EMPRESA DE TRANSPORTE DE PASAJEROS METRO S.A. AND SUBSIDIARY

Interim Consolidated Financial Statements
for the periods ended as of June 30, 2014 and 2013,
and December 31, 2013

(With Independent Auditor's Report)

EMPRESA DE TRANSPORTE DE PASAJEROS METRO S.A.

CONTENTS

ThCh$	:	Figures expressed in Thousands of Chilean Pesos
MCh $	:	Figures expressed in Millions of Chilean Pesos
US$	:	Figures expressed in United States Dollars
ThUS$	:	Figures expressed in Thousands of United States Dollars
MUS$	:	Figures expressed in Millions of United States Dollars

KPMG Auditores Consultores Ltda.
Av. Isidora Goyenechea 3520, Piso 2
Las Condes, Santiago, Chile

Teléfono +56 (2) 2798 1000
Fax +56 (2) 2798 1001
www.kpmg.cl

Independent Auditor's Review Report

To the President and Directors
Empresa de Transporte de Pasajeros Metro S.A.

Report on the financial statements

We have reviewed the interim consolidated financial statements of Empresa de Transporte de Pasajeros Metro S.A and its subsidiary as of June 30, 2014, the interim consolidated statements of comprehensive income for the three-month and six-month periods ended June 30, 2014 and the related interim consolidated statements of changes in equity, and cash flows for the six-month period then ended. The consolidated statements of comprehensive income, changes in equity and cash flows of Empresa de Transporte de Pasajeros Metro S.A. and its subsidiary for the three-month and six-month periods ended June 30, 2013, were reviewed by other auditors, before the restatement indicated in Note 3.6, whose report dated August 12, 2013 stated that based on their review, they were not aware of any material modifications that should be made to those statements in order for them to be in compliance with IAS 34 "Interim Financial Reporting" issued by the International Financial Reporting Standards Board and specific instructions issued by the Superintendence of Securities and Insurances. The consolidated statement of financial position of the Company as at December 31, 2013 and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the year then ended (not presented herein), were audited by other auditors whose report dated March 10, 2014, expressed an unmodified opinion on those statements.

Management's responsibility

The Company's management is responsible for the preparation and fair presentation of the interim financial information in accordance with IAS 34 issued by the International Financial Reporting Standards Board and specific instructions issued by the Superintendence of Securities and Insurances, as described in Note 2.1; this responsibility includes the design, implementation, and maintenance of internal control sufficient to provide a reasonable basis for the preparation and fair presentation of interim financial information in accordance with the applicable financial reporting framework.

Auditor's responsibility

Our responsibility is to conduct our review in accordance with auditing standards generally accepted in Chile applicable to reviews of interim financial information. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Chile, the objective of which is the expression of an opinion regarding the financial information. Accordingly, we do not express such an opinion.

Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim financial information as of and for the three-month and six-month periods ended June 30, 2014, for it to be in accordance with IAS 34 issued by the International Financial Reporting Standards Board and specific instructions issued by the Superintendence of Securities and Insurances, as described in Note 2.1.

Héctor del Campo R. KPMG Ltda.

Santiago, August 11, 2014

Interim Consolidated Financial Statements

For the periods ended

As of June 30, 2014 and 2013, and December 31, 2013

EMPRESA DE TRANSPORTE DE PASAJEROS METRO S.A. AND SUBSIDIARY

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the periods ended

June 30, 2014 and 2013 and December 31, 2013

Contents:

ThCh$	:	Figures expressed in Thousands of Chilean Pesos
MCh $	:	Figures expressed in Millions of Chilean Pesos
US$	:	Figures expressed in United States Dollars
ThUS$	:	Figures expressed in Thousands of United States Dollars
MUS$	:	Figures expressed in Millions of United States Dollars

I N D E X

I N D E X

I N D E X

Interim Consolidated Statements of Financial Position

As at June 30, 2014 (unaudited) and 2013, and December 31, 2013

(In thousands of Chilean pesos)

ASSETS	NOTE	06-30-2014	12-31-2013
CURRENT ASSETS			
Cash and Cash Equivalents	4	136,430,671	129,279,100
Other current financial assets	10	224,707,386	69,151,222
Other current non-financial assets	11	3,266,494	3,473,614
Trade and other receivables, current	5	10,824,957	10,427,899
Inventories	6	10,174,276	7,291,617
Current tax assets		1,139,504	895,783
Total current assets		386,543,288	220,519,235
NON-CURRENT ASSETS			
Other non-current financial assets	10	7,378,676	7,516,430
Other non-current non-financial assets	11	63,324,132	66,797,766
Trade receivables, non-current		921,133	901,982
Intangible assets other than goodw ill	7	5,333,659	3,331,246
Property, plant and equipment	8	2,953,981,794	2,822,197,875
Investment property	9	13,199,705	13,308,911
Total non-current assets		3,044,139,099	2,914,054,210
TOTAL ASSETS		3,430,682,387	3,134,573,445

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

Interim Consolidated Statements of Financial Position

As at June 30, 2014 (unaudited), and December 31, 2013

(In thousands of Chilean pesos)

LIABILITIES AND EQUITY	NOTE	06-30-2014	12-31-2013
LIABILITIES			
CURRENT LIABILITIES			
Other current financial liabilities	12	105,045,078	116,368,024
Trade and other payables	15	57,152,951	44,611,758
Other short-term provisions	19	1,063,350	1,187,150
Provision for employee benefits, current	17	7,086,790	9,658,842
Other current non-financial liabilities	13	8,792,179	9,476,886
Total current liabilities		179,140,348	181,302,660
NON-CURRENT LIABILITIES			
Other non-current financial liabilities	12	1,370,405,791	1,094,268,127
Accounts payable due to related entities, non-current	14	96,788,861	21,788,861
Provision for employee benefits, non-current	17	13,102,483	12,401,746
Other non-current non-financial liabilities	13	3,499,873	3,495,776
Total non-current liabilities		1,483,797,008	1,131,954,510
Total liabilities		1,662,937,356	1,313,257,170
EQUITY			
Share capital	20	2,001,000,847	2,001,000,847
Retained earnings (accumulated deficit)	20	(266,624,132)	(213,052,888)
Other reserves	20	33,378,961	33,378,961
Equity attributable to owners of the parent		1,767,755,676	1,821,326,920
Non-controlling interest	20	(10,645)	(10,645)
Total equity		1,767,745,031	1,821,316,275
Total liabilities and equity		3,430,682,387	3,134,573,445

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

Interim Consolidated Statements of Comprehensive Income

As of June 30, 2014 and 2013 (unaudited)

(In thousands of Chilean pesos)

STATEMENT OF INCOME	NOTE	ACCUMULATED		QUARTER	
		01-01-2014	01-01-2013	04-01-2014	04-01-2013
PROFIT (LOSS)		06-30-2014	06-30-2013	06-30-2014	06-30-2013
Revenue	21	135,203,916	118,046,837	73,255,068	64,543,273
Cost of sales	21	(123,752,105)	(107,620,577)	(67,406,631)	(56,496,103)
Gross profit		11,451,811	10,426,260	5,848,437	8,047,170
Other income, by function	21	3,635,689	645,149	2,349,386	301,722
Administrative expenses	21	(9,989,101)	(11,006,398)	(4,292,494)	(5,997,093)
Other expenses, by function	21	(94,594)	(16,596)	(84,960)	(8,640)
Other profit (loss)	21	1,822,057	2,996,473	(634,767)	5,396,553
Finance income	21	5,102,198	4,088,763	2,606,169	1,897,446
Finance costs	21	(24,930,718)	(25,246,814)	(12,585,769)	(12,782,895)
Foreign currency translation difference	21	(14,493,226)	(17,136,739)	(413,488)	(22,834,768)
Profit (loss) on index-adjusted units	21	(25,526,762)	(471,351)	(14,826,130)	613,160
Profit (loss) before tax		(53,022,646)	(35,721,253)	(22,033,616)	(25,367,345)
Profit (loss) from continuing operations		(53,022,646)	(35,721,253)	(22,033,616)	(25,367,345)
Profit (loss)		(53,022,646)	(35,721,253)	(22,033,616)	(25,367,345)
PROFIT (LOSS) ATTRIBUTABLE TO					
Owners of the parent		(53,022,646)	(35,721,253)	(22,033,616)	(25,367,345)
Non-controlling interest		-	-	-	-
Profit (loss)		(53,022,646)	(35,721,253)	(22,033,616)	(25,367,345)
STATEMENT OF COMPREHENSIVE INCOME					
Profit (loss)		(53,022,646)	(35,721,253)	(22,033,616)	(25,367,345)
Other comprehensive income		(548,598)	(114,565)	(359,175)	(180,388)
Total comprehensive income		(53,571,244)	(35,835,818)	(22,392,791)	(25,547,733)
Comprehensive income attributable to:					
Owners of the parent		(53,571,244)	(35,835,818)	(22,392,791)	(25,547,733)
Non-controlling interest		-	-	-	-
Total comprehensive income		(53,571,244)	(35,835,818)	(22,392,791)	(25,547,733)

Interim Consolidated Statements of Changes in Equity

As of June 30, 2014 and 2013 (unaudited)
(In thousands of Chilean pesos)

Concept	Share capital	Owned shares in portfolio	Other reserves				Retained earnings (accumulated deficit)	Equity attributable to owners of the parent	Non-controlling interest	Total net equity
			Other reserves, miscellaneous	Revaluation surplus	Reserve for gain (losses) on defined benefit plans	Total other reserves				
Opening balance as of January 1, 2014	2,001,000,847	-	30,336,377	3,042,584	-	33,378,961	(213,052,888)	1,821,326,920	(10,645)	1,821,316,275
Profit (loss)	-	-	-	-	-	-	(53,022,646)	(53,022,646)	-	(53,022,646)
Other comprehensive income	-	-	-	-	(548,598)	(548,598)	-	(548,598)	-	(548,598)
Comprehensive income	-	-	-	-	-	-	-	(53,571,244)	-	(53,571,244)
Increase (decrease) on transfers and other changes	-	-	-	-	548,598	548,598	(548,598)	-	-	-
Closing balance as of June 30, 2014	2,001,000,847	-	30,336,377	3,042,584	-	33,378,961	(266,075,534)	1,767,755,676	(10,645)	1,767,745,031
Opening balance as of January 1, 2013	1,776,047,711	-	30,336,377	4,620,694	-	34,957,071	(141,311,634)	1,669,693,148	(10,645)	1,669,682,503
Profit (loss)	-	-	-	-	-	-	(35,721,253)	(35,721,253)	-	(35,721,253)
Other comprehensive income	-	-	-	-	(114,565)	(114,565)		(114,565)	-	(114,565)
Comprehensive income	-	-	-	-	-	-	-	(35,835,818)	-	(35,835,818)
Issue of Equity	99,200,000	-	-	-	-	-	-	99,200,000	-	99,200,000
Increase (decrease) on transfers and other changes	-	-	-	-	114,565	114,565	(114,565)	-	-	-
Increase (decrease) on transfers in portfolio	-	(99,200,000)	-	-	-	-	-	(99,200,000)	-	(99,200,000)
Closing balance as of June 30, 2013	1,875,247,711	(99,200,000)	30,336,377	4,620,694	-	34,957,071	(177,147,452)	1,633,857,330	(10,645)	1,633,846,685

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

Interim Consolidated Statements of Cash Flows

As of June 30, 2014 and 2013 (unaudited)

(In thousands of Chilean pesos)

Statements of cash flows – direct method	**01-01-2014 06-30-2014**	**01-01-2013 06-30-2013**
Statement of Cash Flows		
Cash flows from (used in) operating activities:		
Receipts from sales of goods and the rendering of services	131,412,292	115,615,061
Other receipts from operating activities	4,067,139	1,928,387
Payments to suppliers for goods and services	(62,094,572)	(49,076,063)
Payments to and on behalf of employees	(34,081,729)	(31,818,548)
Other payments for operating activities	(3,921,780)	(2,327,110)
Net cash flows from operating activities	**35,381,350**	**34,321,727**
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(146,742,177)	(78,257,391)
Acquisition of intangible assets	(1,018,865)	(13,456)
Other payments made to acquire other entities' equity or debt securities	(155,509,933)	-
Other receipts for the sale of other entities' equity or debt securities	-	16,200,494
Net cash flows used in investing activities:	**(303,270,975)**	**(62,070,353)**
Cash flows from (used in) financing activities:		
Loans from related entities	75,000,000	45,000,000
Payment of loans	(49,530,525)	(23,912,449)
Interest paid	(20,338,605)	(24,909,100)
Other cash inflows (outflows)	267,390,105	(3,645,244)
Net cash flows from (used in) financing activities:	**272,520,975**	**(7,466,793)**
Net increase (decrease) in cash and cash equivalents before the effect of changes in exchange rate	4,631,350	(35,215,419)
Effects of changes in exchange rate on cash and cash equivalents	2,520,221	2,784,451
Net increase (decrease) in cash and cash equivalents	7,151,571	(32,430,968)
Cash and cash equivalents as of January 1	129,279,100	132,034,481
Cash and cash equivalents as of June 30	**136,430,671**	**99,603,513**

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

(In thousands of Chilean pesos)

1. General Information

Empresa de Transporte de Pasajeros Metro S.A., (hereinafter referred to as the Company) is a Chilean state-owned enterprise created by Law 18,722 on January 28, 1989 as the legal successor, in all the rights and obligations, to the *Dirección General de Metro*.

The Company is a stock corporation bound by the principles applicable to open stock corporations, and has its legal domicile at 1414 Avenida Libertador Bernardo O'Higgins, Santiago, Chile.

The Company is registered on the Register of Securities under file number 421 and is subject to the supervision of the Chilean Superintendence of Securities and Insurance (*Superintendencia de Valores y Seguros*, or SVS).

The purpose of the Company is to carry out all activities related to providing passenger transportation services on subways or other complementary electric modes of transportation and all associated services.

The Company's consolidated financial statements for the year ended as of December 31, 2013, were approved by its Board of Directors at a meeting held on March 10, 2014 and were subsequently presented at the Ordinary Shareholders' Meeting held on April 24, 2014, where they were approved.

These consolidated financial statements are presented in thousands of Chilean pesos (unless expressly stated otherwise) since this is the functional currency of the main jurisdiction in which the Company operates.

2. Significant accounting policies

The main accounting policies adopted in the preparation of these consolidated financial statements, as required by IAS 1, have been designed in accordance with International Financial Reporting Standards (hereinafter "IFRS") in effect as of June 30, 2014 and have been applied on a consistent basis to all the periods presented in the financial statements.

2.1. Basis of preparation

The consolidated financial statements comprise the statements of financial position as of June 30, 2014 and 2013, and December 31, 2013 and the comprehensive income statements, statements of changes in equity and statements of cash flows for the periods then ended, which have been prepared in accordance with IAS 34 "Interim Financial Reporting" included in IFRSs, issued by the International Accounting Standards Board (hereinafter the "IASB") and specific instructions issued by the SVS, through Ordinary Official Letter No. 6158 dated March 5, 2012, the Company was authorized by the SVS to exceptionally apply Public Sector International Public Sector Accounting Standard (hereinafter "IPSAS") 21, instead of IAS 36. Note 2.8 provides more details regarding this exception.

These consolidated financial statements were approved by the Board on August 11, 2014, authorizing their publication by management.

These consolidated financial statements have been prepared in accordance with historical cost principles, although modified by the revaluation of certain assets included in financial assets and liabilities (including derivative financial instruments) at fair value through profit or loss, as applicable.

The preparation of consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates, necessary for the quantification of certain assets, liabilities, income and expenses.

It also requires that management use its judgment in the process of applying the Company's accounting policies. The areas that involve a greater degree of judgment or complexity, in which assumptions or estimates are significant for the financial statements, are described in Note 3 Management's Estimates and Accounting Criteria.

2.2. Basis of consolidation

Subsidiary Transub S.A. is consolidated from the date on which control of the Company was transferred and up to the date on which that control no longer exists. Consolidation contains the financial statements of the parent company and its subsidiary which includes all assets, liabilities, income, expenses and cash flows of the subsidiary, once the adjustments and eliminations for intra-group transactions have been made.

The value of the non-controlling interest of the consolidated subsidiary is presented under shareholders' equity, in non-controlling interests, in the consolidated statement of financial position and in income (loss) attributable to non-controlling interest in the consolidated income statement.

The Suburban Passenger Transport Company (Transub S.A.) is in a pre-operational stage and has not yet registered any activity since its creation to the present date and was consolidated under the guidelines of SVS Memo 1819 of November 14, 2006.

Tax ID Number	Company	Ownership interest		
		06-30-2014 - 12-31-2013		
		Direct	Indirect	Total
96.850.680-3	Transub S.A.	66.66	-	66.66

Participation in this subsidiary is not subject to joint control.

The Company does not have interests in joint ventures or in associated investments.

2.3. Foreign currency transactions

2.3.1. Functional and presentation currency

The items included in the consolidated financial statements are presented using the currency of the main jurisdiction in which the reporting entity operates in (functional currency). The Company's functional currency is the Chilean peso, all information is presented in thousands of Chilean pesos (ThCh$) rounded to the nearest unit.

