequently, diesel generation increased. In October, marginal costs averaged US$90/MWh, a 30% increase compared to the same month in 2012 and a 39.7% increase compared to September. In November, marginal costs averaged US$87.6/MWh, representing a 7.7% increase compared to the same month in 2012 and a 2.7% decrease compared to October. Finally, in December, marginal costs averaged US$89.7/MWh, a 5.8% increase from the same month the year before and a 2.4% increase from the previous month.

Overall, in 2013, marginal costs averaged US$79.6/MWh, a 7.7% decrease compared to 2012's US$86.2/MWh.

However, it should be noted that these marginal costs do not reflect the system's generation overcosts ruled under the RM 39 and DS 130 mechanisms. These overcosts are referred to operating costs, in excess of the costs determined according to the economic dispatch of generation plants, which are incurred by generation companies for reasons such as higher service reliability, tests, transmission limitations and operation at plants' minimum technical level. The overcosts resulting from the operation of plants at their technical minimum level began to be ruled by the DS 130 beginning January 2013. The units operating under this condition do not set the marginal cost, but their variable costs in excess of the marginal cost are treated as overcosts, which are added and subsequently prorated among generation companies in function of their contracted electricity demand. Each generation company will therefore, receive or pay, as the case may be, the difference between its pro-rata share of the overcost and the generation overcost actually incurred by it. In this way, generators effectively incurring operational overcosts are remunerated by the more heavily contracted generators through this compensation system. The generators are able to partially pass through their share of the overcosts to tariffs depending on specific contractual conditions with their clients. The system's global overcosts reached US$34.8 million, US$54.5 million, US$36.7 million, and US$48.8 million, respectively, in the first, second, third and fourth quarters of 2013.

The following table provides a breakdown of generation in the SING by fuel type:

Generation by Fuel Type (in GWh)

Fuel Type	1Q 2013 GWh	1Q 2013 % of total	2Q 2013 GWh	2Q 2013 % of total	3Q 2013 GWh	3Q 2013 % of total	4Q 2013 GWh	4Q 2013 % of total
Hydro	21	*0%*	18	*0%*	19	*0%*	20	*0%*
Coal	3,497	*82%*	3,452	*82%*	3,619	*84%*	3,533	*80%*
Argentine Gas (AES Gener)	-	-	-	-	-	-	-	-
LNG	451	*11%*	323	*8%*	408	*9%*	427	*10%*
Diesel / Fuel oil	251	*6%*	400	*9%*	248	*6%*	425	*10%*
Solar/ cogeneration	28	*1%*	27	*1%*	38	*1%*	33	*1%*
Total gross generation SING	**4,248**	***100%***	**4,220**	***100%***	**4,331**	***100%***	**4,439**	***100%***

LNG-based generation decreased significantly in 2013 given the reduced availability of gas for power generation in the SING. This was a consequence of the end of the LNG supply contracts between four large mining companies and the Mejillones LNG terminal in September 2012.

Source: CDEC-SING

The SING's electricity production broken down by company is as follows:

Generation by Company (in GWh)

Company	1Q 2013 GWh	1Q 2013 % of total	2Q 2013 GWh	2Q 2013 % of total	3Q 2013 GWh	3Q 2013 % of total	4Q 2013 GWh	4Q 2013 % of total
AES Gener (Arg. Gas)	-	-	-	-	-	-	-	-
Norgener / Angamos	1,524	*36%*	1,327	*31%*	1,306	*30%*	1,558	*35%*
Celta	265	*6%*	243	*6%*	292	*7%*	119	*3%*
GasAtacama	156	*4%*	284	*7%*	164	*4%*	328	*7%*
E.CL (with 100% of CTH)	2,260	*53%*	2,322	*55%*	2,515	*58%*	2,384	*54%*
Other	42	*1%*	44	*1%*	54	*1%*	51	*1%*
Total gross generation SING………	**4,248**	***100%***	**4,220**	***100%***	**4,331**	***100%***	**4,439**	***100%***

Source: CDEC-SING

During the fourth quarter of 2013, E.CL reported a decrease in electricity generation, but it remained as the industry leader, with 54% of the system's generation. In the fourth quarter, both E.CL and its competitors reported plant outages for planned maintenance and installation of emissions reduction equipment. The maintenance of coal-fired plants, including E.CL's CTM2, AES Gener's Norgener, and Endesa's Celta, resulted in an increased participation of Gas Atacama, which operated its combined cycle turbines with diesel oil.

The increase in demand and generation observed in the SING in the fourth quarter is explained by a recovery in electricity demand from mining companies in the area, which normally report an increase in copper production towards the end of each year.

Management's Discussion and Analysis of Financial Results

The following discussion is based on our audited consolidated financial statements for the fiscal years ending December 31, 2013 and 2012, which have been prepared in U.S. dollars in accordance with IFRS, and which should be read in conjunction with the financial statements and the notes thereto published by the Superintendencia de Valores y Seguros (www.svs.cl).

For the purposes of permitting a comparison on a consistent basis, the numbers corresponding to the fourth quarter of 2012 have been adjusted to reflect the consolidation of 100% of Inversiones Hornitos ("CTH").

Results of Operations

4Q 2013 compared to 3Q 2013 and 4Q 2012

Operating Revenues

Quarterly Information

(In US$ millions, except for volumes and percentages)

	4Q 2012		3Q 2013		4Q 2013		% Variation	
Operating Revenues	Amount	% of total	Amount	% of total	Amount	% of total	QoQ	YoY
Unregulated customers sales…………………..	229.6	*85%*	214.1	*82%*	214.1	*81%*	***0%***	***-7%***
Regulated customers sales…………………….	39.1	*14%*	43.3	*16%*	46.2	*17%*	***7%***	***18%***
Spot market sales………………………………..	3.0	*1%*	4.2	*2%*	4.2	*2%*	***1%***	***41%***
Total revenues from energy and capacity sales……………………………	**271.7**	*89%*	**261.6**	*87%*	**264.5**	*85%*	***1%***	***-3%***
Gas distribution sales…………………………..	0.4	*0%*	1.0	*0%*	(0.4)	*0%*	***-143%***	***-207%***
Other operating revenue……………………….	31.8	*10%*	40.3	*13%*	47.8	*15%*	***19%***	***50%***
Total operating revenues………………….	**303.9**	*100%*	**302.9**	*100%*	**311.8**	*100%*	***3%***	***3%***
Physical Data (in GWh)								
Sales of energy to unregulated customers (1)……	1,997	*81%*	1,933	*78%*	1,914	*79%*	***-1%***	***-4%***
Sales of energy regulated customers……	442	*18%*	459	*19%*	465	*19%*	***1%***	***5%***
Sales of energy to the spot market…………….	42	*2%*	70	*3%*	58	*2%*	***-17%***	***40%***
Total energy sales………………………….	**2,481**	*100%*	**2,462**	*100%*	**2,437**	*100%*	***-1%***	***-2%***
Average monomic price unregulated customers(U.S.$/MWh)(2)……	**114.1**		**109.0**		**110.7**		***2%***	***-3%***
Average monomic price regulated customers (U.S.$/MWh)(3)	**88**		**94.3**		**99.3**		***5%***	***12%***

(1) Includes 100% of CTH sales.
(2) Calculated as the quotient between unregulated and spot revenues from energy and capacity sales and unregulated and spot physical energy sales.
(3) Calculated as the quotient between regulated revenues from energy and capacity sales and regulated physical energy sales.

Electricity sales reached US$264.5 million, slightly above the previous quarter due to higher realized tariffs. The 3% decrease in electricity sales when compared to the fourth quarter of the previous year is explained by lower sales volumes and lower realized tariffs for unregulated clients.

Sales to unregulated clients remained even compared to the previous quarter and amounted to US$214.1 million, despite a decrease in physical sales explained by the end of the 40MW Mantos Blancos contract at the end of September and lower demand from Chuquicamata due to labor strikes. When compared to the fourth quarter of 2012, unregulated client revenues decreased due to both lower tariffs and lower physical sales.

Sales to distribution companies, or regulated clients, amounted to US$46.2 million, an increase compared to the immediately preceding quarter, due to the gradual demand increase normally observed in the electricity distribution industry, and a higher realized monomic tariff. Following the October tariff review process, prices to regulated clients increased by approximately US$5/MWh for the six-month starting November 2013, but the average realized monomic tariff is also affected by the behaviour of exchange rates.

Physical sales to the spot market decreased compared to the previous quarter; however, they remained insignificant given E.CL's highly contracted position. It is the level of net spot sales or purchases which is more relevant at the time of analyzing the company's financial performance. In the fourth quarter of 2013, E.CL reported net spot purchases of approximately 204 GWh, up from the third quarter's 142 GWh, due mainly to scheduled plant outages of longer duration. The spot market sales item also includes the retroactive annual firm capacity price and monthly energy adjustment payments per the reliquidations made by the SING dispatch center (CDEC-SING).

Other operating revenues include transmission tolls, port services, transmission line services and gas sales, which reported a significant increase in 2013.

Operating Costs

Quarterly Information

(In US$ millions, except for volumes and percentages)

	4Q 2012		3Q 2013		4Q 2013		% Variation	
Operating Costs	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Fuel and lubricants………………………………	(118.0)	*42%*	(112.8)	*41%*	(108.1)	*41%*	***-4%***	***-8%***
Energy and capacity purchases on the spot market………………………………………..	(58.0)	*21%*	(30.4)	*18%*	(42.9)	*16%*	***41%***	***-26%***
Depreciation and amortization attributable to cost of goods sold…………………………….	(35.7)	*13%*	(40.4)	*13%*	(20.0)	*8%*	***-50%***	***-44%***
Other costs of goods sold…………………….	(67.2)	*24%*	(76.1)	*28%*	(91.7)	*35%*	***21%***	***37%***
Total cost of goods sold………………..	**(278.7)**	*93%*	**(259.7)**	*96%*	**(262.8)**	*97%*	***1%***	***-6%***
Selling, general and administrative expenses…	(12.3)	*4%*	(11.1)	*4%*	(11.1)	*4%*	***0%***	***-10%***
Depreciation and amortization in selling, general and administrative expenses………..	(0.2)	*0%*	(0.3)	*0%*	(0.6)	*0%*	***99%***	***136%***
Other operating revenue/costs……………………	(6.3)	*2%*	0.6	*0%*	2.4	*-1%*	***294%***	***-138%***
Total operating costs…..……………….	**(299.8)**	*100%*	**(270.4)**	*100%*	**(272.1)**	*100%*	***1%***	***-9%***
Physical Data (in GWh)								
Gross electricity generation								
Coal………………………………………….	1,795	*78%*	2,021	*81%*	1,859	*78%*	***-8%***	***4%***
Gas…………………………………………..	434	*19%*	408	*14%*	424	*18%*	***4%***	***-2%***
Diesel Oil and Fuel Oil…………………….	58	*3%*	75	*5%*	88	*4%*	***19%***	***53%***
Hydro……………………………………….	11	*0%*	11	*0%*	13	*1%*	***13%***	***12%***
Total gross generation………………….	**2,298**	*100%*	**2,515**	*100%*	**2,384**	*100%*	***-5%***	***4%***
Minus Own consumption………………..	(162)	*-7%*	(197)	*-6%*	(99)	*-4%*	***-50%***	***-39%***
Total net generation…………………….	**2,136**	***85%***	**2,318**	***87%***	**2,285**	***90%***	***-1%***	***7%***
Energy purchases on the spot market………..	**410**	***16%***	**212**	***13%***	262	***10%***	***24%***	***-36%***
Total energy available for sale before transmission losses………………………	**2,510**	***100%***	**2,530**	***100%***	**2,547**	***100%***	***1%***	***1%***

Gross electricity generation decreased 5% compared to the third quarter of 2013. In the fourth quarter, coal generation decreased by 8% since several coal-fired units were subject to maintenance and environmental improvement works, including the overhaul of CTM2. Gas generation recovered as the LNG terminal, which stopped operations in June to connect its onshore storage facility, has been operating normally since then. The decrease in coal generation, coupled with an increase in demand, resulted in an increased participation of diesel oil in the fourth quarter's fuel mix. When compared to the last quarter of 2012, E.CL's electricity generation increased as in that quarter E.CL had coal fired plants under maintenance and environmental improvement works, and CTH was out of service during 99 days beginning September 20, 2012.

WTI prices averaged US$97.5/bbl in the fourth quarter, a 7.9% drop from the third quarter's US$105.85/bbl, and a 10.8% increase from 4Q12's US$87.97/bbl. Coal prices, in turn, increased 1.7% compared to the third quarter. E.CL reports gas prices in accordance with the price of its main long-term LNG supply contract linked to Henry Hub, and the price of other cargoes, which it has contracted from time to time. Overall, fuel costs decreased 4% in the last quarter as compared to the third quarter due to lower generation levels.

Spot electricity purchases increased 24% in physical terms due to the lower availability of cost efficient units in the last quarter. In monetary terms, the cost of electricity purchases increased 41% compared to the third quarter, not only due to higher physical purchases, but also due to higher spot prices and heavier system overcosts.

Depreciation decreased when compared to previous quarters as a result of the review of the useful lives of our coal-fired units, which was extended to a 40-year standard, with the exception of the older units, U12 and U13, whose useful lives were extended to 45 years. This was in part offset by the depreciation of the environmental improvement works made to all our coal-fired plants.

Other operating costs include, among others, transmission tolls, operating and maintenance costs, and cost of fuel sales. In the fourth quarter, these costs increased, among other reasons, because of greater personnel and third-party service costs related to maintenance works and increased costs of fuel sold.

SG&A expenses remained unchanged from the previous quarter.