2.3.2. Transactions and balances

Transactions in foreign currency are converted to the functional currency using the exchange rates in effect on the transaction dates. Profits and losses in foreign currency that result from the settlement of these transactions and from conversion at the closing exchange rates for monetary assets and liabilities denominated in foreign currency are recognized in the comprehensive income statement, unless they have to be deferred, then they are recorded in equity, as in the case of cash flow hedges, if any.

Exchange rate differences affecting financial assets classified at fair value with changes in income are included in gains or losses.

2.3.3. Foreign currency translations

Assets and liabilities in foreign currency and those negotiated in *Unidades de Fomento* (index-adjusted units, or UF), are presented at the following exchange and conversion rates and closing values, respectively:

Date	Ch$/US$	Ch$/EUR	Ch$/UF
06-30-2014	552.72	756.84	24,023.61
12-31-2013	524.61	724.30	23,309.56
06-30-2013	507.16	659.93	22,852.67

Ch$ = Chilean pesos

US$ = US dollar

EUR= Euro

UF = Unidades de Fomento (index-adjusted units)

2.4. Property, plant and equipment

Property, plant and equipment items are initially measured at their acquisition price, plus all costs directly attributable to getting the asset to operating conditions for its intended use.

Subsequent to initial measurement it should be calculated using the historical cost model discounting the corresponding accumulated depreciation and impairment losses, which are recorded in the statement of comprehensive income.

Due to the adoption of IFRS during 2010, the Company's main assets have been recorded at acquisition cost, value that according to studies does not exceed the depreciated replacement value.

The concept of cost includes the acquisition cost and any and all concepts defined in IAS 16, as applicable.

Work in progress is reclassified under the same property, plant and equipment heading to final operating property, plant and equipment, once the testing period has been completed and the assets are available for use, moment at which their depreciation begins.

Costs of extensions, modernization or improvements that represent an increase in productivity, capacity, efficiency or lengthening of the useful lives of assets, are capitalized as higher cost of the corresponding assets.

Substitutions or renovation of assets that increase their useful lives, or their economic capacity, are recorded as higher value of the respective assets, with the consequent accounting derecognition of the substituted or renovated assets.

Periodic maintenance, conservation and repair expenses are recorded directly in profit or loss as costs for the period in which they are incurred.

Major maintenance costs of rolling stock, which consider among other things, replacement of parts and pieces, are capitalized as an asset that is independent from the main asset, as long as the conditions established for recognition in IAS 16 are fulfilled, and for that reason that cost is derecognized from the value of the main asset.

Depreciation of property, plant and equipment items is calculated using the straight-line method to allocate costs over their estimated economic useful lives, except in the case of certain technical components identified in rolling stock, which are depreciated on the basis of cycles and kilometers travelled

According to IAS 16, amortization (depreciation) of property, plant and equipment must be recorded separately for each significant part that composes a final property, plant and equipment item. In the case of rolling stock, the company separately depreciates the significant components of a property, plant and equipment item that have different useful lives than the rest of the elements that compose it.

Residual values, in the cases defined and useful lives of assets are reviewed and adjusted prospectively in each statement of financial position, in order to have remaining useful lives that are in accordance with the current service use and with the effective use of the asset.

Gains and losses on the sale of property, plant and equipment, are calculated comparing the income obtained to the carrying amount and are included in the comprehensive income statement.

At least once a year the Company evaluates the existence of possible impairment of property, plant and equipment, in accordance with IPSAS 21, as described in Note 2.8.

The effects of the impairment analysis are recorded directly in income.

2.5. Investment properties

Investment properties are land and buildings held by the Company to obtain economic benefits derived from their rental or to obtain capital appreciation from holding on to them.

The Company has commercial stores, land and buildings leased under operating leases.

Investment properties that correspond to land and buildings are valued using the cost model.

The estimated useful lives of investment properties are detailed as follows:

Useful lives

Useful lives of commercial premises : 77 years on average.
Useful lives of other buildings : 88 years on average.

Investment property	**Useful life**
Commercial premises	77 years on average
Other buildings	88 years on average

2.6. Intangible assets other than goodwill

2.6.1. Rights of way

Rights of way are presented at historical cost. If those rights of way have indefinite useful lives, they are not subject to amortization. However, indefinite useful lives are subject to review at each reported period, to determine whether the consideration of indefinite useful life is still applicable. These assets are subject to annual impairment tests.

2.6.2. Software

Licenses for information programs acquired are capitalized on the basis of the costs incurred to acquire them and prepare them to use the specific program. These costs are amortized over their estimated useful lives.

Expenses related to internal development that do not qualify for capitalization, or to information program maintenance, are recognized as an expense as they are incurred.

2.7. Finance income

Finance income, composed of interest from investing cash and cash equivalents, from derivative transactions and other finance income is recognized in the consolidated statement of comprehensive income over the term of the financial instrument, using the effective interest rate method and fair value in the case of derivative transactions.

Finance expense, both interest and expenses on bank loans, obligations with the public, bonds and other finance expenses are recognized in the consolidated statement of income over the term of the debt using the effective interest rate method. Costs of interest incurred in the construction of any asset qualified as property, plant and equipment, are capitalized over the period necessary to complete the asset for its intended use. Other interest costs are recorded as an expense in the statement of comprehensive income.

2.8. Losses due to impairment of non-financial assets

Since the Company is a state-owned entity, its business model is oriented toward public service with emphasis on social benefits. It has an operating, services and infrastructure operation model, which means that its main source of income is established through a technical tariff, determined by the authority that does not cover recovery of its assets.

This business model defined by its shareholders, the Ministry of Finance (*Ministerio de Hacienda*) and the Corporación de Fomento de la Producción, or CORFO, goes against the concept of economic profitability of assets, as per IAS 36, where the value of use corresponds to the present value of estimated future cash flows expected to be obtained from the operation of the assets.

Therefore, the Company formally requested authorization from the SVS to apply IPSAS 21 instead of IAS 36, which is a standard that is specifically for State-owned entities with assets that are not cash generating. Through Ordinary Official Letter 6158 dated March 5, 2012 the SVS authorized the Company to apply IPSAS 21 to determine impairment of its assets.

The application of this standard allows the financial statements of the Company to accurately present the Company's economic and financial reality, and enables it to compare the carrying amount to the replacement cost.

This standard defines the value of use of a non-cash generating asset as the present value of an asset maintaining its potential service. This is determined using depreciated replacement cost or cost of reinstatement methods.

However, under specific circumstances in which certain assets lose their service potential, the loss of value is recognized directly in income.

2.9. Financial assets

The Company classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and accounts receivable, financial assets held to maturity and available-for-sale assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at the time of their initial recognition.

In accordance with IFRS 7 " Financial Instruments: Disclosure" we consider that the carrying amounts of assets valued at the amortized cost are a reasonable approximation to their fair value, therefore, as indicated in IFRS 7, it is no necessary to provide disclosures related to fair value for each of them.

2.9.1. Financial assets at fair value through profit or loss

They are financial assets held for trading. A financial asset is classified in this category if it is acquired mainly for the purpose of selling it in the short-term. Derivatives are also classified as acquired for trading unless they have been designated as hedges. Assets in this category are classified as current assets.

2.9.2. Loans and accounts receivable

Loans and accounts receivables are re non-derivative financial assets, with fixed or determinable payments, that are not traded in the local financial market. They are included in current assets, except for those maturing in excess of 12 months as of the date of the statement of financial position, which are classified as non-current assets. Loans and accounts receivable include trade and other accounts receivable. These items are initially recorded at fair value plus any directly attributable transaction costs. These are subsequently valued at amortized cost, using the effective interest method less impairment losses.

2.9.3. Financial assets held-to-maturity

They are non-derivative financial assets, with fixed or determinable payments and fixed maturity date that the Company owns and which it has the intention and capacity to hold to maturity. They are valued at amortized cost.

2.9.4. Financial assets available-for-sale

Financial assets available-for-sale are non-derivative financial assets that are designated under this category or do not classify for any of the other categories. They are included in non-current assets unless management has the intention of disposing of the investment within the 12 months following the date of the statement of financial position.

2.9.5. Recognition and measurement of financial assets

Financial assets and liabilities are initially recognized at their fair value. In the case of assets and liabilities that are not accounted for at fair value through profit or loss, the fair value shall be adjusted by the cost of transactions that are directly attributable to their purchase or issuance.

Subsequent valuation depends on the category in which the asset has been classified.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently accounted for at their fair value (with their counterpart in shareholders' equity and profit or loss respectively). Loans and accounts receivable and financial assets held to maturity are recorded at amortized cost using the effective interest rate method.

Derivative financial instruments are initially recognized at their fair value, classified in a hierarchical manner in level 2 according to IAS 39. Costs of transaction attributable to those instruments are recognized in income as they are incurred.

When a derivative financial instrument is not designated for a relationship that qualifies as a hedge, all changes in fair value are recognized immediately in income.

Profits and losses that arise from changes in the fair value of financial assets at fair value through profit or loss are included in the income statement under other profits (losses), in the period in which such changes to fair value have occurred.

Investments are derecognized in the accounting when the rights to receive their cash flows have expired or have been transferred and the Company has substantially transferred all the risks and advantages derived from its ownership of such investments.

At each date of the statement of financial position the Company evaluates whether there is objective evidence that a financial asset, or a group of financial assets, might have suffered impairment losses.

2.10. Inventories

Inventory is valued initially at acquisition cost. Inventory items are subsequently valued at the lower of cost value or net realizable value. Cost is determined using their weighted average purchase price.

Inventory of in-house products are valued at their cost or net realizable value, whichever is lower.

The net realizable value is the estimated selling price in the normal course of business, less applicable cost of sales.

Spare parts classified as inventory are adjusted at their net realizable value, recognizing their technological obsolescence with a direct charge to income.

2.11. Trade and other receivables

Trade and other receivable are initially recognized at their fair value (nominal value that includes implicit interest) and thereafter at their amortized cost using the effective interest rate method, less impairment losses. An impairment loss provision is established for trade accounts receivable when there is objective evidence that the Company will not be able to collect all the amounts owed to it in accordance with the original terms of the account receivable. The amount of the provision is the difference between the carrying amount of the asset and the real value of estimated future cash flows discounted at the effective interest rate.

Trade receivables are reduced through the allowance for doubtful accounts and the amount of losses is recognized with a charge to the consolidated income statement.

2.12. Cash and cash equivalents

Cash and cash equivalents include cash, checking accounts balances, term deposits and other highly liquid short-term investments with original maturities of three months or less.

2.13. Share capital

The Company´s share capital is represented by Series A and Series B common shares.

2.14. Trade and other payables

Suppliers and other accounts payable are initially recognized at their fair value net of directly attributable costs. They are subsequently valued at amortized cost.

2.15. Loans and other financial liabilities

Loans, obligations with the public and other financial liabilities of a similar nature are initially recognized at their fair value net of the costs incurred in the original transaction. They are subsequently valued at their amortized cost and any difference between the proceeds obtained by the Company (net of the costs necessary to obtain them) and their reimbursement value is recognized in the statement of consolidated income during the term of the debt using the effective interest rate method.

Financial obligations are classified as current liabilities and non-current liabilities in accordance with the contractual maturity date of the nominal principal.

For loans with financial institutions the nominal rate is similar to the effective rate, since there are no additional transaction costs that must be taken into consideration.

In accordance with IFRS 7 "Financial Instrument Disclosures", we consider that the carrying amounts of the Company's financial liabilities, valued at their amortized cost are a reasonable approximation of their fair value. Therefore, as indicated in IFRS 7, it is not necessary to make disclosures related to the fair value of each financial liability, except for instruments with the public and foreign loans, as described in note 23 on risk management policies.

2.16. Income tax and deferred taxes

The income tax provision is determined through the application of the tax rate on the taxable net income base for the period, after applying the permitted tax deductions, plus variations in deferred tax assets and liabilities and tax credits.

Differences between the carrying amount of the assets and liabilities and their tax base generate deferred tax assets or liabilities balances, which are calculated using the tax rates that are expected to be in force when the assets and liabilities are realized.

Deferred tax assets are reviewed at each date of the statement of financial position and are reduced to the extent that it is not probable that the related tax credits will be realized (see Note 18).

2.17. Provisions for employee benefits

2.17.1. Accrued vacations

The Company recognizes accrued vacation expenses using the accrual method.

2.17.2. Provision for severance indemnity payment

The Company has created provisions for its obligations to pay severance indemnity payments to all workers whose contracts and collective agreements state that they are entitled to this benefit in all cases.

The liability recognized is the present value of that obligation plus/minus adjustments on actuarial profits or losses and discounted debt service. The present value of the obligation is determined discounting estimated outgoing cash flows, at a market interest rate for long-term debt instruments that approximates the term of the termination benefits obligation up to their expiration date. During the 2013 period the Company has changed the way of accounting for defined benefits plans, including actuarial profits and losses as part of other comprehensive income, in accordance with what is established in the amendment of IAS19. Previously, and until December 31, 2012 they were recognized in income for the year.

2.17.3. Incentive bonuses

The Company has an annual incentive bonus plan for compliance with objectives, based on the individual conditions of each employment contract. These incentives consist of a percentage of the applicable monthly salary and are accrued on the basis of the estimated amount to be paid.

2.18. Provisions

The Company recognizes provisions when:

It has a present obligation, legal or implicit, as a result of past events;
It is probable that an outflow of resources will be necessary to settle the obligation; and
The amount has been estimated reliably.

The amount recognized as a provision must be the best estimate of the disbursement necessary to pay the present obligation at the end of the reporting period.

2.19. Classification of balances (current and non-current)

In the consolidated statements of financial position, balances are classified as current when the maturity is equal to twelve months or less from the cut-off date of the consolidated financial statements and, as non-current, when it is in excess of that period.

2.20. Revenue recognition

Ordinary income is recognized when it is probable that the economic benefit associated with the compensation received or to be received, will flow to the Company and the amount can be reliably measured. The Company recognizes revenues at their fair value, net of value added tax, returns, rebates and discounts.

a) Income from transportation of passengers is recognized when the service has been provided.

b) Income from operating leases is recognized on an accrual.

c) Income from sale of assets is recognized when the good has been delivered to the client and there is no pending obligation to be fulfilled that might affect its acceptance.

d) Income from interest is recognized using the effective interest rate method.

e) Other income is recognized when the services have been rendered.

Expenses include both the losses and expenses that arise from the Company's ordinary activities. Expenses also include cost of sales, remuneration and depreciation. Generally, expenses represent an outflow or decrease in assets, such as cash and cash equivalent and inventory or property, plant and equipment.

2.21. Lease agreements

The Company has contracts that have the characteristics of a financial lease; therefore these have been recorded as established in IAS 17 "Leases". When assets are leased under a financial lease agreement, the value of the lease payments is recognized as an account receivable. The difference between the gross amount receivable and the real value of the amount is recognized as financial yield of the principal.

Income from financial leases is recognized over the term of the lease using the net investment method, which reflects a constant periodic yield rate.

Contracts that do not fulfill the characteristics of a financial lease are classified as operating leases.

A lease is an operating lease when the lessor conserves a significant part of the risks and benefits derived from ownership of the leased goods.

2.22. New standards and interpretations issued but not yet effective.

a) The following standards and interpretations have been adopted by the Company in these financial statements.

Standard, interpretations and amendments	Mandatory application date
Amendment to IAS 32: Financial instruments: Presentation This amendment clarifies the requirements for the offsetting of financial assets and liabilities with the purpose of eliminating the inconsistencies of the application of the current offsetting criterion of IAS 32.	Annual periods beginning on or after January 1, 2014.
Amendment to IFRS 10, 12 and IAS 27: Investment entities Under the requirements of IFRS, reporting entities are required to consolidate all companies that they control. This amendment establishes an exception to these requirements, allowing that investment entities measure their investments at fair value through profit or loss in accordance with IFRS, *Financial Instruments*, instead of consolidate them.	Annual periods beginning on or after January 1, 2014.
IFRIC 21: Levies These interpretation of IAS 37 "*Provisions, Contingent Liabilities and Contingent Assets*" provides guidance on when to recognize a liability for a levy imposed by a government, other than income tax, in its financial statements.	Annual periods beginning on or after January 1, 2014.
Amendment to IAS 36: Impairment of assets This amendment clarifies the scope of disclosures on the recoverable amount of the impaired assets, limiting the requirements of information to the recoverable amount based on the fair value less costs of disposal.	Annual periods beginning on or after January 1, 2014.
Amendment to IAS 39: Financial instruments: Recognition and Measurement This amendment incorporates to the Standard the criteria to be met to avoid the suspension of hedge accounting, in case that the hedging instrument suffers a novation.	Annual periods beginning on or after January 1, 2014.

The adoption of these new standards and interpretations has not had a significant impact in the amounts reported in these financial statements.

b) The following standards and interpretations have been issued, but its effective date is not yet mandatory.