	2012					2013				
	1Q12	2Q12	3Q12	4Q12	TOTAL	1Q13	2Q13	3Q13	4Q13	TOTAL
Electricity Margin										
Total revenues from energy and capacity sales……………………………………	**288.4**	**276.2**	**255.0**	**271.7**	**1,091.3**	**266.5**	**266.1**	**261.6**	**264.5**	**1,058.6**
Fuel and lubricants…………………..	(108.7)	(155.6)	(105.2)	(118.0)	(487.6)	(113.5)	(114.5)	(112.8)	(108.1)	(448.9)
Energy and capacity purchases on the spot market……………………………	(39.5)	(15.6)	(31.7)	(58.0)	(144.8)	(35.9)	(51.5)	(30.4)	(42.9)	(160.7)
Gross Electricity Profit	**140.1**	**104.9**	**118.1**	**95.8**	**458.9**	**117.1**	**100.1**	**118.4**	**113.4**	**449.1**
Electricity Margin	*49%*	*38%*	*46%*	*35%*	*42%*	*44%*	*38%*	*45%*	*43%*	*42%*

The electricity margin, or the gross profit from the electricity generation business, decreased compared to the third quarter, but recovered significantly compared to the same quarter of the previous year. On the one hand, energy and capacity sales as well as fuel costs moved in the positive direction. On the other, energy and capacity purchase costs increased due to lower availability of cost efficient plants. During the fourth quarter, CTM2 was out of service beginning November 9 for an overhaul, while CTM3, CTA and CTH were in maintenance for shorter periods of time. The cost of power purchases increased by US$12.5 million, not only due to higher physical energy purchases and higher marginal costs, but also due to the pro-rata share of system generation overcosts, which reached US$18.5 million, up from US$10 million in the previous quarter. In summary, while revenues per MWh increased 1.1%, and direct costs per MWh dropped 4.1%, energy purchase costs and the pro-rata share of overcosts increased by 41%, explaining the decrease in the gross electricity profit compared to the third quarter.

In 2013, energy and capacity revenues decreased by US$32.6 million mainly due to lower average realized tariffs reflecting the lower cost fuel mix, as shown by the US$38.6 million drop in fuel costs. Nevertheless, the CTA and CTH January outage, the maintenance of coal fired plants in April and May, the LNG terminal outage in June, the lower gas availability in the system, and the numerous and longer maintenance works carried on at coal-fired plants in the last quarter derived in an increase in spot energy purchases both in physical and price terms and in higher system overcosts. This translated into a US$9.8 million reduction in the electricity margin. In percentage terms, the electricity margin was 42%, remaining at the same level of 2012.

Operating Results

Quarterly Information

(In US$ millions, except for percentages)

EBITDA	**4Q 2012**		**3Q 2013**		**4Q 2013**		**% Variation**	
	Amount	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Total operating revenues………………………	303.9	*100%*	302.9	*100%*	311.8	*100%*	***3%***	***3%***
Total cost of goods sold……………………	(278.7)	*-92%*	(259.7)	*-86%*	(262.8)	*-84%*	***1%***	***-6%***
Gross income………………………….	**25.2**	*8%*	**43.2**	*14%*	**49.0**	*16%*	***13%***	***95%***
Total selling, general and administrative expenses and other operating income/(costs).	(21.1)	*-7%*	(10.8)	*-4%*	(9.3)	*-3%*	***-14%***	***-56%***
Operating income…………………….	**4.1**	*1%*	**32.5**	*11%*	**39.8**	*13%*	***n.a.***	***879%***
Depreciation and amortization……...…………	35.9	*12%*	40.7	*13%*	20.6	*7%*	***-49%***	***-43%***
Provision/(reversal) uncollectibles…..	-	-	-	-	-	-	***n.a***	***n.a.***
EBITDA……………….………………….	**40.0**	*13%*	**73.2**	*24%*	**60.4**	*19%*	***-17%***	***51%***

As a result of higher energy purchase costs, heavier system overcosts, and increased maintenance costs, 4Q13 EBITDA decreased compared to the third quarter of 2013, and recovered compared to 4Q12, which was negatively impacted by the CTH outage. The EBITDA margin was 19% in the fourth quarter, lower than the third quarter's 24% and much better than 4Q12's 13%.

It should be noted that CTH has been 100% consolidated into E.CL's consolidated financial statements beginning 2013, whereas it was previously proportionately consolidated at 60%. To facilitate the comparison, we have adjusted 4Q12 figures as if CTH had been 100% consolidated.

Financial Results

Quarterly Information

(In US$ millions, except for percentages)

	4Q 2012		**3Q 2013**		**4Q 2013**		**% Variation**	
Non-operating results	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Financial income……...………………………	0.7	*0%*	0.4	*0%*	0.3	*0%*	***-24%***	***-57%***
Financial expense………….…………………	(11.7)	*-4%*	(11.8)	*-4%*	(11.6)	*-4%*	***-2%***	***0%***
Foreign exchange translation, net……………	(2.0)	*-1%*	2.7	*1%*	(0.6)	*0%*	***-123%***	***-69%***
Other non-operating income/(expense) net…	21.2	*7%*	(0.8)	*0%*	(5.1)	*-2%*	***551%***	***-124%***
Total non-operating results……………	**8.2**	*3%*	**(9.6)**	*-3%*	**(17.1)**	*-6%*	***78%***	***-309%***
Income before tax……………………. ………	12.2	*4%*	22.9	*8%*	22.7	*7%*	***-1%***	***85%***
Income tax………………………………………	0.1	*0%*	(5.7)	*-2%*	(4.4)	*-1%*	***n.a.***	***-5480%***
Net income after tax …….	**12.3**	*4%*	**17.2**	*6%*	**18.3**	*6%*	***6%***	***49%***
Net income attributed to controlling shareholders…….	**12.6**	*4%*	**14.5**	*5%*	**17.0**	*6%*	***17%***	***35%***
Net income attributed to minority shareholders………..	**(0.2)**	*0%*	**2.8**	*1%*	**1.3**	*0%*	***-55%***	***-661%***
Net income to E.CL's shareholders	**12.6**	*4%*	**14.5**	*5%*	**17.0**	*6%*	***17%***	***35%***
Earnings per share…………………….	**0.012**	*0%*	**0.013**	*0%*	**0.016**	*0%*	***27%***	***35%***

Financial expense remained in line with the figures reported in previous quarters.

Foreign exchange losses reached US$0.6 million in the fourth quarter, comparing negatively with foreign exchange gains of US$2.7 million in the third quarter, and positively with 4Q12's US$2.0 million loss. Foreign exchange losses had their origin in the effect of the depreciation of the Chilean peso over certain assets in Chilean pesos.

Other non-operating, non-recurring income in the fourth quarter included a US$12.5 million pre-tax profit on the sale of Distrinor, which was offset by the impairment of GNAA, which had a negative US$18 million pre-tax impact.

The tax reform, effective since the end of September 2012, introduced an increase in the income tax rate from 18.5% to 20%.

Net after-tax income reached US$17 million in the fourth quarter, an increase from the profit reported in the previous quarters.

Year ended December 31, 2013 compared to year ended December 2012

Operating Revenues

For the 12-month period ended December 31,
(In US$ millions, except for volumes and percentages)

	12M - 2012		12M - 2013		Variation	
Operating Revenues	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**%**
Unregulated customers sales…………………..	887.8	*81%*	869.8	*82%*	**(18.0)**	***-2%***
Regulated customers sales…………………….	166.4	*15%*	173.8	*16%*	**7.4**	***4%***
Spot market sales………………………………..	37.1	*3%*	15.0	*1%*	**(22.0)**	***-59%***
Total revenues from energy and capacity sales……………………………	**1,091.3**	*92%*	**1,058.6**	*88%*	**(32.6)**	***-3%***
Gas distribution sales…………………………..	2.7	*0%*	1.9	*0%*	**(0.8)**	***-30%***
Other operating revenue……………………….	91.1	*8%*	146.6	*12%*	**55.4**	***61%***
Total operating revenues………………….	**1,185.0**	*100%*	**1,207.1**	*100%*	**22.0**	***2%***
Physical Data (in GWh)						
Sales of energy to unregulated customers (1)……	7,553	*79%*	7,643	*79%*	**90**	***1%***
Sales of energy regulated customers……	1,699	*18%*	1,822	*19%*	**123**	***7%***
Sales of energy to the spot market…………….	329	*3%*	240	*2%*	**(89)**	***-27%***
Total energy sales………………………….	**9,580**	*100%*	**9,704**	*100%*	**124**	***1%***
Average monomic price unregulated customers(U.S.$/MWh)(2)	**117.4**		**112.3**		**(5.1)**	***-4%***
Average monomic price regulates customers (U.S.$/MWh)(3)	**97.9**		**95.4**		**(2.5)**	***-3%***

(1) Includes 60% of CTH sales.
(2) Calculated as the quotient between unregulated and spot revenues from energy and capacity sales and unregulated and spot physical energy sales.
(3) Calculated as the quotient between regulated revenues from energy and capacity sales and regulated physical energy sales.

In 2013, total operating revenues increased 2% compared to 2012. Sales to regulated clients increased 4% to US$173.8 million; however, sales to unregulated clients decreased 2%. This, added to lower sales to the spot market, resulted in a 3% decrease in energy and capacity sales compared to 2012. This is explained by a combination of a 1% increase in physical energy sales with a 4% average realized tariff drop.

Physical electricity sales to unregulated clients increased mainly due to the start-up of the El Tesoro contract in March 2012, and increased demand from Minera Esperanza and El Abra, offset in part by the termination of the Mantos Blancos contract at the end of September. Average realized monomic tariffs dropped 4% compared to 2012 due to the heavier relative weight of coal in the tariff indexation polynomials of unregulated clients.

Sales to distribution companies increased 7% in physical terms, while their average realized monomic tariff fell 3% to US$95.4/MWh due to declining Henry Hub levels reported throughout 2012. Given the lag with which the recovery in Henry Hub is taken into account in the EMEL contract tariff, prices to distribution companies reported three successive upward adjustments in March, May and November of 2013. Tariffs increased by approximately US$2/MWh in May and US$5/MWh in November. However, the upward price adjustments have been partially offset by the effect of the depreciation of the Chilean peso since late May 2013.

Other operating revenues include transmission tolls, port services, transmission line services and sales of fuel, including sales of gas to generation companies operating in the SIC system. In the second quarter of 2013, other operating revenues included US$13 million in insurance compensation for business interruption losses resulting from the CTH turbine failure in 4Q12. In 2012, the company had recorded insurance compensations for a total amount of US$9.8 million, including US$7 million in insurance compensation for the CTH loss in 4Q12 and US$2.8 million from the resolution of past losses at Central Tamaya and a crane at the Tocopilla port. These amounts were partly offset by a US$3.4 million loss resulting from the payment in Argentine pesos of the amounts owed to E.CL by YPF pursuant to an agreement signed in 2010.

Operating Costs

For the 12-month period ended December 31,

(In US$ millions, except for volumes and percentages)

	12M- 2012		12M - 2013		Variation	
Operating Costs	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**%**
Fuel and lubricants………………………………	(487.6)	*48%*	(448.9)	*43%*	**38.6**	***-8%***
Energy and capacity purchases on the spot market………………………………………..	(144.8)	*14%*	(160.7)	*15%*	**(15.9)**	***11%***
Depreciation and amortization attributable to cost of goods sold…………………………….	(142.6)	*14%*	(132.0)	*13%*	**10.6**	***-7%***
Other costs of goods sold…………………….	(244.1)	*24%*	(306.1)	*29%*	**(62.0)**	***25%***
Total cost of goods sold………………..	**(1,019.1)**	*95%*	**(1,047.7)**	*96%*	**(28.7)**	***3%***
Selling, general and administrative expenses…	(50.2)	*5%*	(43.6)	*4%*	**6.6**	***-13%***
Depreciation and amortization in selling, general and administrative expenses…………	(1.1)	*0%*	(1.5)	*0%*	**(0.4)**	***38%***
Other revenues/costs………………………………	(3.7)	*0%*	3.7	*0%*	**7.4**	-
Total operating costs….………………	**(1,074.0)**	*100%*	**(1,089.1)**	*100%*	**(15.0)**	***1%***
Physical Data (in GWh)						
Gross electricity generation						
Coal………………………………………….	7,550	*79%*	7,473	*79%*	**(76)**	***-1%***
Gas…………………………………………..	1,728	*18%*	1,605	*17%*	**(123)**	***-7%***
Diesel Oil and Fuel Oil…………………….	224	*2%*	356	*4%*	**131**	***59%***
Hydro……………………………………….	49	*1%*	46	*0%*	**(2)**	***-5%***
Total gross generation…………………	**9,551**	***100%***	**9,480**	***100%***	**(70)**	***-1%***
Minus Own consumption………………..	(703)	*-7%*	(629)	*-7%*	**74**	***-11%***
Total net generation…………………….	**8,848**	***88%***	**8,852**	***88%***	**4**	***0%***
Energy purchases on the spot market………..	1,156	***12%***	1,177	***12%***	21	***2%***
Total energy available for sale before transmission losses………………………	**10,004**	***100%***	**10,028**	***100%***	**25**	***0%***

In 2013 gross electricity generation decreased 1% compared to the year before. Coal generation decreased 1%, representing 79% of E.CL's total electricity generation. Gas generation decreased 7% as there was less gas available after the LNG purchase agreement between mining companies and the LNG terminal came to an end in September 2012. Lower coal and gas generation was in part covered by diesel and fuel oil generation, which rose by 59%. The remainder was covered by spot energy purchases, which rose 2% in physical terms. In 2013, all of E.CL's coal-fired plants were subject to maintenance and works related to our environmental upgrade CAPEX program, while the U16 gas plant underwent maintenance works in June, during the LNG terminal outage, and CTM3 in the last quarter. Specifically, our coal fired generation was affected by the CTA and CTH January outage, the regular maintenance of other coal-fired plants throughout the year, and the overhaul of CTM2 in the last quarter. In the second quarter, AES Gener's Angamos units were out for maintenance, and in the fourth quarter several coal fired plants in the system underwent maintenance and capacity limitations resulting from works to comply with new environmental requirements. All this explained the variation in the mix of fuels used in electricity generation during 2013 and the heavier system overcosts in the second and fourth quarters.

Lower fuel costs throughout 2013 can be attributed to the lower gross generation; a declining trend in the prices of coal, our main fuel source, which fell 1.26% during the period; and a decrease in gas costs. This is mainly explained by the start-up of the long-term LNG supply agreement at Henry Hub at the end of 2012. The cost of spot energy and capacity purchases increased due to higher physical purchases to compensate for the decrease in E.CL's own generation and because of the higher generation overcosts in the SING, particularly during the second and fourth quarters.