IAS 19: Employee Benefits The amendment to IAS 19, issued in November 2013, applies to contributions from employees or third-parties to defined benefit plans. The objective is to simplify the accounting for contributions that are independent of the number of years of employee service.	Annual periods beginning on or after July 1, 2014. Early adoption is permitted
Improvements to IFRSs Corresponds to a number of improvements, although not urgent, amending the following standards: IFRS 2, IFRS 3, IFRS 8,IFRS 13, IAS16, IAS 24, IAS 38 and IAS 40	Annual periods beginning on or after July 1, 2014.
IFRS 3: Business Combinations "Annual Improvements cycle 2010–2012", issued in December 2013, clarifies certain aspects of accounting for contingent consideration in a business combination. The IASB noted that IFRS 3, *Business Combinations*, requires the subsequent measurement of contingent consideration to be at fair value and therefore eliminates the reference to IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, and other IFRS which potentially have difference measurement bases that are not fair vale. The reference to IFRS 9, *Financial Instruments,* is maintained, however, IFRS 9 is modified in order to clarify that contingent consideration that is a financial asset or financial liability can only be measured at fair value, with changes in fair value being presented in either profit or loss or other comprehensive income depending on the requirements of IFRS 9.	Annual periods beginning on or after July 1, 2014. Early adoption is permitted
IAS 40: Investment property "Annual Improvements cycle 2011-2013", issued in December 2013, clarifies that judgment is required to determine whether the acquisition of investment property is the acquisition of an asset, a group of assets or a business combination in the scope of IFRS 3, *Business Combinations*, and that this judgment is based on the guidance in IFRS 3, *Business Combinations.* The IASB concludes that IFRS 3, *Business Combinations*, and IAS 40, *Investment Property*, are not mutually exclusive and that it takes judgment in order to determine whether the transaction is only the acquisition of an investment property or the acquisition of a group of assets or a business combination that includes an investment property.	Annual periods beginning on or after July 1, 2014. Early adoption is permitted
IFRS 9: Financial instruments: Classification and Measurement It correspond to the IASB first stage project to replace IAS 39, Financial Instruments: Recognition and Measurement". Modifies the classification and measurement of financial assets and liabilities and includes the treatment and classification of financial liabilities.	Annual periods beginning on or after January 1, 2015.
Amendment of IAS 16 and IAS 38: Acceptable methods for depreciation and amortization. The amendment to IAS 16 prohibits the use of revenue-based depreciation. In the case of IAS 38, the amendment introduces assumption that the revenue-based amortisation method is inappropriate for intangible assets.	Annual periods beginning on or after January 1, 2016.
IFRS 15: Revenues from contract with customers This standard is applicable to all contracts with customers except for leases related financial instruments and insurance contracts. It will replace IAS 15 and 18 and their interpretations (IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31)	Annual periods beginning on or after January 1, 2017.

The Company is still assessing the impact that the application of the new and modified standards will have on the consolidated financial statements of Metro S.A. and its subsidiary.

3. Management estimates and accounting criteria

The estimates and criteria used by management are continuously assessed and are based on historical experience and other factors, including the expectation of occurrence of future events that are considered reasonable based on the circumstances.

The most relevant management estimates and accounting criteria are detailed as follows:

3.1. Severance indemnity payments

The Company recognizes the liability for the agreed upon obligations for severance payments using an actuarial methodology that considers factors such as the discount rate, effective turnover and other factors inherent to the Company. Any change in these factors and assumptions, shall have an impact on the carrying amount of the severance obligation.

The Company determines the discount rate at the end of each year considering the market conditions as of the valuation date. This interest rate is used to determine the present value of estimated future cash outflows foreseen to be required to settle the severance obligation. When determining interest rates, the Company considers representative rates of financial instruments that are denominated in the currency in which the obligation is expressed and which have expiry terms that are close to the payment terms of such obligation.

3.2. Useful life of property, plant and equipment

Property, plant and equipment and intangible assets with finite useful lives are depreciated using the straight-line method on the basis of an estimated useful life. Such estimate takes into consideration technical aspects, nature and conditions of use of those assets and might vary significantly as a consequence of technological innovations or other variables, which will imply adjusting the remaining useful lives, recognizing higher or lower depreciation, as applicable. Likewise, residual values are determined based on technical aspects that might vary in accordance with the specific conditions of each asset.

3.3. Litigation and other contingencies

The Company is involved in different types of legal and administrative proceedings for which it is not possible to exactly determine the economic effect that their outcome might have on the financial statements of the Company. In cases where in the opinion of the Company’s management and legal counsel a favorable outcome for the Company will be obtained or when the outcome is uncertain, no provisions have been made in this respect. On the contrary, in cases where the Company’s management and legal counsel expect an unfavorable outcome, provisions have been established with a charge to expenses based on estimates of the maximum amounts to be paid.

3.4. Change of accounting criteria for land valuation

In the process of convergence to IFRS, the Company adopted as accounting policy for the valuation of its land the use of the attributed cost determined as of the transition date, with subsequent measurements to be carried out using the revaluation model and/or their fair value.

In general terms the revaluation model establishes that land must be valued on the basis of the value determined through appraisals performed by an independent expert when its fair value experiences significant changes.

During the closing process for the 2012 financial statements, the Company adopted a voluntary change in accounting policy in reference to the type of valuation applicable to land subsequent to the initial recognition, from the revaluation model to the cost model. This change in accounting criteria is basically founded on preventing these items from experiencing significant and volatile changes in their fair value.

This change in accounting policy did not involve retroactive accounting effects, since Metro S.A. has maintained the values of its land since 2010, date on which it issued its first financial statements under IFRS.

3.5. Measurements and/or valuations at fair value

The fair value is the price that would be received for selling an asset or paid for transferring a liability in an orderly transaction between market participants on the measurement date. The Company uses the assumptions that market participants would use when establishing the price of the asset or liability under current market conditions, including assumptions regarding risk.

To measure fair value the following must be determined:

a) the concrete asset or liability to be measured

b) for a non-financial asset, the maximum and best use of the asset and if the asset is used in combination with other assets or in an independent manner

c) the market in which an orderly transaction would take place for the asset or liability; and

d) the appropriate valuation technique(s) to be used when measuring fair value. The valuation technique(s) used must maximize the use of relevant observable entry data and minimize non-observable entry data.

Market value hierarchies for items at fair value:

Each of the market values for the financial instruments is supported by a methodology for calculation and entry of information. Each of them has been analyzed to determine at which of the following levels they can be allocated:

Level 1, corresponds to methodologies using market units (without adjustment) in active markets and considering the same assets and liabilities valued.

Level 2, corresponds to methodologies using market trading data, not included in Level 1, which are observable for the assets and liabilities valued, whether directly (prices) or indirectly (derived from prices).

Level 3, corresponds to methodologies using valuation techniques, which include data on the assets and liabilities valued, which are not supported on observable market data.

The Company measures and/or valuates all financial instruments at their fair value upon initial measurement and they are subsequently valued at amortized cost, except for derivative transactions and cross currency swaps (CCS), which continue to be valued at their fair value after their initial recognition.

The Company hierarchically classifies its measurement of fair value under level 2, as established in IAS 39, and the costs of transactions attributable to those instruments are recognized in income as they are incurred.

In all cases changes in the fair value of these items are considered components of net income for the period.

Valuation techniques used to measure fair value for assets and liabilities.

The valuation techniques used by the Company are appropriate under the circumstances and there is sufficient data available on the Company's assets and liabilities to measure their fair value, maximizing the use of observable variables and minimizing the use of non-observable variables. The specific technique used by the Company to valuate and/or measure the fair value of its assets (derivative financial instruments) is the market approach.

Entry data for fair value measurement.

- ✓ Quoted prices for similar assets in active markets.
- ✓ Quoted prices for identical or similar assets in markets that are not active.
- ✓ Variables other than quoted prices that is observable for the asset.
- ✓ Interest rates and observable yield curves at commonly quoted intervals.
- ✓ Implicit volatilities.

Items where gains (losses) are recognized on fair value measurements.

Income items where gains (losses) are recognized on fair value measurements are under other gains (losses).

Fair value measurement for assets and liabilities

A fair value measurement for assets or liabilities is for a concrete asset or liability (derivative financial instruments). This is why, when measuring fair value the Company keeps in mind the characteristics of the asset or liability in the same manner as market participants would take into account when establishing the price of that asset or liability on the measurement date.

The characteristics include the following elements, for example:

a. the condition and location of the asset or liability; and

b. restrictions, should there be any, for recognition of the asset or payment of the liability.

On the basis of the previous methodologies, inputs and definitions the Company has determined the following market levels for the financial instruments portfolio that it holds as of June 30, 2014:

Financial assets and financial liabilities at fair value, classified by hierarchy through profit or loss	06-30-2014		
	Level 1 ThCh$	Level 2 ThCh$	Level 3 ThCh$
Financial assets			
Cross Currency Swap	-	6,138,547	-
Financial liabilities			
Cross Currency Swap	-	3,450,984	-

Financial assets and financial liabilities at fair value, classified by hierarchy through profit or loss	12-31-2013		
	Level 1 ThCh$	Level 2 ThCh$	Level 3 ThCh$
Financial assets			
Cross Currency Swap	-	6,404,827	-
Financial liabilities			
Cross Currency Swap	-	5,407,987	-

3.6. Reclassifications

As of June 30, 2013

These financial statements incorporate some reclassifications, due to the existence of financial investments with maturity dates over 90 days, as detailed below:

Statements of Cash Flows	**Original figure**	**Restated**	**Variance**
(in thousands of Chilean Pesos) **Cash flows from (used in) investing activities:**	**01-01-2013 06-30-2013**	**01-01-2013 06-30-2013**	**01-01-2013 06-30-2013**
Other receipts for the sale of other entities' equity or debt securities	-	16,200,494	16,200,494
Cash flows from (used in) investing activities:	(78,270,847)	(62,070,353)	16,200,494
Cash and cash equivalents as of January 1	162,517,705	132,034,481	(30,483,224)
Cash and cash equivalents as of June 30	113,886,243	99,603,513	(14,282,730)

4. Cash and cash equivalents

Balances of cash and cash equivalents are detailed as follows:

Concept	Currency	Balance as of 06-30-2014 ThCh$	Balance as of 12-31-2013 ThCh$
Cash			
On hand	Ch$	22,274	24,636
	US$	5,080	3,190
	EUR	757	724
In banks	Ch$	2,157,858	1,927,131
	US$	59,302	36,330
Total cash		**2,245,271**	**1,992,011**
Term deposits	Ch$	59,446,018	78,263,970
	US$	72,826,386	34,761,481
Total term deposits		**132,272,404**	**113,025,451**
Repurchase agreements	Ch$	-	9,260,383
	US$	1,912,996	
Repurchase agreements		**1,912,996**	**9,260,383**
Promissory notes Central Bank	Ch$	-	5,001,255
Total promissory notes Central Bank		-	**5,001,255**
Total cash and cash equivalents		**136,430,671**	**129,279,100**
Subtotal by currency	Ch$	61,626,150	94,477,375
	US$	74,803,764	34,801,001
	EUR	757	724

Cash equivalents: correspond to short-term highly liquid investments such as term deposits and fixed income investments –repurchase agreements- that are easily convertible into cash, and are subject to insignificant risk of changes in value, which are maintained to comply with short-term payment commitments, which are detailed as follows for the years 2014 and 2013:

Term deposits

Type of investment	Currency	Capital in currency of origin ThCh$ - ThUS$	Average annual rate	Average maturity days	Capital in domestic currency ThCh$	Accrued interest in domestic currency ThCh$	Carrying amounts 06-30-2014 ThCh$
Term deposits	CLP	59,315,214	3.98%	15	59,315,214	130,804	59,446,018
Term deposits	USD	131,744.20	0.21%	40	72,817,656	8,730	72,826,386
Total					**132,132,870**	**139,534**	**132,272,404**

Type of investment	Currency	Capital in currency of origin ThCh$ - ThUS$	Average annual rate	Average days to maturity	Capital in domestic currency ThCh$	Accrued interest in domestic currency ThCh$	Carrying amounts 12-31-2013 ThCh$
Term deposits	CLP	78,073,833	4.63%	40	78,073,833	190,137	78,263,970
Term deposits	USD	66,238.08	0.34%	17	34,749,159	12,322	34,761,481
Total					**112,822,992**	**202,459**	**113,025,451**

Repurchase agreements

Code	Date		Counterparty	Currency of origin	Subscription Value ThCh$	Annual Rate %	Final Value ThCh$	Instrument identification	Carrying amounts 06-30-2014 ThCh$
	Beginning	End							
CRV	06-26-2014	07-01-2014	BCI CORREDOR DE BOLSA S.A.	USD	1,903,861	1.80%	1,913,004	Pagare R	1,912,996
Total					**1,903,861**		**1,913,004**		**1,912,996**

Code	Date		Counterparty	Currency of origin	Subscription Value ThCh$	Annual Rate %	Final Value ThCh$	Instrument identification	Carrying amounts 12-31-2013 ThCh$
	Beginning	End							
CRV	12-26-2013	01-02-2014	BCI Corredor de Bolsa	CLP	1,800,000	4.44%	1,801,554	PAGARE R	1,801,110
CRV	12-27-2013	01-02-2014	BCI Corredor de Bolsa	CLP	1,450,000	4.80%	1,451,160	PAGARE R	1,450,773
CRV	12-30-2013	01-03-2014	BCI Corredor de Bolsa	CLP	4,000,000	5.04%	4,002,240	PAGARE R	4,000,560
CRV	11-06-2013	01-14-2014	ITAU Corredor de bolsa	CLP	1,000,000	4.85%	1,009,292	PAGARE NR	1,007,407
CRV	12-27-2013	01-02-2014	BCI Corredor de Bolsa	CLP	1,000,000	4.80%	1,000,800	PAGARE R	1,000,533
Total					**9,250,000**		**9,265,046**		**9,260,383**

Promissory notes

Type of investment	Currency	Capital in currency of origin ThCh$	Average annual rate	Average days to maturity	Capital in domestic currency ThCh$	Accrued interest in domestic currency ThCh$	Carrying amounts 12-31-2013 ThCh$
Promissory notes Central Bank	CLP	4,995,611	0.33%	16	4,995,611	5,644	5,001,255
Total					**4,995,611**	**5,644**	**5,001,255**

5. Trade and other receivables, current

As of June 30, 2014 and December 31, 2013, this caption comprises the following:

Trade and other receivables, gross	Balance as of	
	06-30-2014	12-31-2013
	Current ThCh$	Current ThCh$
Trade and other receivables, gross	**11,915,798**	**11,355,034**
Trade receivables, gross	4,992,728	4,759,813
Sales channel accounts receivable, gross	5,866,204	5,258,068
Other account receivable, gross	1,056,866	1,337,153

Trade and other receivables, net	Balance as of	
	06-30-2014	12-31-2013
	Current ThCh$	Current ThCh$
Trade and other receivables, net	**10,824,957**	**10,427,899**
Trade receivables, net	3,901,887	3,832,678
Sales channel accounts receivable, net	5,866,204	5,258,068
Other account receivable, net	1,056,866	1,337,153

There are no clients that individually hold significant balances in relation to the Company's total sales or accounts receivable.

As of June 30, 2014 and December 31, 2013 the analysis of net trade and other accounts receivable by age and expiration date is detailed as follows:

Trade receivables, net	Balance as of	
	06-30-2014	12-31-2013
	Current ThCh$	Current ThCh$
Maturity up to 3 months	2,208,507	2,500,164
Maturity from 3 months to 1 year	1,169,919	973,483
Maturity more than 1 year	523,461	359,031
Total	**3,901,887**	**3,832,678**

Sales channel accounts receivable, net	Balance as of	
	06-30-2014	12-31-2013
	Current ThCh$	Current ThCh$
Maturity up to 3 months	5,866,204	5,256,774
Maturity from 3 months to 1 year	-	1,294
Total	**5,866,204**	**5,258,068**

Other account receivable, net	Balance as of	
	06-30-2014	12-31-2013
	Current ThCh$	Current ThCh$
Maturity up to 3 months	274,762	1,256,181
Maturity from 3 months to 1 year	782,104	80,972
Total	**1,056,866**	**1,337,153**

Movements in the allowance for impairment and debtor write-offs are detailed as follows:

Past due and outstanding trade receivables with impairment	Current ThCh$
Balance as of December 31, 2013	**927,135**
Increase (decrease) for the year	163,706
Balance as of June 30, 2014	**1,090,841**

The Company establishes an allowance using the evidence of impairment for trade receivables.

Once pre-judicial and judicial collection measures have been exhausted the assets are written-off against the provision recorded. The Company only uses the provision method and no direct write-offs, for a better control of this item.

6. Inventories

This caption comprises the following:

Inventory types	06-30-2014 ThCh$	12-31-2013 ThCh$
Inventories and stock	1,771,627	1,659,083
Spare parts and maintenance accessories	7,702,612	5,385,272
Imports in transit and others	700,037	247,262
Total	**10,174,276**	**7,291,617**

As of June 30, 2014 and 2013, inventory consumption was charged to the statement of income under the cost of sales line item of the comprehensive income statement, in the amount of ThCh$4,951,951 and ThCh$3,738,275 and ThCh$6,999,287 for December 2013.

As of June 2014 and 2013, there are no inventory write-offs recognized in expenses. Based on the analysis performed by management there is no objective evidence of impairment of spare parts, maintenance accessories and supplies inventory that are included in this group.