Other costs of goods sold increased primarily because of higher costs in the resale of gas to the SIC and an increase in operating and maintenance costs including US$5 million in repair costs related to the CTA and CTH pipe leakages in January 2013. In addition, CDEC-SING administration costs amounting to US$4.9 million, were reclassified from SG&A expenses to direct operating costs.

Operating Results

For the 12-month period ended December 31,

(In US$ millions, except for percentages)

	12M - 2012		**12M 2013**		**Variation**	
EBITDA	**Amount**	**% of**	**Amount**	**% of**	**Amount**	**%**
Total operating revenues………………………	1,185.0	*100%*	1,207.1	*100%*	**22.0**	***2%***
Total cost of goods sold……………………	(1,019.1)	*-86%*	(1,047.7)	*-87%*	**(28.7)**	***3%***
Gross income………………………….	**166.0**	*14%*	**159.3**	*13%*	**(6.6)**	***-4%***
Total selling, general and administrative expenses and other operating income/(costs).	(55.0)	*-5%*	(41.3)	*-3%*	**13.6**	***-25%***
Operating income………………….	**111.0**	*9%*	**118.0**	*10%*	**7.0**	***6%***
Depreciation and amortization……..…………	143.7	*12%*	133.5	*11%*	**(10.2)**	***-7%***
(Provision)/reversal uncollectibles…..		-		-	-	*n.a.*
EBITDA………………….…………….	**254.7**	*21%*	**251.5**	*21%*	**(3.2)**	***-1%***

In 2013, EBITDA was US$251.5 million, a 1% decrease compared to 2012. Average realized monomic tariffs decreased 4% to US$109/MWh due to the cheaper fuel mix used in generation, low Henry Hub prices incorporated in the tariff charged to regulated clients and, to a lesser extent, exchange rate effects on the EMEL tariff. The overall tariff decrease was largely compensated for by lower fuel costs, in part owing to lower priced LNG purchases. However, operating costs increased due to higher diesel generation and higher electricity purchase costs. Planned and forced outages, not only of plants operated by E.CL but by other generators, had heavier impact on E.CL's share of the system's generation overcosts, particularly in the second and fourth quarters of 2013.

Depreciation decreased by US$10.2 million due to a change in the useful life of coal-fired plants pursuant to a technical report. This was partially offset by depreciation of the environmental upgrade works carried out in our coal fired plants.

Financial Results

For the 12-month period ended December 31,

(In US$ millions, except for percentages)

	12M - 2012		12M - 2013		Variation	
Non-operating results	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
Financial income……….………………………	2.6	*0%*	2.7	*0%*	**0.1**	***3%***
Financial expense…………….…………………	(47.0)	*-6%*	(46.9)	*-5%*	**0.0**	***0%***
Foreign exchange translation, net……………	9.5	*1%*	(2.2)	*0%*	**(11.6)**	***n.a.***
Other non-operating income/(expense) net…	21.5	*3%*	(6.8)	*-1%*	**(28.3)**	***-132%***
Total non-operating results…………….	**(13.4)**	*-2%*	**(53.3)**	*-6%*	**(39.9)**	***298%***
Income before tax……………………..………	97.6	*12%*	64.8	*7%*	**(32.9)**	***-34%***
Income tax………………………………………	(38.4)	*-5%*	(16.6)	*-2%*	**21.8**	***-57%***
Net income after tax …….	**59.3**	*7%*	**48.2**	*5%*	**(11.1)**	***-19%***
Net income attributed to controlling shareholders…….	**56.2**	*7%*	**39.6**	*4%*	**(16.6)**	***-30%***
Net income attributed to minority shareholders………..	**3.1**	*0%*	**8.6**	*1%*	**5.5**	***174%***
Net income to E.CL's shareholders	**56.2**	*7%*	**39.6**	*4%*	**(16.6)**	***-30%***
Earnings per share……………………..	**0.05**	*0%*	**0.04**	*0%*	**(0.0)**	***-30%***

Net financial expense remained unchanged despite the US$93.7 million last disbursement of the CTA project financing in October 2012. This is explained by a lower LIBOR and lower interest paid to third parties as a result of E.CL's acquisition of CTH's debt with its minority shareholder.

A relevant non-operating item was a US$2.2 million foreign exchange loss resulting from the effect of the depreciation of the Chilean peso on certain assets denominated in pesos. This compares negatively with foreign exchange earnings of US$9.5 million reported in 2012 when the Chilean peso showed an appreciating trend.

In 2013 E.CL reported a US$12.6 million pre-tax profit on the sale of Distrinor and an US$18 million pre-tax expense resulting from the impairment test applied to Gasoducto Norandino Argentina. In 2012, non-operating income had been positively impacted by a US$25.4 million pre-tax gain on the sale of the Crucero-Lagunas transmission line.

Regarding income taxes, in 2012 a tax reform introduced an increase in the income tax rate to 20%, which had a one-time negative effect of US$21.7 million on deferred taxes. Also in 2012, E.CL's subsidiary, GNAA reported a tax reversal resulting from a favorable sentence by Argentina's Supreme Court of Justice, which had a positive impact of US$4.5 million on E.CL's consolidated results.

In 2013 net income attributed to minority shareholders, basically the shareholders of Inversiones Hornitos (CTH), increased by US$5.5 million given CTH's improved operating results.

Net Earnings

After-tax income decreased by US$16.6 million compared to 2012, reaching US$39.6 million, principally due to foreign exchange differences and the negative variation of non-recurrent effects that could not be offset by lower income tax expenses.

Liquidity and Capital Resources

As of December 31, 2013, E.CL reported cash balances of US$213.4 million, including short-term investments available for sale; whereas nominal financial debt[1] totaled US$758 million, with only US$12.8 million maturing within one year.

	For the 12-month period ended December 31, (In US$ millions)	
Cash Flow	**2012**	**2013**
Net cash flows provided by operating activities…	233.7	189.0
Net cash flows used in investing activities………	(189.0)	(88.5)
Net cash flows provided by financing activities..	(61.7)	(66.3)
Change in cash………………...………….	**(17.0)**	**34.1**

Cash Flow from Operating Activities

In 2013 cash flow generated from operating activities reached approximately US$189 million. This is made up of purely operating cash flow after paying interest (US$41.4 million) and income taxes (US$15.7 million). The decrease in operating cash flow in 2013 compared to 2012 is explained by several factors including VAT reimbursements by the Chilean Treasury in 2012. In 2013 the company made greater advances for fuel purchases and paid US$15 million to TGN for the changes in contractual conditions that will permit considerable future cost savings to Gasoducto Norandino Argentina.

Cash Flow Used in Investing Activities

Cash flow used in investing activities was US$88.5 million in 2013. This comprised US$127 million in capital expenditures, which was offset by almost US$30 million received in January in payment for the sale of the Crucero-Lagunas transmission line and a reduction in short-term financial investments. It should be noted that our cash flow statement includes short-term investments in mutual funds as cash flows used in investment activities, whereas we consider them as available cash in our balance sheet for the purposes of this report.

Our most significant investing activity in the past three years has been related to the CTA and CTH projects and the transmission assets needed to deliver the energy generated by CTA and CTH to our customers. Beginning January 2013, we have started to account for 100% of CTH's capital expenditures. These projects have been fully paid; consequently, the main capital expenditures in 2013 are referred to environmental improvement works, the

(1) Nominal amounts may differ from the debt amounts recorded under the IFRS methodology in the Financial Statements.

overhaul of our power plants, equipment upgrade and refurbishing, the El Águila I solar project, and other investments such as improvement in telecommunication equipment.

With a total investment of nearly US$170 million, E.CL has been developing an emission-reduction program ("environmental CAPEX"), an initiative for the purpose of meeting and even surpassing the new environmental requirements in terms of reducing particulate matter and gas emissions from our thermoelectric power plants. As of this date, E.CL has installed all six bag filters considered in its particulate matter emission reduction plan at its CTM1 and CTM2 units in Mejillones and its U12, U13, U14, and U15 units in Tocopilla, The next stage considers the implementation of systems for the reduction of gas emissions.

Our capital expenditures in 2013 and 2012 amounted to US$127 million and US$188 million, respectively, and included the following:

Capital Expenditures

	For the 12-month period ended December 31, (In US$ millions)	
CAPEX	**2012**	**2013**
CTA……………………………………………………	30.0	4.0
CTH [(1)]…………………………………………………	30.7	5.4
Central Tamaya……………………………………….		4.0
El Cobre substation & Chacaya-El Cobre transmission line……………………………	11.0	6.4
Overhaul power plants & equipment maintenance and refurbishing…………………	28.2	21.2
Environmental improvement works………………	71.0	66.2
Solar plant	-	7.8
Others……………………………………………	17.4	12.2
Total capital expenditures……………………….	**188.3**	**127.2**

(1) 100% of these capital expenditures are recognized per IFRS.

Cash Flow from Financing Activities

Our main financing activities during 2013 are listed below. However, it should be noted that interest payments are netted out from cash flows provided by operating activities in our cash flow statement.

- On January 15, E.CL paid interest on its 144-A bond in the amount of US$11.25 million.
- On March 31, CTH paid the first interest and principal installment of its intercompany loan with E.CL for a total amount of US$13.6 million. This payment is netted out in E.CL's consolidated financial statements.
- On May 16, 2013, E.CL paid dividends in the amount of US$56.2 million on the account of 2012's net income.
- On June 17, 2013, CTA paid the fifth principal installment of its project financing in the amount of US$5.8 million plus interest.
- On September 30, CTH paid the second interest and principal installment of its intercompany loan with E.CL for an amount of US$13.2 million. This payment is netted out in E.CL's consolidated financial statements.

- On December 16, 2013, CTA paid the sixth principal installment of its project financing in the amount of US$5.8 million plus interest.

Contractual Obligations

The following table sets forth the maturity profile of our debt obligations as of December 31, 2013. This table shows the nominal amount of our debt balances, which may differ from the debt amounts recorded under the IFRS methodology in the Financial Statements:

Contractual Obligations as of 12/31/13
Payments Due by Period
(In US$ millions)

	Total	< 1 year	1 - 3 years	3 - 5 years	More than 5 years
Bank debt……………………………	358.0	12.8	32.1	37.3	275.9
Bonds (144 A/Reg S Notes)………	400.0				400.0
Leasing obligations……..………	0.2	0.0	0.0	0.0	0.1
Accrued interest…………………	11.1	11.1			
Mark-to-market swaps	11.4				11.4
Total	**780.6**	**23.8**	**32.1**	**37.4**	**687.4**

In the above table, bank debt includes the project financing extended by IFC and KfW to our subsidiary CTA. As of December 31, 2013, the total principal amount was US$358 million, payable in semiannual installments, ending with a 25% balloon payment on June 15, 2025.

The bonds correspond to our US$400 million 10-year 5.625% 144-A/Reg.S notes maturing January 15, 2021. The proceeds of this issue were used to repay our loans with shareholders and related parties in December 2010.

Other debt includes US$0.2 million in leasing obligations related to transmission assets, as well as an US$11.4 million mark-to-market provision on interest-rate swaps taken by CTA to hedge its exposure to floating interest rates. An equivalent amount has been included in our shareholders' equity account.

Dividend Policy

Our dividend payment policy consists of paying the minimum legal required amounts (30%), although higher amounts may be approved if the company's conditions so allow. Our dividend payment for each year is proposed by our Board of Directors based on the year's financial performance, the size of our available cash balance and anticipated financing requirements for capital expenditures and investments in the following years. The dividend payment proposed by our Board is subsequently approved at a Shareholders' Meeting as established by law. On April 23, 2013, our shareholders approved dividends in an amount equivalent to 100% of our 2012 net earnings; that is, US$56.17 million. This dividend was paid on May 16, 2013.

The record of dividends paid since 2010 is shown in the following table:

Cash Dividends paid by E.CL S.A. in 2010, 2011 ,2012 and 2013

Payment Date	Dividend Type	Amount (in US$ millions)	US$ per share
04-May-10	Final (on account of 2009 net income)	77.7	0.07370
04-May-10	Additional (on account of 2009 net income)	1.9	0.00180
May 5, 2011	Final (on account of 2010 net income)	100.1	0.09505
Aug 25 2011	Provisional (on account of 2011 net income)	25.0	0.02373
May 16 2012	Final (on account of 2011 net income)	64.3	0.06104
May 16 2013	Final (on account of 2012 net income)	56.2	0.05333

Hedging Policy

Our hedging policy covers certain risks to which we are exposed, as follows:

Business Risk and Commodity Hedging

Our business is subject to the risk of variations in the availability of fuels and their prices. Our policy is to hedge as much as possible against these risks through the indexation of the energy tariffs incorporated in our PPAs, and the fuel mix taken into consideration in the tariffs. The tariff of the EMEL contract, which became effective at the beginning of 2012, is readjusted semiannually according to the Henry Hub and the U.S. CPI indices. The company signed a long-term LNG purchase contract indexed to Henry Hub to supply the EMEL PPA; however, the company did not begin to receive HH-priced LNG until the fourth quarter of 2012. Hence, our company remained temporarily exposed to the risk of mismatch between Henry Hub and the fuel price or system marginal cost fluctuations which the company had to face to fulfill its power supply obligations under the EMEL contract. This mismatch affected our financial results in 2012. In 2013, there has been no such mismatch as both the LNG bought to supply the EMEL contract and the PPA tariff are readjusted according to the same index. Nevertheless, a mismatch remains between the Henry Hub index used to define the EMEL tariff (4-month average prior to the tariff fixing, which takes place every six months) and the Henry Hub index prevailing at the time each LNG shipment is made. This risk is mitigated by the EMEL tariff's automatic indexation triggered any time the Henry Hub index reports a fluctuation of 10% or more.

Currency Hedging

Given that most of our revenues and costs are denominated in U.S. dollars and that we seek to incur debt in U.S. dollars, we face limited exposure to foreign exchange risk. Our main costs denominated in Chilean pesos are personnel and administrative expenses, which account for approximately 5% of our total operating costs. Our most significant asset denominated in Chilean pesos consists of value added taxes paid on our purchases of equipment for our CTA and CTH projects. The amount of this asset has decreased significantly through tax refunds. In the specific case of the EMEL contract, it is payable in pesos at the average observed exchange rate prevailing one month before the tariff fixing, and it is adjusted every six months as opposed to other PPAs that are readjusted on a monthly basis. Therefore, the exposure of this PPA to exchange rate fluctuations is higher. We have occasionally engaged in forward agreements to partially hedge this contract's exposure to foreign exchange risk.