There is no inventory items pledged or subject to any lien in the period.

7. Intangible assets other than goodwill

Intangible assets other than goodwill correspond to licenses and software and transit easements. They are accounted for using the acquisition cost and subsequently valued at the net cost of the corresponding accumulated amortization and impairment losses which they may have experienced.

Licenses and software are amortized using the straight-line method over the applicable useful life, which is generally estimated at four years. For easements, the contracts are established in perpetuity, considered with undefined useful life, and therefore they are not amortized.

At the balance sheet date, the Company found no objective evidence of impairment for this type of asset, in accordance with what is described in Note 2.8.

The items of the statement of comprehensive income that include amortization of intangible assets with finite useful lives are the cost of sales and administrative expenses line items.

There are no intangible assets with ownership restrictions or that secure any liabilities of the Company.

a) Intangible assets other than goodwill as of June 30, 2014 and December 31, 2013 are detailed as follows:

Concept	06-30-2014			12-31-2013		
	Gross intangible ThCh$	Accumulated amortization ThCh$	Net intangible ThCh$	Gross intangible ThCh$	Accumulated amortization ThCh$	Net intangible ThCh$
Licenses and Software	4,572,914	(2,494,568)	2,078,346	4,566,853	(2,184,917)	2,381,936
Easements	3,255,313	-	3,255,313	949,310	-	949,310
Total	**7,828,227**	**(2,494,568)**	**5,333,659**	**5,516,163**	**(2,184,917)**	**3,331,246**

b) Movements of intangible assets other than goodwill for the year ended June 30, 2014 are detailed as follows:

Movements	Licenses and Software ThCh$	Easements ThCh$	Total net intangible assets ThCh$
Opening balance as of 12-31-2013	2,381,936	949,310	3,331,246
Additions	6,061	2,306,003	2,312,064
Amortization	(309,651)	-	(309,651)
Closing balance as of 06-30-2014	2,078,346	3,255,313	5,333,659
Average remaining useful life	2 years	Perpetual	

c) Movements of intangible assets other than goodwill for 2013 are detailed as follows:

Movements	Licenses and Software ThCh$	Easements ThCh$	Total net intangible assets ThCh$
Opening balance as of 01-01-2013	2,373,702	581,002	2,954,704
Additions	510,966	368,308	879,274
Amortization	(502,732)	-	(502,732)
Closing balance as of 12-31-2013	2,381,936	949,310	3,331,246
Average remaining useful life	3 years	Perpetual	

8. Property, plant and equipment

a) Property, plant and equipment items are composed of the following:

Property, plant and equipment, by type	06-30-2014 ThCh$	12-31-2013 ThCh$
Classes of property, plant and equipment, net		
Property, plant and equipment, net	**2,953,981,794**	**2,822,197,875**
Work in progress, net	326,403,423	203,211,577
Land, net	97,583,812	83,397,592
Civil works, net	1,427,847,601	1,431,439,815
Buildings, net	74,077,642	73,383,899
Rolling stock, net	717,683,372	719,209,832
Electrical equipment, net	263,707,858	272,965,702
Machinery and equipment, net	14,031,263	14,011,576
Other, net	32,646,823	24,577,882
Classes of property, plant and equipment, gross		
Property, plant and equipment, gross	**3,317,819,868**	**3,149,850,297**
Work in progress, gross	326,403,423	203,211,577
Land, gross	97,583,812	83,397,592
Civil works, gross	1,523,315,482	1,517,834,953
Buildings, gross	84,162,200	82,613,905
Rolling stock, gross	856,049,239	843,060,738
Electrical equipment, gross	373,287,259	371,719,300
Machinery and equipment, gross	24,371,630	23,434,350
Other, gross	32,646,823	24,577,882
Classes of accumulated depreciation and impairment of property, plant and equipment		
Accumulated depreciation and impairment of property, plant and equipment	**363,838,074**	**327,652,422**
Accumulated depreciation of civil works	95,467,881	86,395,138
Accumulated depreciation of buildings	10,084,558	9,230,006
Accumulated depreciation of rolling stocks	138,365,867	123,850,906
Accumulated depreciation of electrical equipment	109,579,401	98,753,598
Accumulated depreciation of machinery and equipment	10,340,367	9,422,774

b) The detail of movements in property, plant and equipment for the periods ended June 30, 2014 and December 31, 2013 are the following:

2014 movement		Work in progress	Land	Civil works	Buildings	Rolling stock	Electrical equipment	Machinery and equipment	Other	Property, plant and equipment,
Opening balance as of January 1, 2014		203,211,577	83,397,592	1,431,439,815	73,383,899	719,209,832	272,965,702	14,011,576	24,577,882	2,822,197,875
Movements	Additions	141,220,729	14,186,220	(7,007)	44,068	4,739,115	60,361	226,452	8,068,941	168,538,879
	Transfers	(18,028,883)	-	5,487,536	1,587,346	8,485,526	1,520,547	715,560	-	(232,368)
	Derecognition or sales	-	-	-	(47,101)	(20,257)	(11,039)	(453)	-	(78,850)
	Depreciation expense	-	-	(9,072,743)	(890,570)	(14,730,844)	(10,827,713)	(921,872)	-	(36,443,742)
	Total movement	123,191,846	14,186,220	(3,592,214)	693,743	(1,526,460)	(9,257,844)	19,687	8,068,941	131,783,919
Closing balance as of June 30, 2014		326,403,423	97,583,812	1,427,847,601	74,077,642	717,683,372	263,707,858	14,031,263	32,646,823	2,953,981,794

2013 movement		Work in progress	Land	Civil works	Buildings	Rolling stock	Electrical equipment	Machinery and equipment	Other	Property, plant and equipment,
Opening balance as of January 1, 2013		78,814,062	57,386,998	1,448,580,862	74,884,040	697,915,106	293,575,353	14,275,255	17,959,724	2,683,391,400
Movements	Additions	145,424,166	27,889,839	176,940	-	32,871,626	571,846	691,560	6,618,158	214,244,135
	Transfers	(21,022,535)	-	756,097	428,279	17,723,013	916,161	936,708	-	(262,277)
	Derecognition or sales	(4,116)	(1,879,245)	-	-	(155,724)	(264,102)	(1,976)	-	(2,305,163)
	Depreciation expense	-	-	(18,074,084)	(1,928,420)	(29,144,189)	(21,833,556)	(1,889,971)	-	(72,870,220)
	Total movement	124,397,515	26,010,594	(17,141,047)	(1,500,141)	21,294,726	(20,609,651)	(263,679)	6,618,158	138,806,475
Closing balance as of December 31, 2013		203,211,577	83,397,592	1,431,439,815	73,383,899	719,209,832	272,965,702	14,011,576	24,577,882	2,822,197,875

c) The useful lives of the main assets are detailed follows:

Concept	Useful live Estimated in years
Network of rails	60
Stations	100
Tunnels	100
Rolling stock	40

d) Impairment

As of the date of the statements of financial position, the Company did not find objective evidence of impairment of its property, plant and equipment assets as described in Note 2.8.

e) Collateral contract and insurance agreement on rolling stock

To guarantee the financial loan signed on January 23, 2004 granted by a syndicate of banks, whose bank agent is BNP Paribas, an immovable pledge agreement was signed on 26, NS93 model train cars. These assets are covered by fire insurance issued by Mapfre Seguros Generales in accordance with Policy No. 101-13-00132077 brokered by Orbital JLT Corredores de Seguros Ltda.

f) Investment projects

As of June 30, 2014, the estimated balances necessary to carry out the authorized projects that form part of the Company's expansion plan which ends in the year 2018, is approximately MCh$1,235,844 detailed as follows by type of investment: MCh$689,813 for civil works, MCh$299,809 for systems and equipment and MCh$246,262 for rolling stock .

g) Spare parts and accessories

As of June 30, 2014 spare parts and accessories and maintenance materials amounted to ThCh$20,553,587 and ThCh$20,956,935 as of December 31, 2013. These values include spare parts that have not moved for over four years, based on which obsolescence provisions were established in the amount of ThCh$2,263,990 as of June 30, 2014 and December 31, 2013.

h) Disclosures of revalued assets (first-time adoption of IFRS1)

1. TINSA Consultants were hired as independent experts on land valuation during the convergence process.

2. The comparison method was used (regarding commercial market value).

3. Fair value was directly determined based on prices observable in an active market.

4. Reserve funds were created for the revaluation of lands, which are recorded in equity in the balance sheet.

i) Other disclosures

1. There are no property, plant and equipment items that are out of service.

The gross carrying amount of property, plant and equipment that is fully amortized and is still in use is ThCh$11,699,549 as of June 30, 2014 and ThCh$9,922,924 as of December 31, 2013.

2. There is no material property, plant and equipment elements that have been removed and not classified, that are recorded as held for sale in accordance with IFRS 5.

3. There are no useful life revaluations.

j) Financing costs

During 2014, costs of capitalized interests of property, plant and equipment amounts to ThCh$5,385,649, while in 2013, no costs of capitalized interests were recorded.

9. Investment properties

Investment properties correspond mainly to commercial spaces, land and buildings that are held by the Company to be exploited under operating leases.

Investment properties corresponding to land and buildings are valued using the cost model.

Total investment properties as of June 30, 2014, amount to ThCh$13,199,705 (ThCh$13,308,911 as of December 31, 2013).

Investment property	**Commercial Stores**	**Land**	**Buildings**	**Total**
Balance as of 01-01-2014	3,779,983	607,816	8,921,112	13,308,911
Closing balance	3,779,983	607,816	8,921,112	13,308,911
Depreciation for the period	(59,001)	-	(50,205)	(109,206)
Balance as of 06-30-2014	**3,720,982**	**607,816**	**8,870,907**	**13,199,705**

Investment property	**Commercial Stores**	**Land**	**Buildings**	**Total**
Balance as of 01-01-2013	3,866,971	607,816	9,021,522	13,496,309
Additions	31,014	-	-	31,014
Closing balance	3,897,985	607,816	9,021,522	13,527,323
Depreciation for the period	(118,002)	-	(100,410)	(218,412)
Balance as of 12-31-2013	**3,779,983**	**607,816**	**8,921,112**	**13,308,911**

As established by IAS 40, the fair value of investment properties measured at costs has to be disclosed. For this reason, we have realized this calculation by means of internal valuations based on discounted future cash flow projections. It is estimated that fair value as of June 30, 2014 is ThCh$95,228,561 (as of June 30, 2013 ThCh$80,961,885).

Concept	06-30-2014 ThCh$	06-30-2013 ThCh$
Commercial stores	47,286,504	39,539,115
Land	42,420,718	39,914,089
Buildings	5,521,339	1,508,681
Total	95,228,561	80,961,885

Operating income and expenses of investment properties as of June 2014 and 2013 are detailed as follows:

Income and expenses from investment property	Accumulated		Change for the quarter	
	06-30-2014	06-30-2013	04-01-2014 06-30-2014	04-01-2013 06-30-2013
	ThCh$	ThCh$	ThCh$	ThCh$
Commercial stores	1,720,110	1,582,168	373,101	541,555
Land	1,475,397	1,525,868	942,445	1,131,814
Buildings	282,339	135,077	143,618	60,057
Total amount due to rental income	**3,477,846**	**3,243,113**	**1,459,164**	**1,733,426**
Commercial stores	(57,888)	(52,619)	(57,888)	(52,619)
Land	(18,074)	(17,466)	(18,074)	(17,466)
Buildings	(47,506)	(39,361)	(47,506)	(39,361)
Total amount due to rental income	**(123,468)**	**(109,446)**	**(123,468)**	**(109,446)**

The Company has not evidenced indicators of impairment of investment properties.

The Company has no pledges (mortgage or other type of guarantee) on investment properties.

Lease contracts generally establish the obligation to maintain and repair properties, therefore expenses are attributed to the tenants, except for expenses involving payment of property taxes which the lessor is responsible for.

10. Other financial assets, current and non-current

Other current and non-current financial assets are detailed as follows:

Concept	06-30-2014		12-31-2013	
	Current ThCh$	Non-current ThCh$	Current ThCh$	Non-current ThCh$
Financial investment, over 3 months	223,857,785	-	68,347,854	-
Derivative transactions	747,890	5,390,657	776,236	5,628,591
Financial lease	101,711	1,608,732	27,132	1,526,916
Promissory notes receivables	-	377,018	-	359,408
Other accounts receivable	-	2,269	-	1,515
Total	**224,707,386**	**7,378,676**	**69,151,222**	**7,516,430**

Financial investments, over 3 months

Term deposits

Type of investment	Currency	Capital in currency of origin ThCh$ - ThUS$	Annual average rate	Average maturity days	Capital in domestic currency ThCh$	Accrued interest Domestic currency ThCh$	Carrying amounts 06-30-2014 ThCh$
Term deposits	Ch$	121,401,574	4.02%	63	121,401,574	911,362	122,312,936
Term deposits	US$	183,689.34	0.29%	119	101,528,774	16,075	101,544,849
Total					222,930,348	927,437	223,857,785

Type of investment	Currency	Capital in currency of origin ThCh$ - ThUS$	Annual average rate	Average maturity days	Capital in domestic currency ThCh$	Accrued interest Domestic currency ThCh$	Carrying amounts 12-31-2013 ThCh$
Term deposits	Ch$	51,673,427	5.04%	133	51,673,427	619,725	52,293,152
Term deposits	US$	27,569.59	0.43%	113	14,463,284	15,646	14,478,930
Total					66,136,711	635,371	66,772,082

Reverse repurchase agreements

Code	Date		Counterparty	Currency of origin	Subscription Value ThCh$	Annual Rate %	Final Value ThCh$	ID. of instruments	Carrying amounts 12-31-2013 ThCh$
	Beginning	End							
CRV	09-11-2013	01-23-2014	BANCO ESTADO	US$	1,520,400	5.28%	1,576,173	DEBT SECURITIES	1,575,772
Total					1,520,400		1,576,173		1,575,772

Derivative transactions

Financial assets as of June 30, 2014

									Current			Non-current			
									Maturity		Total current	Maturity			Total non-current
Tax ID Number	Name	Country	Tax ID Number	Name	Country	Currency	Rate	Type	Up to 90 days	90 days to 1 year	06-30-2014	1 to 3 years	3 to 5 years	Over 5 years	06-30-2014
							Nominal	Amortization	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual	-	2,147	2,147	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual	-	177	177	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.56750%	biannual	-	761	761	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.54550%	biannual	-	286	286	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.62900%	biannual	213	-	213	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.55350%	biannual	-	3,778	3,778	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.56680%	biannual	-	6,287	6,287	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual	-	7,349	7,349	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.56550%	biannual	-	1,152	1,152	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.54550%	biannual	-	180	180	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.55540%	biannual	-	187	187	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual	-	474	474	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.55350%	biannual	-	110	110	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56650%	biannual	-	3,761	3,761	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56620%	biannual	-	1,504	1,504	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.55350%	biannual	-	67	67	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual	-	573	573	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.53180%	biannual	713	-	713	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.54550%	biannual	-	328	328	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.53300%	biannual	11,537	-	11,537	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.54990%	biannual	-	1,813	1,813	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.52950%	Maturity	45,275	-	45,275	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	US$	0.52950%	Maturity	16,184	-	16,184	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	US$	0.53300%	biannual	11,381	-	11,381	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	US$	0.56550%	biannual	-	15,951	15,951	-	-	-	-
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US$	4.19000%	biannual	615,702	-	615,702	2,695,328	1,796,886	898,443	5,390,657
						Total			**701,005**	**46,885**	**747,890**	**2,695,328**	**1,796,886**	**898,443**	**5,390,657**

Financial assets as of December 31, 2013

									Current				Non-current			
									Maturity		Total current	Maturity			Total non-current
Tax ID Number	Name	Country	Tax ID Number	Name	Country	Currency	Rate Nominal	Type Amortization	Up to 90 days ThCh$	90 days to 1 year ThCh$	12-31-2013 ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	12-31-2013 ThCh$
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual	-	2,769	2,769	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual	-	227	227	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.56750%	biannual	-	979	979	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.54550%	biannual	-	352	352	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56750%	biannual	292	-	292	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.55350%	biannual	-	4,425	4,425	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.56680%	biannual	-	7,414	7,414	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual	-	9,459	9,459	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.56550%	biannual	-	1,483	1,483	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.54550%	biannual	-	201	201	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.55540%	biannual	-	236	236	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual	-	610	610	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.55350%	biannual	-	151	151	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56650%	biannual	-	4,832	4,832	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56620%	biannual	-	1,875	1,875	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.55350%	biannual	-	92	92	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual	-	737	737	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.58740%	biannual	934	-	934	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.54550%	biannual	-	405	405	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.59550%	biannual	14,275	-	14,275	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.54990%	biannual	-	2,162	2,162	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.59450%	maturity	49,780	-	49,780	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	US$	0.59450%	maturity	17,795	-	17,795	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	US$	0.59550%	biannual	14,082	-	14,082	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	US$	0.56550%	biannual	-	20,571	20,571	-	-	-	-
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US$	4.19000%	biannual	620,098	-	620,098	2,597,811	1,731,874	1,298,906	5,628,591
						Total			**717,256**	**58,980**	**776,236**	**2,597,811**	**1,731,874**	**1,298,906**	**5,628,591**

Financial lease agreements

From August 1, 2004 to July 31, 2034, the Company leases to Chilectra S.A. each and every one of the components of the SEAT Rectification Substations, Vicente Valdés and the 20 KV networks up to their arrival to the verifying spots. The useful life of the assets has the same duration as the respective lease contract, therefore and in accordance with IAS 17, it is a financial lease. For that reason, machinery and equipment was derecognized from property, plant and equipment and recognized in accounts receivable at the time of adoption of IFRS.