Interest Rate Hedging

We maintain a significant portion of our long-term debt at fixed rates in order to minimize interest-rate exposure. As of December 31, 2013, 82% of our total financial debt for a principal amount of US$758 million was at fixed rates. The remaining 18% of our debt, corresponding to the unhedged portion of our CTA project financing, was at 180-day floating LIBOR.

	Average interest rate	As of December 31, 2013 Contractual maturity date (In US$ millions) 2013	2014	2015	2016	Thereafter	Grand
Fixed Rate							
(US$)	Swapped base rate of 3.665% p.a. + 2.75% spread (1)	7.8	9.5	10.2	10.8	181.2	219.5
(US$)	5.625% p.a.					400.0	400.0
Variable Rate							
(US$)	LIBOR (180) + 2.75% p.a. (1)	4.9	6.0	6.4	6.8	114.4	138.5
Total (2)		**12.8**	**15.5**	**16.6**	**17.6**	**695.6**	**758.0**

(1) This corresponds to the current interest rate of the IFC and KfW project financing for CTA. The margin on LIBOR will step up by 0.25% every three years starting April 30, 2016.

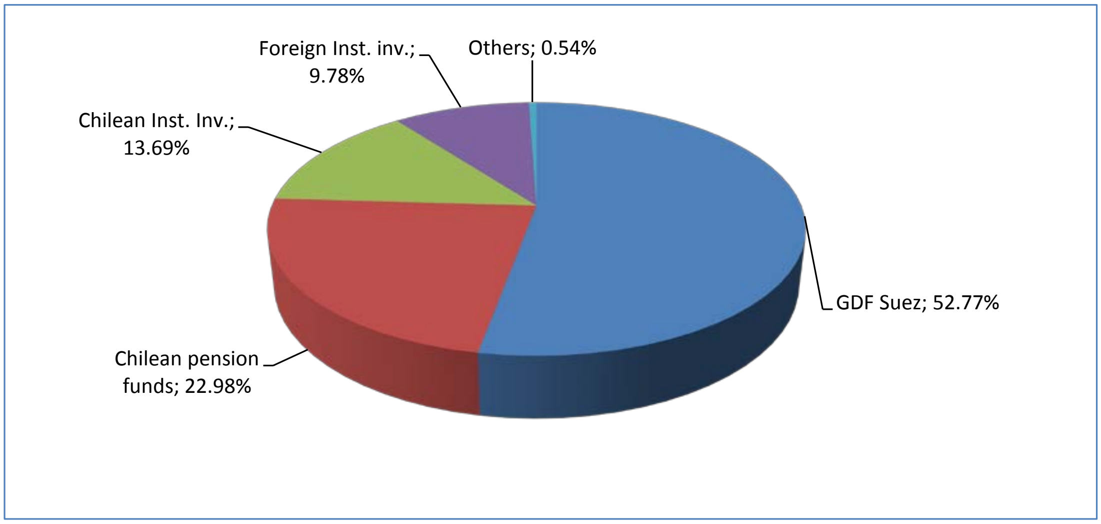
(2) These figures include principal amounts only and do not include leasing obligations related to our use of transmission lines or mark-to-market adjustments on interest rate swaps.

Credit Risk

In the normal course of business, and when investing our cash, we are exposed to credit risk. In our regular electricity generation business, we deal mostly with financially strong mining companies, which report low level of credit risk. In addition, we have begun to sell electricity to the only regulated client in the SING, which provides electricity supply to residential and commercial clients in the region. Our cash management policy considers investing in investment-grade institutions only and only within the short term. We also measure our counterparty risk when dealing with derivatives, and we have a limit for each counterparty to manage our exposure.

OWNERSHIP STRUCTURE AS OF DECEMBER 31, 2013

No. of Shareholders: 1,912



TOTAL NUMBER OF SHARES: 1,053,309,776

APPENDIX 1

PHYSICAL DATA AND SUMMARIZED QUARTERLY FINANCIAL STATEMENTS

	2012					2013				
	1Q12	2Q12	3Q12	4Q12	12M12	1Q13	2Q13	3Q13	4Q13	12M Total
Physical Sales										
Sales of energy to unregulated customers.	1,805	1,853	1,897	1,997	7,553	1,930	1,866	1,933	1,914	7,643
Sales of energy to regulated customers	417	412	427	442	1,699	444	454	459	465	1,822
Sales of energy to the spot market………	116	71	100	42	329	33	80	70	58	240
Total energy sales………………………….	**2,339**	**2,336**	**2,425**	**2,481**	**9,580**	**2,406**	**2,399**	**2,462**	**2,437**	**9,704**
Gross electricity generation										
Coal………………………………………….	1,934	2,004	1,817	1,795	7,550	1,710	1,884	2,021	1,859	7,473
Gas…………………………………………..	258	548	489	434	1,728	451	323	408	424	1,605
Diesel Oil and Fuel Oil…………………….	53	80	34	58	224	87	106	75	88	356
Renewable……………………………………….	17	11	10	11	49	12	10	11	13	46
Total gross generation………………….	**2,261**	**2,642**	**2,349**	**2,298**	**9,551**	**2,260**	**2,322**	**2,515**	**2,384**	**9,480**
Minus Own consumption………………..	(177.1)	(190.3)	(173.0)	(162.4)	(702.7)	(164.3)	(168.9)	(197.0)	(98.5)	(628.7)
Total net generation…………………….	**2,084**	**2,452**	**2,176**	**2,136**	**8,848**	**2,096**	**2,153**	**2,318**	**2,285**	**8,852**
Energy purchases on the spot market………..	378	34	334	410	1,156	369	334	212	262	1,177
Total energy available for sale before transmission losses………………………	**2,461**	**2,486**	**2,510**	**2,546**	**10,004**	**2,465**	**2,487**	**2,530**	**2,547**	**10,028**

Quarterly Income Statement (in US$ millions)