Additionally, the present value of the lease installments pending from 2009 to 2034 was calculated, considering a 10% discount rate that is expressed in the respective lease agreement, producing a positive effect in the Company's shareholders' equity.

Metro S.A issues an annual invoice to Chilectra S.A., during the first 15 days of July, which shall be paid 30 days after that invoice is received. The payments that the tenant makes are divided into two parts, one that represents the financial burden and another which reduces the existing debt. The total financial burden is distributed among the periods that constitute the term of the lease.

There is no unguaranteed residual value amounts accrued in favor of the lessor.

There is no accumulated provision for minimum payments on uncollectible leases.

There are no contingent leases recognized as income for the period.

Outstanding future minimumlease pyments (*)	06-30-2014			12-31-2013		
	Gross amount ThCh$	Interest ThCh$	Current amount ThCh$	Gross amount ThCh$	Interest ThCh$	Current amount ThCh$
Up to 1 year	174,835	146,248	28,587	165,942	138,810	27,132
From 1 to 5 years	874,176	682,197	191,979	829,719	647,503	182,216
More than 5 years	2,447,694	1,030,941	1,416,753	2,323,210	978,510	1,344,700
Total	3,496,705	1,859,386	1,637,319	3,318,871	1,764,823	1,554,048

(*) As of June 30, 2014 the short term partial payments receivables amount to ThCh$28,587 and interest in profit and loss receivable amount to ThCh$ 173,124.

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

Other current and non-current non-financial assets are detailed as follows:

Other current non-financial assets	06-30-2014 ThCh$	12-31-2013 ThCh$
Prepaid expenses	46,840	147,869
Advances to suppliers and personnel	3,219,654	3,325,745
Total	**3,266,494**	**3,473,614**

Other non-current non-financial assets	06-30-2014 ThCh$	12-31-2013 ThCh$
Funds allocated to pay for expropriations of new lines	40,385,991	44,609,507
Value-added fiscal tax credit	21,991,032	21,345,681
Advance payments	947,109	842,578
Total	**63,324,132**	**66,797,766**

(*) The base calculation for the proportional part of the VAT fiscal tax credit was questioned through administrative resolution issued by the Chilean Internal Revenue Service (SII) for which Metro S.A. filed a complaint. Against the second verdict, the Company filed an appeal for an annulment in relation to the merits of the case with the Supreme Court, which was rejected on April 30, 2014. The execution of this judgment is pending.

In order to execute the judgment and quantify the possible effects reliably, the Company will put forward questions to the SII to agree on a process to obtain the execution of such judgment.

12. Other financial liabilities, current and non-current

The detail of other financial liabilities, current and non-current are as follows:

Concept	06-30-2014		12-31-2013	
	Current ThCh$	Non-current ThCh$	Current ThCh$	Non-current ThCh$
Interest-bearing loans	70,676,900	250,171,500	89,847,634	261,902,332
Bonds	33,729,546	1,117,421,939	25,827,031	827,651,167
Derivative transactions	638,632	2,812,352	693,359	4,714,628
Total	**105,045,078**	**1,370,405,791**	**116,368,024**	**1,094,268,127**

Interest-bearing loans

Biannual and equivalent interest-bearing loans as of June 30, 2014

								Current			Non-current			
								Maturity		Total current	Maturity			Total non-current
Tax ID. No.	Name	Country	Tax ID. No.	Name	Country	Currency	Effective Rate	Up to 90 days ThCh$	90 days to 1 year ThCh$	06-30-2014 ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	06-30-2014 ThCh$
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US dollars	1.90%	17,548,595	50,408,859	67,957,454	139,192,687	29,011,992	4,706,309	172,910,988
61.219.000-3	Metro S.A.	Chile	O-E	Natixis Bank	France	US dollars	0.71%	521,988	1,844,139	2,366,127	7,030,025	4,686,683	15,311,797	27,028,505
61.219.000-3	Metro S.A.	Chile	O-E	Natixis Bank	France	Euro	2.00%	8,239	51,997	60,236	178,585	119,057	189,565	487,207
61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Société Générale	France	US dollars	1.73%	104,179	-	104,179	16,581,600	-	-	16,581,600
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Banco Bilbao Vizcaya Argentaria	Chile	US dollars	2.00%	148,900	40,004	188,904	33,163,200	-	-	33,163,200
						Total		**18,331,901**	**52,344,999**	**70,676,900**	**196,146,097**	**33,817,732**	**20,207,671**	**250,171,500**

Biannual and equivalent interest-bearing loans as of December 31, 2013

								Current			Non-current			
								Maturity		Total current	Maturity			Total non-current
Tax ID. No.	Name	Country	Tax ID. No.	Name	Country	Currency	Effective Rate	Up to 90 days ThCh$	90 days to 1 year ThCh$	12-31-2013 ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	12-31-2013 ThCh$
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US dollars	1.88%	30,935,626	56,318,618	87,254,244	143,178,081	34,837,829	9,410,794	187,426,704
61.219.000-3	Metro S.A.	Chile	O-E	Natixis Bank	France	US dollars	0.71%	496,361	1,750,379	2,246,740	6,672,495	4,448,330	15,645,158	26,765,983
61.219.000-3	Metro S.A.	Chile	O-E	Natixis Bank	France	Euro	2.00%	7,921	49,783	57,704	170,907	113,938	209,899	494,744
61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Société Générale	France	US dollars	1.79%	104,031	-	104,031	15,738,300	-	-	15,738,300
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Banco Bilbao Vizcaya Argentaria	Chile	US dollars	2.03%	148,128	36,787	184,915	31,476,601	-	-	31,476,601
						Total		**31,692,067**	**58,155,567**	**89,847,634**	**197,236,384**	**39,400,097**	**25,265,851**	**261,902,332**

Interest-bearing loans:

- ✓ Loan from Natixis Bank (financial protocol of the French Government to the Chilean government) in the amount of US$87,793,769.88. As of June 30, 2014, it has been fully used, leaving a principal balance of US$53,140,552.03.
- ✓ Loan from Natixis Bank (financial protocol of the French Government to the Chilean government) in the amount of €1,573,093.76. As of June 30, 2014, it has been fully used, leaving a principal balance of €722,392.93.
- ✓ Financial Loan Agreement for the Metro Line 4 Project, with a syndicate of banks led by BNP Paribas, in the amount of US$150,000,000, which is State guaranteed. As of June 30, 2014, it has been fully used, leaving a principal balance of US$14,705,882.34.
- ✓ Buyer Credit Facility Agreement for the Metro Line 4 Project, with a syndicate of banks led by BNP Paribas, in the amount of US$340,000,000, which is State guaranteed. As of June 30, 2014, it has been fully used, leaving a principal balance of US$81,807,959.22.
- ✓ Buyer Credit Facility Agreement for the acquisition of rolling stock, with a syndicate of banks led by BNP Paribas in the amount of US$46,855,822.64, without guarantees. As of June 30, 2014 it has been fully used, leaving a principal balance of US$17,598,802.82.
- ✓ Financial Loan Agreement for Extension Projects on Line 5 to Maipú and Extension of Line 1 to Los Dominicos, with a syndicate of international banks headed by BNP Paribas, in the amount of US$260,000,000. As of June 30, 2014, there is an amount to be used of US$17,421,404.67 and a principal balance left of US$157,299,241.31.
- ✓ Financial Loan Agreement for Extension Projects on Line 5 to Maipú and Extension of Line 1 to Los Dominicos, with a syndicate of international banks headed by BNP Paribas, in the amount of US$130,000,000, without guarantees. As of June 30, 2014, it has been fully used, leaving a principal balance of US$73,125,000.00.

  Such agreement establishes that as of June 30, of each year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of MCh$700. As of June 30, 2014, this debt/equity ratio is 0.94 times, equity reaches MCh$1,768, calculated as set forth in the relevant loan agreement.

- ✓ Debt Restructuring Loan Agreement, with BNP Paribas, in the amount of US$90,000,000 (Bullet payment at maturity date). This financing is state guaranteed in the amount of US$60,000,000. As of June 30, 2014, it has been fully used, leaving a principal balance of US$90,000,000.00

  Such agreement establishes that as of June 30, of each year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of MCh$700. As of June 30, 2014 this debt/equity ratio is 0.94, equity amounts to MCh$1,768 calculated as set forth in the relevant loan agreement.

- ✓ Debt Restructuring Credit Agreement, with Société Générale, in the amount of US$30,000,000. (Bullet payment at maturity date) This financing is not guaranteed. As of June 30, 2014 it has been fully used, leaving a principal balance of US$30,000,000.00

  Such agreement establishes that as of June 30, of each year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of MCh$700. As of June 30, 2014 this debt/equity ratio is 0.94 times, equity amounts to MCh$1,768 calculated as set forth in the relevant loan agreement.

- ✓ Debt Restructuring Loan Agreement, with Banco Bilbao Vizcaya Argentaria, for US$60,000,000. (Bullet payment at maturity date) This financing does not have any guarantees. As of June 30, 2014 it has been fully used, leaving a principal balance of US$60,000,000.00

  Such agreement establishes that as of June 30, of each year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of MCh$700. As of June 30, 2014 this debt/equity ratio is 0.94 times, equity amounts to MCh$1,768 calculated as set forth in the relevant loan agreement.

Bonds

The detail of bonds is the following:

The Company's domestic and foreign biannual liabilities as of June 30, 2014

								Current			Non-current			
								Maturity		Total current	Maturity			Total non-current
Series	Tax ID Number Bank	RTB Bank and payer	Countr	Currency	Nominal Rate	Effective Rate	Amortization	Up to 90 days ThCh$	90 days to 1 year ThCh$	06-30-2014 ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	06-30-2014 ThCh$
A	97.080.000-K	Banco Bice	Chile	UF	5.6%	6.3%	biannual	4,037,442	1,681,653	5,719,095	10,930,744	10,089,940	64,527,452	85,548,136
B	97.080.000-K	Banco Bice	Chile	UF	5.6%	5.9%	biannual	840,827	1,266,572	2,107,399	5,465,372	5,044,982	33,188,305	43,698,659
C	97.080.000-K	Banco Bice	Chile	UF	5.5%	5.5%	biannual	3,885,795	1,601,574	5,487,369	9,609,446	8,808,657	69,583,006	88,001,109
D	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.1%	biannual	3,965,943	1,601,574	5,567,517	9,609,446	7,207,084	77,036,317	93,852,847
E	97.004.000-5	Banco de Chile	Chile	UF	5.5%	4.9%	biannual	1,121,102	1,587,506	2,708,608	6,726,612	4,484,408	56,772,319	67,983,339
F	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.0%	biannual	1,142,111	760,733	1,902,844	4,564,487	3,042,991	39,091,459	46,698,937
G	97.004.000-5	Banco de Chile	Chile	UF	4.5%	3.1%	biannual	881,469	-	881,469	5,605,510	4,484,408	65,473,062	75,562,980
H	97.036.000-K	Banco Santander	Chile	UF	4.3%	4.5%	biannual	471,321	-	471,321	12,011,805	9,609,444	2,228,909	23,850,158
I	97.036.000-K	Banco Santander	Chile	UF	4.7%	4.8%	biannual	1,466,801	-	1,466,801	-	9,336,439	58,454,785	67,791,224
J	97.036.000-K	Banco Santander	Chile	UF	4.5%	4.5%	biannual	-	510,815	510,815	-	3,203,145	92,484,527	95,687,672
K	97.004.000-5	Banco de Chile	Chile	UF	3.8%	4.0%	biannual	1,366,658	-	1,366,658	-	-	120,845,722	120,845,722
L	97.004.000-5	Banco de Chile	Chile	UF	3.9%	3.8%	biannual	-	179,417	179,417	-	-	35,710,487	35,710,487
		Deutsche Bank	USA	US dollar	4.8%	4.9%	biannual	5,360,233	-	5,360,233	-	-	272,190,669	272,190,669
				Total				**24,539,702**	**9,189,844**	**33,729,546**	**64,523,422**	**65,311,498**	**987,587,019**	**1,117,421,939**

The Company's biannual liabilities in Chile as of December 31, 2013

								Current			Non-current			
								Maturity		Total current	Maturity			Total non-current
Series	Tax ID Number Bank	RTB Bank and payer	Countr	Currency	Nominal Rate	Effective Rate	Amortization	Up to 90 days ThCh$	90 days to 1 year ThCh$	12-31-2013 ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	12-31-2013 ThCh$
A	97.080.000-K	Banco Bice	Chile	UF	5.6%	6.3%	biannual	3,958,997	1,631,670	5,590,667	9,790,017	9,790,038	64,879,282	84,459,337
B	97.080.000-K	Banco Bice	Chile	UF	5.6%	5.9%	biannual	815,835	1,236,437	2,052,272	5,710,843	5,710,842	31,659,132	43,080,817
C	97.080.000-K	Banco Bice	Chile	UF	5.5%	5.5%	biannual	3,809,181	1,553,971	5,363,152	9,323,826	7,769,854	69,839,888	86,933,568
D	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.1%	biannual	3,886,947	1,553,971	5,440,918	9,323,826	6,215,884	77,230,007	92,769,717
E	97.004.000-5	Banco de Chile	Chile	UF	5.5%	4.9%	biannual	-	1,540,319	1,540,319	6,526,678	4,351,119	56,286,834	67,164,631
F	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.0%	biannual	1,108,164	-	1,108,164	4,428,817	2,952,545	38,735,666	46,117,028
G	97.004.000-5	Banco de Chile	Chile	UF	4.5%	3.1%	biannual	855,269	-	855,269	4,351,119	4,351,119	64,915,769	73,618,007
H	97.036.000-K	Banco Santander	Chile	UF	4.3%	4.5%	biannual	457,312	-	457,312	9,323,824	9,323,824	4,469,303	23,116,951
I	97.036.000-K	Banco Santander	Chile	UF	4.7%	4.8%	biannual	1,423,204	-	1,423,204	-	6,039,289	59,702,070	65,741,359
J	97.036.000-K	Banco Santander	Chile	UF	4.5%	4.5%	biannual	-	495,632	495,632	-	-	92,830,206	92,830,206
K	97.004.000-5	Banco de Chile	Chile	UF	3.8%	4.0%	biannual	1,326,037	-	1,326,037	-	-	117,178,891	117,178,891
L	97.004.000-5	Banco de Chile	Chile	UF	3.9%	3.8%	biannual	-	174,085	174,085	-	-	34,640,655	34,640,655
				Total				**17,640,946**	**8,186,085**	**25,827,031**	**58,778,950**	**56,504,514**	**712,367,703**	**827,651,167**

On July 31, 2001, December 5, 2001, August 9, 2002, September 3, 2003, June 23, 2004 and September 14, 2005, the Company placed Series A to G bonds in the domestic market, all calculated on the basis of a 360-day year, at a 25-year term with 10 years of grace period for the principal payment, with biannual interest payments and without early redemption.

On September 3, 2008, the Company placed Series H and I bonds in the domestic market, calculated on the basis of a 360-day year, with a 12-year term and 7 years of grace period for series H and a 21-year term with 10 years of grace period for Series I, with biannual interest payments and early redemption.

On November 18, 2009, the Company placed Series J bonds in the domestic market, calculated on the basis of a 360-day year, at a 25-year term with 10 years of grace period, with biannual payment of interest and without early redemption.

On October 6, 2011, the Company placed series K bonds in the domestic market, calculated on the basis of a 360-day year, at a 21-year term with 16 years of grace period for principal payment, with semiannual interest payments and early redemption.

On May 24, 2012, the Company placed Series L bonds in the domestic market, calculated on the basis of a 360-day year, at a 21-year term with 21 years of grace period for principal payment, with payment of biannual interest and early redemption.

On February 4, 2014, the Company placed bonds in the international market for US$500,000,000, with a 4,846% interest rate for placement. The bond's coupon rate is 4.75%, calculated in the basis of a 360-day year, at 10-year term with 10 years of grace period for principal payment, with payment of biannual interest and early redemption.

The Series A and B bonds are have a State guarantee, in accordance with Law Decree 1,263 and Laws No. 18.196, 18.382 and 19.702, in Exempt Decree 117, issued by the Ministries of Finance and Economy and of Development and Reconstruction, and Supreme Decree 389 issued by the Ministry of Finance, both on April 20, 2001.

The Series C bonds are guaranteed by the State, in accordance with Law Decree 1,263 and Laws No. 18.196, 18.382 and 19.774, in Exempt Decree 274 issued by the Ministries of Finance and Economy and of Development and Reconstruction, and Supreme Decree 363 issued by the Ministry of Treasury, both on May 13, 2002.