IFRS			**2012**							
Operating Revenues	**1Q12**	**2Q12**	**3Q12**	**4Q12**	**12M12**	**1Q13**	**2Q13**	**3Q13**	**4Q13**	**12M13**
Regulated customers sales………………………	46.8	40.0	40.6	39.1	166.4	41.4	43.0	43.3	46.2	173.8
Unregulated customers sales…………………..	226.9	223.3	207.9	229.6	887.8	222.8	218.9	214.1	214.1	869.8
Spot market sales………………………………..	14.7	12.9	6.6	3.0	37.1	2.4	4.2	4.2	4.2	15.0
Total revenues from energy and capacity sales……………………………	**288.4**	**276.2**	**255.0**	**271.7**	**1,091.3**	**266.5**	**266.1**	**261.6**	**264.5**	**1,058.6**
Gas distribution sales…………………………..	1.0	0.7	0.6	0.4	2.7	0.4	0.9	1.0	(0.4)	1.9
Other operating revenue……………………….	16.3	19.5	23.5	31.8	91.1	18.1	40.3	40.3	47.8	146.6
Total operating revenues………………….	**305.7**	**296.3**	**279.1**	**303.9**	**1,185.0**	**285.1**	**307.3**	**302.9**	**311.8**	**1,207.1**
Operating Costs										
Fuel and lubricants………………………………	(108.7)	(155.6)	(105.2)	(118.0)	(487.6)	(113.5)	(114.5)	(112.8)	(108.1)	(448.9)
Energy and capacity purchases on the spot market…………………………………………..	(39.5)	(15.6)	(31.7)	(58.0)	(144.8)	(35.9)	(51.5)	(30.4)	(42.9)	(160.7)
Depreciation and amortization attributable to cost of goods sold…………………………….	(33.5)	(32.2)	(41.3)	(35.7)	(142.6)	(35.5)	(36.1)	(40.4)	(20.0)	(132.0)
Other costs of goods sold…………………….	(57.9)	(56.8)	(62.4)	(67.2)	(244.1)	(58.1)	(80.2)	(76.1)	(91.7)	(306.1)
Total cost of goods sold………………..	**(239.6)**	**(260.2)**	**(240.6)**	**(278.7)**	**(1,019.1)**	**(243.1)**	**(282.2)**	**(259.7)**	**(262.8)**	**(1,047.7)**
Selling, general and administrative expenses…	(12.3)	(13.2)	(10.1)	(14.5)	(50.2)	(11.0)	(10.4)	(11.1)	(11.1)	(43.6)
Depreciation and amortization in selling, general and administrative expenses………..	(0.2)	(0.3)	(0.3)	(0.3)	(1.1)	(0.3)	(0.3)	(0.3)	(0.6)	(1.5)
Other revenues………...…………………….	0.7	2.1	(0.2)	(6.3)	(3.7)	0.2	0.4	0.6	2.4	3.7
Total operating costs….………………	**(251.5)**	**(271.5)**	**(251.2)**	**(299.8)**	**(1,074.0)**	**(254.1)**	**(292.5)**	**(270.4)**	**(272.1)**	**(1,089.1)**
Operating income….………………….	**54.3**	**24.8**	**27.9**	**4.1**	**111.0**	**31.0**	**14.8**	**32.5**	**39.8**	**118.0**
EBITDA………………..……………….	**88.0**	**57.2**	**69.5**	**40.0**	**254.7**	**66.8**	**51.1**	**73.2**	**60.4**	**251.5**
Financial income………..………………………	0.9	0.5	0.5	0.7	2.6	1.0	0.9	0.4	0.3	2.7
Financial expense…………….…………………	(12.1)	(11.8)	(11.4)	(11.7)	(47.0)	(11.7)	(11.7)	(11.8)	(11.6)	(46.9)
Foreign exchange translation, net……………	6.6	(1.8)	6.7	(2.0)	9.5	2.7	(6.9)	2.7	(0.6)	(2.2)
Other non-operating income/(expense) net…	(0.1)	(0.5)	1.0	21.2	21.5	(0.2)	(0.7)	(0.8)	(5.1)	(6.8)
Total non-operating results……………	**(4.7)**	**(13.6)**	**(3.3)**	**8.2**	**(13.4)**	**(8.2)**	**(18.4)**	**(9.6)**	**(17.1)**	**(53.3)**
Income before tax…………………..………	49.6	11.2	24.7	12.2	97.6	22.8	(3.6)	22.9	22.7	64.8
Income tax………………………………………	(7.6)	(2.0)	(28.8)	0.1	(38.4)	(5.0)	(1.6)	(5.7)	(4.4)	(16.6)
Net income after tax …….	**42.0**	**9.1**	**(4.2)**	**12.3**	**59.3**	**17.9**	**(5.2)**	**17.2**	**18.3**	**48.2**
Net income attributed to controlling shareholders………………	**40.1**	**6.5**	**(3.0)**	**12.6**	**56.2**	**16.6**	**(8.5)**	**14.5**	**17.0**	**39.6**
Net income attributed to minority shareholders………………	**1.9**	**2.6**	**(1.1)**	**(0.2)**	**3.1**	**1.2**	**3.4**	**2.8**	**1.3**	**8.6**
Net income to E.CL's shareholders…….	**42.0**	**4.6**	**(3.0)**	**12.6**	**56.2**	**16.6**	**(8.5)**	**14.5**	**17.0**	**39.6**
Earnings per share……………………..	**0.040**	**0.004**	**(0.003)**	**0.012**	**0.053**	**0.017**	**0.008**	**0.013**	**0.016**	**0.038**

Quarterly Balance Sheet

(In U.S.$ millions)

	2012 31-Dec-12	2013 31-Dec-13
Current Assets		
Cash and cash equivalents (1)	192.1	213.4
Accounts receivable	176.4	171.5
Recoverable taxes	64.6	39.6
Other current assets	205.1	223.4
Total current assets	**638.1**	**648.0**
Non-Current Assets		
Property, plant and equipment, net	1,961.2	1,944.2
Other non-current assets	417.6	404.6
TOTAL ASSETS	**3,016.9**	**2,996.8**
Current Liabilities		
Financial debt	20.6	21.0
Other current liabilities	208.0	223.3
Total current liabilities	**228.6**	**244.3**
Long-Term Liabilities		
Financial debt (including intercompany)	774.2	740.3
Other long-term liabilities	213.7	205.0
Total long-term liabilities	**987.9**	**945.3**
Shareholders' equity	1,685.2	1,683.4
Minority' equity	115.2	123.9
Equity	**1,800.4**	**1,807.2**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**3,016.9**	**2,996.8**

(1) Includes short-term investments classified as available for sale.

	FINANCIAL RATIOS				
			Dec-13	**Dec-12**	**Var.**
LIQUIDITY	Current ratio (current assets / current liabilities)	(veces)	2.65	2.79	***-5%***
	Quick ratio ((current assets - inventory) / current liabilities)	(veces)	2.13	2.25	***-5%***
	Working capital (current assets – current liabilities)	MMUS$	403.69	409.53	***-1%***
LEVERAGE	Leverage ((current liabilities + long-term liabilities) / networth)	(veces)	0.66	0.68	***-3%***
	Interest coverage ((EBITDA / interest expense))	(veces)	5.36	5.42	***-1%***
	Financial debt –to- LTM EBITDA*	(veces)	3.03	3.30	***-8%***
	Net financial debt – to - LTM EBITDA*	(veces)	1.89	2.60	***-27%***
PROFITABILITY	Return on equity* (LTM net income attributed to the controller / net worth attributed to the controller)	%	2.4%	3.3%	***-29%***
	Return on assets* (LTM net income attributed to the controller / total assets)	%	1.3%	1.9%	***-29%***

*LTM = Last twelve months

CONFERENCE CALL 12M13

E.CL is pleased to inform you that it will conduct a conference call to review its results for the fiscal year ended December 31, 2013, on Wednesday, January 29, 2014, at 9 a.m. (EST) – 11 a.m. (Chilean Time)

hosted by:
Lode Verdeyen, CEO E.CL S.A.

To participate, please dial: **+1 (706) 902-4518**, international or **12300206168 (toll free Chile). Passcode I.D.: #41475877**, approximately 10 minutes prior to the scheduled starting time.

To access the phone replay, please dial **+1 (855) 859- 2056** or **(404) 537-3406**
Passcode I.D.: #41475877. A conference call replay will be available until February 5, 2014.