The Series D and E bonds are guaranteed by the State, in accordance with Law Decree 1,263 and Laws No. 18.196 and 19.847, Exempt Decree 222 dated April 29, 2003 issued by the Ministries of Finance and Economy and of Development and Reconstruction, and Supreme Decree 356 issued by the Ministry of Finance on May 7, 2003.

The Series F bonds are guaranteed by the State, in accordance with Law Decree 1,263 and Laws No. 18.196 and 19.847. The authorization to issue and guarantee bonds in the domestic market was authorized by Supreme Decree 1,024, dated November 11, 2003 issued by the Ministries of Finance and Economy and of Development and Reconstruction.

The Series G bonds are guaranteed by the State, in accordance with Law Decree 1.263 and Laws No. 18.196 and 19.847. The authorization to issue and guarantee bonds in the domestic market was authorized by Supreme Decree 592, dated May 11, 2005 issued by the Ministries of Finance and Economy and of Development and Reconstruction

The Series H, I, J, K and L bonds are not guaranteed, notwithstanding the creditors' general pledge right set forth in Chilean law.

The Company is not subject to any financial or other restrictive covenants under the instruments governing its Series A to G bonds. For the Series H, I, J, K and L bonds, the Company is required during each calendar year to maintain a debt/equity ratio that is lower than 1.7, equity in excess of MM$700 and an interest coverage ratio greater than 1.0. Those covenants are calculated and determined using the financial statements prepared as of December 31 of each calendar year and filed with the SVS. International bond is not subject to related restrictions or covenants.

Derivative transactions

The detail of derivative transactions is the following:

Financial liabilities as of June 30, 2014

									Current			Non-current			
									Maturity		Total current	Maturity			Total non-current
Tax ID Number	Name	Count	Tax ID Number	Name	Country	Currency	Nominal Rate	Amortization Type	Up to 90 days	90 days to 1 year	06-30-2014	1 to 3 years	3 to 5 years	Over 5 years	06-30-2014
									ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	1.97%	biannual	-	8,341	8,341	78,004	-	-	78,004
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.40%	biannual	-	872	872	14,130	-	-	14,130
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.35%	biannual	-	3,539	3,539	32,786	-	-	32,786
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	biannual	-	1,410	1,410	65,619	-	-	65,619
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.30%	biannual	1,006	-	1,006	14,948	-	-	14,948
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.63%	biannual	20,204	-	20,204	345,714	57,619	-	403,333
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.59%	biannual	-	33,207	33,207	419,208	69,868	-	489,076
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.63%	biannual	-	38,280	38,280	356,799	-	-	356,799
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.41%	biannual	-	5,522	5,522	57,002	-	-	57,002
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	biannual	-	926	926	42,244	-	-	42,244
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	biannual	-	959	959	28,651	-	-	28,651
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.40%	biannual	-	2,328	2,328	35,248	-	-	35,248
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.40%	biannual	-	548	548	17,845	-	-	17,845
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.09%	biannual	-	15,508	15,508	146,272	-	-	146,272
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.08%	biannual	-	6,230	6,230	71,420	-	-	71,420
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.32%	biannual	-	323	323	10,512	-	-	10,512
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.42%	biannual	-	2,835	2,835	41,310	-	-	41,310
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.38%	biannual	3,341		3,341	24,626	-	-	24,626
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	biannual	-	1,621	1,621	75,430	-	-	75,430
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.75%	biannual	62,510		62,510	338,647	56,441	-	395,088
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.27%	biannual	-	8,420	8,420	279,246	-	-	279,246
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	3.10%	maturity	275,736	-	275,736	-	2,315,258	-	2,315,258
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.91%	maturity	53,281	-	53,281	-	(649,188)	-	(649,188)
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.97%	biannual	38,391	-	38,391	(429,326)	-	-	(429,326)
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	1.93%	biannual	-	53,294	53,294	(1,103,981)	-	-	(1,103,981)
						Total			**454,469**	**184,163**	**638,632**	**962,354**	**1,849,998**	**-**	**2,812,352**

Financial liabilities as of December 31, 2013

									Current			Non-current			
									Maturity		Total current	Maturity			Total non-current
Tax ID Number	Name	Country	Tax ID Number	Name	Country	Currency	Nominal	Amortization	Up to 90 days	90 days to 1 year	12-31-2013	1 to 3 years	3 to 5 years	Over 5 years	12-31-2013
							Rate	Type	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	1.97%	biannual	-	10,238	10,238	139,445	-	-	139,445
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.40%	biannual	-	1,071	1,071	21,009	-	-	21,009
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.35%	biannual	-	4,340	4,340	55,061	-	-	55,061
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	biannual	-	1,701	1,701	93,544	-	-	93,544
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.30%	biannual	1,315	-	1,315	23,838	-	-	23,838
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.63%	biannual	-	22,811	22,811	411,249	137,083	-	548,332
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.59%	biannual	-	37,251	37,251	487,647	162,549	-	650,196
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.63%	biannual	-	46,987	46,987	596,387	-	-	596,387
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.41%	biannual	-	6,778	6,778	94,408	-	-	94,408
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	biannual	-	1,008	1,008	59,062	-	-	59,062
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	biannual	-	1,164	1,164	42,146	-	-	42,146
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.40%	biannual	-	2,857	2,857	53,147	-	-	53,147
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.40%	biannual	-	727	727	28,124	-	-	28,124
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.09%	biannual	-	19,021	19,021	251,511	-	-	251,511
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.08%	biannual	-	7,349	7,349	115,813	-	-	115,813
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.32%	biannual	-	428	428	16,649	-	-	16,649
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.42%	biannual	-	3,480	3,480	62,679	-	-	62,679
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.38%	biannual	4,052	-	4,052	41,575	-	-	41,575
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	biannual	-	1,955	1,955	107,532	-	-	107,532
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.75%	biannual	70,770		70,770	421,452	140,484	-	561,936
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.27%	biannual	-	9,803	9,803	402,039	-	-	402,039
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	3.10%	maturity	276,034	-	276,034	2,645,691	-	-	2,645,691
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.91%	maturity	53,339	-	53,339	(525,742)	-	-	(525,742)
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.97%	biannual	43,464	-	43,464	(311,379)	(51,896)	-	(363,275)
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	1.93%	biannual	-	65,416	65,416	(1,006,479)	-	-	(1,006,479)
						Total			**448,974**	**244,385**	**693,359**	**4,326,408**	**388,220**	**-**	**4,714,628**

13. Other non-financial liabilities, current and non-current

This caption comprises the following:

Current	06-30-2014 ThCh$	12-31-2013 ThCh$
Real estate taxes	7,804,388	8,832,099
Deferred income	822,761	481,096
Guarantees received	165,030	163,691
Total	**8,792,179**	**9,476,886**

Non-current	06-30-2014 ThCh$	12-31-2013 ThCh$
Deferred income (*)	3,499,873	3,495,776
Total	**3,499,873**	**3,495,776**

(*)Corresponds to long-term operational leases.

14. Balances and transactions with related parties

Trade and other receivables:

As of June 30, 2014 and December 31, 2013, the Company records no outstanding balances of receivable from related parties.

Trade and other payables:

Corresponds to capital contributions received from the Government of Chile for network expansion projects. As of June 30, 2014, contributions pending capitalization reached ThCh$96,788,861 and ThCh$21,788,861 as of December 31, 2013.

Transactions:

During 2014 first half, the Company received contributions from the Ministry of Public Works for ThCh$75,000,000 whereas during the first half of 2013 it received contributions of ThCh$45,000,000.

Key management personnel

The Company’s key personnel are those that have authority and responsibility for planning, directing and controlling the activities inherent to the entity. The Company has determined that key management employees are composed of Directors, the General Manager and Managers of the Company's different areas.

The expense for compensation received by key management personnel is detailed as follows:

Directors' income is detailed as follows:

Director's income	Accumulated		Change for the quarter	
	06-30-2014 ThCh$	06-30-2013 ThCh$	04-01-2014 06-30-2014 ThCh$	04-01-2013 06-30-2013 ThCh$
Fixed income	57,488	54,412	29,295	26,970
Fees	17,239	14,033	10,219	6,628
Other fees	12,331	10,905	6,039	5,121
Total	87,058	79,350	45,553	38,719

Board of Directors expenses

During the first half of 2014 and 2013, there were no disbursements for transportation and per diems.

Remunerations of the General Manager and Other Managers:

During 2014 first half the compensation paid to the General Manager amounted to ThCh$104,294 (ThCh$104,283 in the same period of 2013) and compensation paid to Other Managers amounted to ThCh$727,979 (ThCh$869,737 in the same period of 2013).

15. Trade and other payables

This caption comprises the following:

Concept	06-30-2014 ThCh$	12-31-2013 ThCh$
Debt from purchases or services received	46,454,648	32,552,983
Accounts payable - Transantiago	8,980,478	9,924,840
Retentions	1,319,003	1,837,149
Other accounts payable	398,822	296,786
Total	**57,152,951**	**44,611,758**

16. Information by segments

The Company reports information by segment in accordance with what is established in IFRS 8 "Operating Segments". IFRS 8 stipulates that this Standard must be applied by entities with capital stock or debt securities of which are publicly traded or by entities that are in the process of issuing securities to be traded in public markets.

The Company is a stock company that is subject to the rules of open stock corporations in Chile, and its corporate purpose is to carry out all activities related to providing transportation services on underground railways or other complementary electric modes of transportation and services associated with its ordinary course of business. Its main income is derived from passenger transportation services.

The processes associated with the services provided by the Company are based on a common technological and administrative infrastructure. Current activities focus on providing services in a domestic environment with common economic and political conditions.

The Company manages its operations and presents its financial information as one single operating segment: transportation of passengers in the city of Santiago, Chile, considering that all other areas of business are derived by this main business.

17. Provisions for employee benefits

Current

Concept	06-30-2014 ThCh$	12-31-2013 ThCh$
Accrued vacations	3,436,066	3,209,736
Employee benefit obligations	1,425,033	1,770,132
Productivity bonus	2,225,691	4,678,974
Total	**7,086,790**	**9,658,842**

Non-current

Concept	06-30-2014 ThCh$	12-31-2013 ThCh$
Provision for dismissal	13,781,604	12,983,723
Provision for mortality	77,980	78,641
Provision for resignations	947,262	940,879
Advance of severance indemnity payments	(1,704,363)	(1,601,497)
Total	**13,102,483**	**12,401,746**

Movement in the provision for severance indemnity payments

Concept	ThCh$
Liabilities as of 01-01-2014	12,401,746
Service interest	352,724
Benefits paid	(200,585)
Actuarial (profit) loss	548,598
Liabilities as of 06-30-2014	**13,102,483**

Concept	ThCh$
Liabilities as of 01-01-2013	12,044,195
Service interest	667,742
Benefits paid	(701,682)
Actuarial (profit) loss	391,491
Liabilities as of 12-31-2013	**12,401,746**

Sensitivity analysis

Concept	Low	Medium	High	Low	High
Discount rate	4.601%	5.101%	5.601%	0.63%	-0.66%
Increase in salary	3.530%	4.030%	4.530%	-0.14%	0.15%
Labor rotation	1.088%	1.450%	1.813%	-0.03%	0.04%
Mortality rate	-25.00%	RV-2009	25.00%	0.25%	-0.25%

Projection of the actuarial calculation for the following year.

The projected calculation for the following year amounts to ThCh$13,784,403.

Estimate of expected cash flows for the following year.

The Company estimates that for the following year there will be expected payment flows for obligations on a monthly average of ThCh$55,000 as of June 30, 2014 and ThCh$58,000 as of December 31, 2013.

Actuarial revaluation of obligations:

The company realized a revaluation of its obligations as of June 30, 2014, determining that there is no profit due to demographical parameters (ThCh$184,875 ins 2013), a loss due to the update of financial parameters of ThCh$277,940 (ThCh$529,538 in 2013) and a loss due to experience of ThCh$270,658 (ThCh$46,828 in 2013).

Concept / profit (loss)	**06-30-2014 ThCh$**	**12-31-2013 ThCh$**
Revaluation of demographical parameters	-	184,875
Revaluation of financial parameters	(277,940)	(529,538)
Revaluation due to experience	(270,658)	(46,828)
Total deviation for the period	(548,598)	(391,491)
Summary		
Due to hypotheses	(277,940)	(344,663)
Due to experience	(270,658)	(46,828)
Total deviation for the period	(548,598)	(391,491)

General considerations

The Company has benefits that are agreed upon with its active employees, which require actuarial valuation and it has collective agreements, which include benefits for the concept of termination, voluntary retirement and death of an employee. In agreements with its unions, the Company froze the benefits accrued by employees on different dates.

Frozen indemnity

Corresponds to the severance benefits established in the respective collective agreements of the Company. The benefit is based on the various reasons for termination of the employment contract, such as on employee's resignation and death.

The freezing dates established in the agreements are May 31, 2002, August 31, 2003 and November 30, 2003, depending on the union and the reason for the termination.

Legal indemnity

The company does not record liabilities associated to legal severance pay since this qualifies under IAS 19 as a termination benefit and it is an uncertain obligation.

Actuarial assumptions

Actuarial assumptions are long-term assumptions and should there be sufficient substantive evidence, they must be updated.

1. Mortality

   The RV-2009 men and RV-2009 women's mortality tables established by the Chilean SVS were used.

2. Workforce rotation

   The rotation tables were prepared using information available to the Company, and constant ratios may be observed in the following table:

Reason	Rate %
Dismissal	1.26
Resignation	0.12
Other reasons	0.07

3. Discount rate

   The real annual discount rates used for each period are as follows:

Períod	Rate %
12-31-2012	2.74
12-31-2013	2.47
06-30-2014	2.04

4. Termination

   The estimated maximum average termination ages are:

Gender	Age
Women	62 years
Men	68 years

18. Income taxes

The Company had a negative first category (corporate) tax base of ThCh$573,449,078 as of June 2014, ThCh$505,486,914 as of December 2013 and ThCh$432,641,495 as of June 2013, determined in accordance with current legal provisions, therefore no income tax provision has been recognized as of these dates.

Because the Company has consistently recorded tax losses since the 1996 taxable year, the Company considers that it is unlikely that there will be sufficient future taxable profits to allow it to reverse deferred tax assets, therefore these have been recognized up to the amount of deferred tax liabilities (1).

Temporary difference	Tax assets		Tax liabilities	
	06-30-2014 ThCh$	12-31-2013 ThCh$	06-30-2014 ThCh$	12-31-2013 ThCh$
Allowance for doubtful accounts	218,168	185,427	-	-
Anticipated income	864,527	795,374	-	-
Accrued vacations	687,213	641,947	-	-
Severance indemnity payments	1,138,970	898,066	-	-
Allowance for law suits	212,670	237,430	-	-
Allowance for maintenance	223,612	276,603	-	-
Provision for employee benefits	285,007	354,026	-	-
Allowance for spare parts	452,798	452,798	-	-
Irrecoverable value-added tax on loan for extensions	-	-	63,154,804	59,200,236
Capitalized expenses	-	-	17,670,874	15,347,016
Property, plant and equipment	71,430,265	55,455,567	-	-
Tax loss	114,689,816	101,097,383	-	-
Other events	1,651,974	500,150	-	-
Subtotal	**191,855,020**	**160,894,771**	**80,825,678**	**74,547,252**
Net deferred tax assets	111,029,342	86,347,519	-	-
Reduction of deferred tax assets (1)	(111,029,342)	(86,347,519)	-	-
Deferred tax, net	-	-	-	-

19. Provisions, contingencies and guarantees

As of June 30, 2014 the Company is involved in legal proceedings (civil and labor), which include subsidiary lawsuits, which are not provisioned because of the application of IAS 37, due to their almost non-existent probability of unfavorable judgment.

The detailed information for claims and lawsuit is as follows:

Other short-term provisions	06-30-2014 ThCh$	12-31-2013 ThCh$
Civil - compensation for damages	326,800	258,800
Civil- legal invalidity	700,000	700,000
Civil -others	4,000	4,000
Work related	29,550	203,150
Other (resources - presentations- etc.)	3,000	21,200
Total	**1,063,350**	**1,187,150**

According to the current status of legal proceeding, Management believes those provisions recorded in the consolidated financial statements properly cover the risks for the litigation described above, which are not expected to generate any additional liabilities.

Considering the risk's characteristics that these provisions cover, is impossible to determinate a reasonable payment schedule.

Movements of provisions are detailed as follows:

Concept	Monto M$
Balance as of 01-01-2013	1,095,003
Accrued provisions	582,200
Reversal of provisions	(490,053)
Balance as of 12-31-2013	1,187,150
Accrued provisions	225,336
Reversal of provisions	(349,136)
Balance as of 06-30-2014	1,063,350

Direct guarantees

The guarantees granted by the Company are in UF and pesos, expressed in thousands of Chilean pesos as of June 30, 2014.

Type of guarantee	No. Of guarantee	Issuing Entity	Currency	Amount	Date of Issue	Date of Maturity	Status	Parity ThCh$
Note	23461	Bco. Santander	UF	1,000	02-10-2013	02-10-2014	Effective	23,607
Note	23462	Bco. Santander	UF	5,000	02-10-2013	02-10-2014	Effective	118,035
Note	23471	Bco. Santander	UF	5,000	02-10-2013	02-10-2014	Effective	118,035
Note	23470	Bco. Santander	UF	5,000	02-10-2013	02-10-2014	Effective	118,035
Note	23469	Bco. Santander	UF	5,000	02-10-2013	02-10-2014	Effective	118,035
Note	23468	Bco. Santander	UF	5,000	02-10-2013	02-10-2014	Effective	118,035
Note	23467	Bco. Santander	UF	5,000	02-10-2013	02-10-2014	Effective	118,035
Note	23466	Bco. Santander	UF	5,000	02-10-2013	02-10-2014	Effective	118,035
Note	23465	Bco. Santander	UF	5,000	02-10-2013	02-10-2014	Effective	118,035
Note	23464	Bco. Santander	UF	5,000	02-10-2013	02-10-2014	Effective	118,035
Note	23463	Bco. Santander	UF	5,000	02-10-2013	02-20-2014	Effective	118,035
Note	287557	Bco. Santander	UF	820	07-11-2013	02-17-2015	Effective	19,358
Note	292112	Bco. Santander	UF	150	03-01-2014	12-31-2015	Effective	3,541
Note	291110	Bco. Santander	Ch$	136,000,000	12-19-2013	03-31-2015	Effective	136,000
Note	298441	Bco. Santander	Ch$	136,000,000	06-30-2014	03-31-2016	Effective	136,000
Note	298440	Bco. Santander	Ch$	136,000,000	06-30-2014	06-30-2017	Effective	136,000
Note	96584	BBVA	US$	1,000,000	10-06-2014	06-30-2017	Effective	552,720
Stand By	SBLC10187	Multibank	US$	24,930	04-14-2014	09-16-2015	Effective	13,779

As of the closing date of the financial statements, there are no balances pending payment, since they are Performance Guarantees.

20. Changes in equity

2013 capital increase

At an Extraordinary Shareholders' Meeting held on December 23, 2013, the shareholders of the Company agreed to:

Increase the issued and subscribed capital stock of the Company by capitalizing government contributions in an aggregate amount of ThCh$125,753,136 nominal value, through the issuance of 3,508,737,054 Series A common shares, which the Government and CORFO will subscribe prorated to their equity interest ownership.

On August 26, 2013, CORFO paid the government contribution subscribed in June 25, 2013.

At an Extraordinary Shareholders' Meeting held on June 25, 2013, the shareholders of the Company agreed to:

Increase the issued and subscribed capital stock of the Company by ThCh$99,200,000 nominal value, through the issuance of 2,684,709,066 Series A common shares, which CORFO will subscribe and pay for by December 31, 2013 at the latest.

a. Paid-in capital – The paid-in capital of the Company as of June 30, 2014 and December 31, 2013 is represented by 31,838,378,329 and 19,163,677,063 Series A and B registered shares without par value, respectively, with 31,446,308,704 shares corresponding to CORFO and 19,555,746,688 shares corresponding to the Government of Chile.

   Series A shares correspond to founders' capital and to capital increases subscribed and paid by the Government of Chile and by CORFO and cannot be disposed of. Series B shares correspond to capital increases that could allow the incorporation of other shareholders.

Shareholders are detailed as follows:

Shareholders	06-30-2014		12-31-2013	
	Number of shares and percentages			
	Subscribed and paid shares	% ownership	Subscribed and paid shares	% ownership
Corporación de Fomento de la Producción	31,446,308,704	61.66%	31,446,308,704	61.66%
Ministry of FInance	19,555,746,688	38.34%	19,555,746,688	38.34%
Total	**51,002,055,392**	-	**51,002,055,392**	-
Corporación de Fomento de la Producción				
Series A	19,342,837,398	-	19,342,837,398	-
Series B	12,103,471,306	-	12,103,471,306	-
Total	**31,446,308,704**	-	**31,446,308,704**	-
Ministry of FInance				
Series A	12,495,540,931	-	12,495,540,931	-
Series B	7,060,205,757	-	7,060,205,757	-
Total	**19,555,746,688**	-	**19,555,746,688**	-

b. Distribution of net income and dividends

The Company's dividend policy is in accordance with current legislation according to which at least 30% of net profits for the year must be distributed as cash dividends, unless otherwise resolved by the Shareholders' Meeting by the unanimous vote of the outstanding shares issued.

At the Ordinary Shareholders' Meeting held on April 24, 2014, the shareholders resolved not to distribute net income or dividends.

c. Non-controlling Interests

Non-controlling interests correspond to the recognition by the Company of the share in the equity and net income of its subsidiary not directly or indirectly attributable to the Company. For the periods ended June 30, 2014 and 2013, these are detailed as follows:

Subsidiaries	Percentage Non-controlling interest		Non-controlling interest Equity		Share of profit or loss Income (expense)	
	2014 %	2013 %	2014 ThCh$	2013 ThCh$	2014 ThCh$	2013 ThCh$
Transub S.A.	33.33	33.33	(10,645)	(10,645)	-	-

d. Other reserves

Other reserves are composed of revaluation of paid-in capital for the period of transition to IFRS, revaluation surplus (first-time adoption) of land and adjustments originating from the change in accounting standard, as stated in Circular 456 issued by the SVS.

Other reserves	06-30-2014 ThCh$	12-31-2013 ThCh$
Price-level adjustment of paid-in capital	30,336,377	30,336,377
Revaluation surplus	3,042,584	3,042,584
Total	**33,378,961**	**33,378,961**

Additional and complementary information is presented in the consolidated statement of changes in equity.

21. Income and expenses

Revenue:

Revenue for the periods ended June 30, 2014 and 2013, are detailed as follows:

Revenue	Accumulated		Quarter	
	01-01-2014 06-30-2014 ThCh$	01-01-2013 06-30-2013 ThCh$	04-01-2014 06-30-2014 ThCh$	04-01-2013 06-30-2013 ThCh$
Revenues from passenger transportation services	106,783,304	100,449,397	58,468,680	55,605,137
Sales channel income	18,656,054	8,119,295	9,901,157	4,058,080
Lease of commercial stores, spaces and advertising	5,804,733	5,984,219	2,940,536	3,006,499
Lease in intermodal terminals	976,674	923,672	481,345	562,029
Other income	2,983,151	2,570,254	1,463,350	1,311,528
Total	**135,203,916**	**118,046,837**	**73,255,068**	**64,543,273**

Other income other than revenue

Other income for the periods ended June 30, 2014 and 2013 is detailed as follows:

Other income	Accumulated		Quarter	
	01-01-2014 06-30-2014 ThCh$	01-01-2013 06-30-2013 ThCh$	01-04-2014 06-30-2014 ThCh$	01-04-2013 06-30-2013 ThCh$
Income from fines and indemnities	2,439,845	315,071	1,945,386	167,153
Welfare revenue	167,041	146,259	72,442	67,089
Sale of proposals	33,497	84,190	9,324	47,009
Other income	995,306	99,629	322,234	20,471
Total	**3,635,689**	**645,149**	**2,349,386**	**301,722**

Expenses by nature

Cost of sales, administrative expenses and other expenses by function for the periods ended June 30, 2014 and 2013 are detailed as follows:

Expenses by nature	Accumulated		Quarter	
	01-01-2014 06-30-2014 ThCh$	01-01-2013 06-30-2013 ThCh$	04-01-2014 06-30-2014 ThCh$	04-01-2013 06-30-2013 ThCh$
Personnel expenses	30,818,240	30,387,366	16,175,122	17,006,867
Maintenance and operating expenses	23,105,705	18,762,761	12,583,112	10,217,757
Purchase of energy	21,688,730	15,173,446	13,904,195	7,842,373
General expenses and others	21,360,526	17,694,910	10,584,957	9,075,447
Depreciation and amortization	36,862,599	36,625,088	18,536,699	18,359,392
Total	**133,835,800**	**118,643,571**	**71,784,085**	**62,501,836**

Personnel expenses

Personnel expenses for the periods ended June 30, 2014 and 2013 are detailed as follows:

Personnel expenses	Accumulated		Quarter	
	01-01-2014 06-30-2014 ThCh$	01-01-2013 06-30-2013 ThCh$	04-01-2014 06-30-2014 ThCh$	04-01-2013 06-30-2013 ThCh$
Wages and salaries	20,647,834	19,561,025	9,996,597	9,822,866
Other benefits	8,232,858	8,836,436	5,299,152	6,152,287
Expenses on social and collective benefits	1,002,452	1,194,931	500,005	695,393
Social security contribution	935,096	794,974	379,368	336,321
Total	**30,818,240**	**30,387,366**	**16,175,122**	**17,006,867**

Maintenance and operating expenses

For the periods ended June 30, 2014 and 2013, the breakdown for this line item is detailed as follows:

Maintenance and operating expenses	Accumulated		Quarter	
	01-01-2014 06-30-2014 ThCh$	01-01-2013 06-30-2013 ThCh$	04-01-2014 06-30-2014 ThCh$	04-01-2013 06-30-2013 ThCh$
Maintenance of rolling stock, stations and others	16,693,497	13,733,845	8,743,348	7,202,991
Spare parts	4,771,258	3,985,759	2,807,358	2,457,323
Repair, leases and others	1,640,950	1,043,157	1,032,406	557,443
Total	**23,105,705**	**18,762,761**	**12,583,112**	**10,217,757**

Depreciation and amortization

As of June 30, 2014 and 2013, this caption comprises the following:

Depreciation and amortization	Accumulated		Quarter	
	01-01-2014 06-30-2014 ThCh$	01-01-2013 06-30-2013 ThCh$	04-01-2014 06-30-2014 ThCh$	04-01-2013 06-30-2013 ThCh$
Depreciation	36,552,948	36,395,797	18,381,873	18,245,091
Amortization	309,651	229,291	154,826	114,301
Total	**36,862,599**	**36,625,088**	**18,536,699**	**18,359,392**

General and other expenses

For the periods ended June 30, 2014 and 2013, general and other expenses are detailed as follows:

General expenses and others	Accumulated		Quarter	
	01-01-2014 06-30-2014 ThCh$	01-01-2013 06-30-2013 ThCh$	04-01-2014 06-30-2014 ThCh$	04-01-2013 06-30-2013 ThCh$
Service contracts	8,290,480	6,454,105	4,289,980	3,338,548
Complementary transportation expenses	-	4,497,112	-	2,321,284
Property taxes	689,004	505,852	344,502	253,351
Corporate image expenses	858,560	513,735	558,902	265,120
Sales channel operator expenses	9,242,568	4,508,523	4,275,050	2,285,077
Insurance, materials and others	2,279,914	1,215,583	1,116,523	612,067
Total	**21,360,526**	**17,694,910**	**10,584,957**	**9,075,447**

Financial result and exchange differences

The Company's financial result and exchange differences for the periods ended June 30, 2014 and 2013 are detailed as follows:

Financial result	Accumulated		Quarter	
	01-01-2014 06-30-2014 ThCh$	01-01-2013 06-30-2013 ThCh$	04-01-2014 06-30-2014 ThCh$	04-01-2013 06-30-2013 ThCh$
Finance income				
Interest on cash and other cash equivalents	3,510,887	2,464,300	1,858,921	1,086,621
Finance income from sw aps	1,518,147	1,558,488	704,429	779,075
Other finance income	73,164	65,975	42,819	31,750
Subtotal	**5,102,198**	**4,088,763**	**2,606,169**	**1,897,446**
Financial expenses				
Interest and expenses on bank loans	(4,471,282)	(5,228,952)	(2,201,830)	(2,690,025)
Interest and expenses on bonds	(20,085,441)	(19,635,411)	(10,134,618)	(9,838,276)
Other financial expenses	(373,995)	(382,451)	(249,321)	(254,594)
Subtotal	**(24,930,718)**	**(25,246,814)**	**(12,585,769)**	**(12,782,895)**
Profit (loss) Financial Result	(19,828,520)	(21,158,051)	(9,979,600)	(10,885,449)

Foreign currency translation and index-adjusted unit differences	Accumulated		Quarter	
	01-01-2014 06-30-2014 ThCh$	01-01-2013 06-30-2013 ThCh$	04-01-2014 06-30-2014 ThCh$	04-01-2013 06-30-2013 ThCh$
Foreign currency translation difference				
Profit (loss) on foreign currency translation (foreign loans and investments)	(14,493,226)	(17,136,739)	(413,488)	(22,834,768)
Total foreign currency translation difference	**(14,493,226)**	**(17,136,739)**	**(413,488)**	**(22,834,768)**
Index-adjusted unit				
Profit (loss) on index-adjusted unit (bonds)	(25,526,762)	(471,351)	(14,826,130)	613,160
Total index-adjusted unit	**(25,526,762)**	**(471,351)**	**(14,826,130)**	**613,160**

Other profit (losses)

Other profit (losses) of the Company for the periods ended June 30, 2014 and 2013 are detailed as follows:

Other profit (loss)	Accumulated		Quarter	
	01-01-2014 06-30-2014 ThCh$	01-01-2013 06-30-2013 ThCh$	04-01-2014 06-30-2014 ThCh$	04-01-2013 06-30-2013 ThCh$
Net present value sw aps US$	10,938,309	8,573,752	9,288,614	7,959,423
Net present value sw aps UF	(9,116,252)	(5,577,279)	(9,923,381)	(2,562,870)
Total	**1,882,057**	**2,996,473**	**(634,767)**	**5,396,553**

Other comprehensive income

For the periods ended June 30, 2014 and 2013, other comprehensive income are detailed as follows:

Other comprehensive income	Accumulated		Quarter	
	01-01-2014 06-30-2014 ThCh$	01-01-2013 06-30-2013 ThCh$	01-04-2014 06-30-2014 ThCh$	01-04-2013 06-30-2013 ThCh$
Actuarial profit (loss) on defined benefit plans	(548,598)	(114,565)	(359,175)	(180,388)
Total	**(548,598)**	**(114,565)**	**(359,175)**	**(180,388)**

22. Third-party guarantees

Guarantees received as of period closing are detailed as follows:

Grantor	Guarantee amount ThCh$	Operation Originating	Relationship
Alstom Chile S.A.	170,404,859	Service contract	Supplier
Alstom Transport S.A.	47,673,214	Service contract	Supplier
Alstom Transporte, S.A.	27,269,606	Supply contract	Supplier
Ascensores Otis Chile Ltda.	5,224,652	Service contract	Supplier
Ara Worleyparsons S.A.	1,064,886	Work contract	Supplier
Abengoa Chile S.A.	53,731,879	Service contract	Supplier
Acciona Infraestructura S.A.	3,396,556	Seriousness/offer	Supplier
Brotec Construcción Ltda.	1,076,130	Work contract	Supplier
Balfour Beatty Chile S.A.	4,017,203	Work service contract	Supplier
Bravo Energy Chile	1,667,962	Service contract	Supplier
Consorcio Constructor Linea 3	11,448,515	Supply contract	Supplier
Constructora Con Pax S.A.	4,298,012	Service contract	Supplier
Consorcio El-Ossa S.A.	20,881,263	Work contract	Supplier
CAF Chile S.A.	121,852,669	Service contract	Supplier
Cons.Constr.Piq.yTuneles Lin	2,320,655	Work contract	Supplier
Const.y Auxiliar de Ferrocarriles	60,215,907	Service contract	Supplier
Esert Serv.Integrado de Seguridad	1,408,288	Service contract	Supplier
ETF	20,870,188	Service contract	Supplier
Eme Serv. Generales LTDA.	1,201,181	Service contract	Supplier
Empresa Constructora Metro 6 L	101,838,249	Work contract	Supplier
Eulen Seguridad S.A.	1,225,180	Service contract	Supplier
Flesan S.A.	1,249,797	Seriousness/offer	Supplier
Faiveley Transport Far East Li	5,326,118	Supply Puertas And.	Supplier
Ferrovial Agroman Chile S.A.	14,041,711	Seriousness/offer	Supplier
GPMG Ingeniería y Construcción	2,132,846	Work contract	Supplier
Icafal Ingenieria y Construcción	1,076,130	Work contract	Supplier
Inabensa S.A.	3,403,185	Service contract	Supplier
Indra Sistemas Chile S.A.	5,282,976	Service contract	Supplier
ISS Servicios Integrales LIMIT	5,380,271	Service contract	Supplier
Ingen. Maquinaria y Construcción	4,031,825	Work contract	Supplier
Ingenieria y Desarrollo Tecnologico	1,418,402	Service contract	Supplier
Ingenieria Siga- Poch Limitada	1,386,809	Service contract	Supplier
JC Decaux Chile S.A.	1,203,451	Service contract	Supplier
Soc.Const.Jorge Orellana L.y C	2,201,560	Supply contract	Supplier
Sait France SAS	1,043,347	Work contract	Supplier
SGS Chile Ltda. Soc.de Contro	3,321,130	Service contract	Supplier
Soc.de Mant.e Instalac.Tecnicas	2,278,140	Service contract	Supplier
Obrascon Huarte Lain S.A Agenc.	31,981,912	Work contract	Supplier
Servicios de Aseo y Jardines M	2,079,500	Service contract	Supplier
Systra	2,009,609	Service contract	Supplier
Salinis Spa Chile	6,792,358	Service contract	Supplier
Siemens S.A.	93,407,620	Service contract	Supplier
Thyssenkrupp Elevadores S.A.	6,399,218	Service contract	Supplier
Thales Comunications & Segurity	865,553	Service contract	Supplier
Thales Canada Inc.	15,146,769	Service contract	Supplier
Others	28,969,219	Work service contract	Supplier
Total	905,516,510		

23. Risk management

The Company is exposed to several risks which are inherent to the activities that are carried out in the public passenger transportation services, in addition to risks of an economic and financial nature associated to changes in market conditions or fortuitous or force majeure cases, among others.

23.1 **Description of the market in which the company operates**

The main market in which the Company participates is that of public transportation of passengers in the Metropolitan Region of Santiago and is composed of users seeking a quick and safe journey.

Secondary activities to the Company's main line of business include collection of transportation fees and sale of means of payment (Tarjeta Bip! and tickets), leasing of advertising spaces, and leasing of business premises at the network stations, among others.

- ✓ Rates

On February 10, 2007, the Company became part of the Integrated Public Passenger Transportation System of Santiago, or Transantiago, and its fare revenues was originally based on the effectively confirmed number of passengers transported and the technical tariff established in Exhibit 1 of the Tender Documents for the Use of the Thoroughfares of the City of Santiago.

On December 14, 2012 a new transportation agreement was signed by the Company with the Ministry of Transportation and Telecommunications of Chile to replace the aforementioned Exhibit 1, which established a flat-rate technical tariff of Ch$302.06 per confirmed transported passenger, taking September 2012 as a base, and which is updated monthly by the indexation polynomial, included in this new agreement, which takes into consideration the variation of the variables that compose the Company's long-term cost structure (CPI, US dollar, euro, price of power and electric energy). This allows for a natural match in case of cost variations, due to an increase in any of the variables that compose the polynomial.

The fare paid by the public is different than the one received by the Company per transported passenger. In June 2014, customers paid Ch$690 at peak hours, Ch$630 at valley hours and Ch$580 at low hours, while, on average the Company received a technical tariff of Ch$331.56 per passenger on that month.

As from July 1, 2013 starts the new contract between the Ministry of Transportation and Telecommunication of Chile and Metro S.A. to provide additional services of emission and aftersales and of commercialization and charging of the public passenger transport system of Santiago.

- ✓ Demand

To date, the Company is the structuring pillar of the Integrated System of Public Passengers Transportation (Transantiago) and during the period from January to June 2014 reached a level of 2.48 million trips on a business day.

The risk related to the demand of Metro passengers is mainly associated to the country's level of economic activity, level of employment and quality of the ground passenger transportation service (buses). In fact, the demand for passenger transportation is derived from the rest of the economic activities. During the period from January to June 2014, we noted an increase of 6.4 million trips, in comparison to the same date in 2013, explained mainly by an 8.2% increase in affluence during March, due to a higher amount of working days in those months and the less amounts of holidays during the same month during 2013.

23.2 Financial risks

The main risks to which the Santiago metro is exposed to and which arise from financial assets and liabilities are: market risk, liquidity risk and credit risk.

In loans with financial institutions, the nominal rate is similar to the effective rate since there are no additional transaction costs to be considered.

✓ Market risk

The technical tariff received by the Company is updated monthly by the indexation polynomial which takes into consideration changes in the variables that compose the Company's long-term cost structure (CPI, US dollar, euro, price of power and electric energy). This allows for a natural hedge in case of cost variations due to an increase in certain variables that compose the polynomial.

To reduce the Company's exposure to financial debt denominated in US dollars and to interest rate changes, the Company has a financial risks economic hedge policy. In the framework of this policy, the Company performed derivative transactions (Cross Currency Swap ("CCS")) in the amount of MUS$159 as of June 30, 2014 (balance of MUS$179 as of December 31, 2013), which do not meet the hedge accounting criteria.

In February 2014, the Company placed bonds in the international financial market for the first time for an amount of MUS$500 at a rate of 4.85%, highlighting the high degree of participation from the foreign investors, which reached an oversupply of 7.6 times the collocation amount.

Particularly, the Company is exposed to two market risks, which are: interest rate risk and foreign currency translation risk.

✓ Interest rate risk

Market risks include possible changes in the Libor rate, affecting foreign loans obtained by the Company at variable rates.

In order to mitigate the risks of interest rate fluctuation, the Company has entered into derivative transactions (cross currency swaps) and placed UF and USD$-denominated bonds in at a fixed rate.

As of June 2014, the share of the debt at a variable rate has decreased a 4.8% in comparison to as of December 2013, mainly because of the US$ fixed-rate international bond placement, as shown in the following table:

Debt composition	06-30-2014 %	12-31-2013 %
Fixed rate	88.4	83.6
Variable rate	11.6	16.4
Total	100.0	100.0

When we analyze the sensitivity as of June 30, 2014 on the net debt at a variable Libor rate, not hedged by current derivatives, which amounts to MUS$304, we note in the following table, the effect on income in a scenario where the Libor rate is increased by 100 base points, would be an annual increase in finance expenses in the amount of MUS$3.0.

Sensitivity analysis	Equivalent in MUS$	Total %
Total debt (equivalent to MUS$)	**2,624**	**100%**
Debt at LIBOR rate	367	
IRS	96	
CCS	(159)	
Total variable LIBOR rate debt	**304**	**12%**
Total fixed rate debt	**2,320**	**88%**

Variation in financial expenses	Equivalent in MUS$
Impact on financial expenses of a variation of 100 base points in LIBOR	3.0

- ✓ Exchange rate risk

The following table shows the composition of the Company's debt, expressed in millions of US dollars (considers current derivatives transactions):

Financial debt structure	06-30-2014 Equivalent in MUS$	%	12-31-2013 Equivalent in MUS$	%
Debt UF	1,704	65%	1,769	78%
Debt US$	920	35%	490	22%
Total financial debt	**2,624**	**100%**	**2,259**	**100%**

The structure of the financial debt as of June 30, 2014, is mainly denominated in UF (65%) and in US dollars (35%).

This is in line with the operating flows of Metro, given the adjustment formula, which updates the Company's technical tariff in case of changes in the US dollar and the Euro, in addition to other variables, which produces a natural hedge in long-term operating cash flows.

When we analyze the sensitivity of the comprehensive income statement as of June 30, 2014, in case of a possible 10% depreciation/appreciation of the Chilean peso in respect to the US dollar, leaving all the rest of the parameters constant, we estimate that a loss or profit of ThCh$35,624,379 would be generated.

Sensitivity analysis Effect on profit or loss as of March 2014	10% depreciation ThCh$	10% appreciation ThCh$
Impact on profit or loss of 10% in the Ch$/US$ exchange rate	(35,624,379)	35,624,379

✓ Liquidity risk

Income from tariffs associated with Metro passenger transportation, based on the new transport contract, are discounted daily from the funds collected by the Company's sales channel, generating the liquidity necessary to cover the Company's commitments. This income corresponds to 80% of total revenue.

Additionally, the Company has duly approved bank credit lines, which reduces liquidity risk.

The expiration of interest bearing debt, by terms, separated in principal and interest payable, is detailed as follows:

	Up to 1 year ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	Total ThCh$
Capital	84,123,303	260,486,121	103,529,176	1,002,301,375	1,450,439,975
Interest	62,154,385	171,610,391	98,078,319	279,896,076	611,739,171
Total	**146,277,688**	**432,096,512**	**201,607,495**	**1,282,197,451**	**2,062,179,146**

✓ Financial liability structure

The Company’s financial debt classified by maturity is presented as follows.

Financial liabilities	06-30-2014				
	Up to 1 year ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	Total ThCh$
Bank loans	70,676,900	196,146,097	33,817,732	20,207,671	320,848,400
Bonds	33,729,546	64,523,422	65,311,498	987,587,019	1,151,151,485
Derivative transactions	638,632	962,354	1,849,998	-	3,450,984
Total	**105,045,078**	**261,631,873**	**100,979,228**	**1,007,794,690**	**1,475,450,869**

Financial liabilities	12-31-2013				
	Up to 1 year ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	Total ThCh$
Bank loans	89,847,634	197,236,384	39,400,097	25,265,851	351,749,966
Bonds	25,827,031	58,778,950	56,504,514	712,367,703	853,478,198
Derivative transactions	693,359	4,326,407	388,221	-	5,407,987
Total	**116,368,024**	**260,341,741**	**96,292,832**	**737,633,554**	**1,210,636,151**

In general, the Company's debt structure is composed mainly of long-term bank bonds and loans, focusing on ensuring financial stability and improving matching with the maturity period of the Company's assets.

Carrying amounts and market value of the debt in loans and bonds of the Company as of June 30, 2014 is detailed as follows:

	Carrying amount ThCh$	Market value ThCh$
Loans	320,848,400	325,303,830
Bonds	1,151,151,485	1,283,254,493

✓ Credit risk

The Company's credit risk arises from its exposure to its counterparties in a certain contract or financial instrument which may not fulfill its obligations. Thus, it considers both credit granted to customers and financial assets in portfolio.

Accounts receivables

The risk of accounts receivable arising from commercial activities (passenger transportation) is limited, since 80% of the revenue received by the Company is received daily in cash, whereas the remaining 20% corresponds to income not related to the main business.

The maximum exposure to credit risk arises from commercial debtors.

Trade and other receivables	Balance as of	
	06-30-2014 ThCh$	12-31-2013 ThCh$
Trade receivables, gross	4,992,728	4,759,813
Impairment of trade receivables	(1,090,841)	(927,135)
Trade receivables, net	**3,901,887**	**3,832,678**
Sales channel accounts receivable, net	5,866,204	5,258,068
Other account receivable, net	1,056,866	1,337,153
Total trade and other receivables	**10,824,957**	**10,427,899**

Accounts receivable correspond mainly to business premise leases, advertising and invoices receivable, with low default rates. In addition there are no customers with significant balances in relation to total accounts receivable.

Impairment of accounts receivable is determined using the legal reports issued by the Company´s legal department, considering the level of default of the account and the judicial collection and non-judicial collection measures taken.

Analysis of accounts receivable based on age is detailed as follows:

Aging of trade receivables, net	Balance as of	
	06-30-2014	12-31-2013
	ThCh$	ThCh$
Less than 3 months	2,208,507	2,500,164
From 3 months to 1 year	1,169,919	973,483
Over 1 years	523,461	359,031
Total	**3,901,887**	**3,832,678**

Aging of sales channel accounts receivable, net	Balance as of	
	06-30-2014	12-31-2013
	ThCh$	ThCh$
Less than 3 months	5,866,204	5,256,774
From 3 months to 1 year	-	1,294
Total	**5,866,204**	**5,258,068**

Aging of other account receivable, net	Balance as of	
	06-30-2014	12-31-2013
	ThCh$	ThCh$
Less than 3 months	274,762	1,256,181
From 3 months to 1 year	782,104	80,972
Total	**1,056,866**	**1,337,153**

Financial assets

The level of exposure of financial assets to risk is established in the Company's financial investment policy.

As of June 30, 2014 and December 31, 2013, this caption comprises the following:

Financial assets	06-30-2014			
	Up to 1 year ThCh$	1 to 5 years ThCh$	Over 5 years ThCh$	Total ThCh$
Cash and cash equivalents				
Cash	2,245,271	-	-	2,245,271
Term deposits	132,272,404	-	-	132,272,404
Reverse repurchase agreements	1,912,996	-	-	1,912,996
Subtotal	**136,430,671**	**-**	**-**	**136,430,671**
Other financial assets				
Financial investments	223,857,785	-	-	223,857,785
Derivative transactions	747,890	4,492,214	898,443	6,138,547
Financial lease	101,711	191,979	1,416,753	1,710,443
Promissory notes receivables	-	377,018	-	377,018
Subtotal	**224,707,386**	**5,061,211**	**2,315,196**	**232,083,793**
Total	**361,138,057**	**5,061,211**	**2,315,196**	**368,514,464**

Financial assets	12-31-2013			
	Up to 1 year ThCh$	1 to 5 years ThCh$	Over 5 years ThCh$	Total ThCh$
Cash and cash equivalents				
Cash	1,992,011	-	-	1,992,011
Term deposits	113,025,451	-	-	113,025,451
Reverse repurchase agreements	9,260,353	-	-	9,260,353
Promissory notes Central Bank	5,001,255	-	-	5,001,255
Subtotal	**129,279,070**			**129,279,070**
Other financial assets				
Financial investments	68,347,854	-	-	68,347,854
Derivative transactions	776,236	4,329,685	1,298,906	6,404,827
Financial lease	27,132	182,216	1,344,700	1,554,048
Promissory notes receivables	-	359,408	-	359,408
Subtotal	**69,151,222**	**4,871,309**	**2,643,606**	**76,666,137**
Total	**198,430,292**	**4,871,309**	**2,643,606**	**205,945,207**

The average period of maturity of financial investments as of June 30, 2014 is less than 90 days and they are invested in banks. None of them are a significant percentage with respect to others.

The above is due to the Company's financial investment policy, which focuses on reducing the risks through diversifying the portfolio, establishing maximum limits to be invested by each bank, together with considering minimum risk ratings by each issuer.

23.3 Capital risk management

Pursuant to capital management, the Company seeks to maintain an optimal capital structure reducing its cost and ensure its long-term financial stability, together with ensuring compliance with its financial obligations and covenants established in the debt contracts.

Through the Extraordinary Shareholders' Meeting the Company year after year capitalizes Government contributions and capital associated to the financing of its expansion projects.

The Company follows up on the capital structure through debt and equity ratios, which are detailed below:

Concepts	06-30-2014	12-31-2014
Leverage	0.94	0.72
Equity (MCh$)	1,767,745	1,821,316

23.4 Commodities risk

- ✓ The Company's commodities risk factors include the supply of electric energy it requires for its operation and the need for continuity of service, in case of possible supply interruptions. In this respect, the Company has a supply system that allows it to decrease exposure in case of supply interruption by having two points of direct connection to the Central Interconnected System (SIC), which supply Lines 1, 2 and 5, as well as two points for supplying Line 4.

- ✓ In addition it should be noted that the electric energy supply systems are redundant and in the event either fails, there is always a back-up to ensure the Company maintains the energy supply for the operation of the network in a normal manner.

  The operating control systems are designed with redundant criteria, i.e. they operate on stand-by, therefore in case of absence of one of the systems, the other begins operating immediately, maintaining the normal operation of the network.

- ✓ In the case of Lines 1, 2 and 5, if there is an interruption in the SIC, the distribution company has defined replacement of the supply that feeds the civic neighborhood of Santiago as a first priority, which allows the Metro network to have energy almost immediately, since Metro is supplied by the same sources.

Likewise it should be noted that in March 2014, the Company signed the Energy and Power Contract with distributor Enorchile S.A., which is in effect as of April 1, 2014 and allows the Company to ensure the current network's supply of electric energy for a period of 3 years (up to March 31, 2017).

23.5 Risk due to unforeseen events or force majeure

In addition to the above, the Company has risk management and control policies where the possible events related to the actions of nature or third parties which could affect the Company's operations are analyzed, for which there are emergency plans that are reviewed and updated periodically.

24. Environment

Disbursements related to improvements and/or investments that directly or indirectly affect protection of the environment, for the periods ended as of June 30, 2014 and 2013 are detailed as follows:

Concept	Allocated to expenses		Quarter variation	
	01-01-2014 06-30-2014 ThCh$	01-01-2013 06-30-2013 ThCh$	04-01-2014 06-30-2014 ThCh$	04-01-2013 06-30-2013 ThCh$
Noise and vibrations	-	30,850	-	28,845
Waste treatment	8,224	4,110	7,417	1,036
Run-off w ater	52,807	50,966	26,640	25,516
Environmental management	5,877	111,968	-	5,085
Monitoring of polluting parameters	8,008	-	-	-
Total	**74,916**	**197,894**	**34,057**	**60,482**

Concept	Allocated to fixed assets		Quarter variation	
	01-01-2014 06-30-2014 ThCh$	01-01-2013 06-30-2013 ThCh$	04-01-2014 06-30-2014 ThCh$	04-01-2013 06-30-2013 ThCh$
Noise and vibrations	36,468	5,209	23,638	5,209
Waste treatment	3,529	-	-	-
Environmental management	794,826	-	183,865	-
Total	**834,823**	**5,209**	**207,503**	**5,209**

An amount of ThCh$1,016,101 has been committed to these items in the future.

25. Sanctions

During 2014 and 2013, the Company has not been sanctioned by the SVS or any other supervising entity.

26. Subsequent events:

During the period between July 1 and August 11, 2014, the following subsequent event occurred:

By letter No. 347 on July 15, the shareholders reported that as agreed by the Board of Directors at their meeting held on July 14, an Extraordinary General Meeting of Shareholders has been scheduled to take place on August 6, 2014 at 11.00 a.m, in the Company's offices, with the purpose of discussing the capitalization of the fiscal contribution for up to ThCh$52,200,000.