METRO DE SANTIAGO

2015 Annual Report

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OUR COMPANY

1.1. Corporate Identification Information

Company Name:	Empresa de Transporte de Pasajeros Metro S.A.
Business Name:	Metro S.A.
Company Type:	Public Limited Company
Address:	Avda. Libertador Bernardo O'Higgins No. 1414, Santiago
ID No.:	61.219.000-3
National Securities Registry:	NO. 0421, September 22,1992
Independent Auditors:	KPMG Auditores Consultores Ltda.

Incorporation Documentation

Law No. 18,772, published in the Official Gazette on January 28th, 1989, establishes the regulations to turn *Dirección General de Metro*, under the purview of Ministry of Public Works, into a public limited company. Law No. 18,772 was amended by Article 55 of Act No. 18,899, published in the Official Gazette on December 30th, 1989, and by Article 3º, letter a), of Act No. 19,046, published in the Official Gazette on February 20th, 1991.

Incorporation: public deed dated January 24th, 1990 executed before Raúl Undurraga Laso, Notary Public.

An excerpt thereof was published in the Official Gazette on January 25th, 1990, and amendments were published in the Official Gazette on January 26th, 1990.

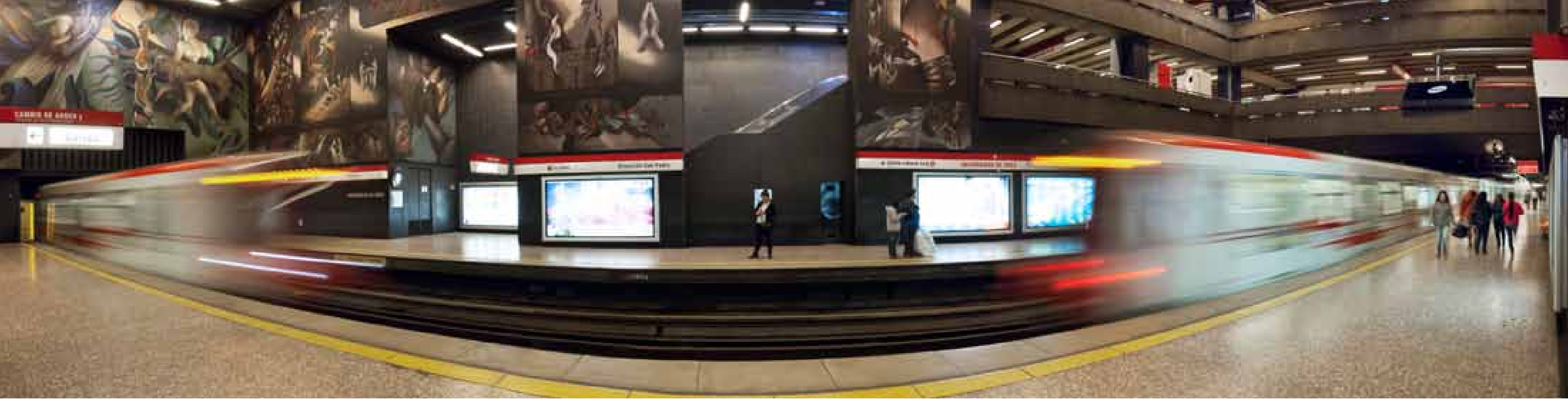
Registration: The Company was registered on January 25th, 1990 on page 2,681, under No. 1,427 of the Trade Registry at the Santiago Office of Property Registration.

Addresses

Corporate Headquarters:	Avenida Libertador Bernardo O'Higgins No. 1414
City:	Santiago, Chile
Municipal District:	Santiago
Telephone:	+56 2 2937 3000 - +56 2 2937 2000
Website:	www.metro.cl
E-mail:	comunicaciones@metro.cl

Workshops

Neptuno:	Avda. Dorsal No 6252
Municipal District:	Lo Prado
Telephone:	+56 2 2937 2490
Lo Ovalle:	Callejón Lo Ovalle No 192
Municipal District:	San Miguel
Telephone:	+56 2 2937 2975
San Eugenio:	San Eugenio No 997
Municipal District:	Ñuñoa
Telephone:	+56 2 2937 2979
Puente Alto:	La Balanza No 1018
Municipal District:	Puente Alto
Telephone:	+56 2 2937 7357



1.2. Our History

In 2015, Metro commemorated 40 years of operations. Over the last four decades, the underground train has grown and expanded alongside Santiago and the city's inhabitants, thereby becoming part of its history. On average, Metro makes more than two million rides daily and more than 60% of all commutes in Santiago involve the Metro.

1968: On October 24th, Eduardo Frei Montalva, President of the Republic, signed the decree that gave birth to *Metro de Santiago*, a important means of transportation in the history of Chile. The Administration commissioned the Planning Department of the Office of Public Works with the project.

1969: On May 29th, works began on the San Pablo–La Moneda section of Line 1 and the Neptuno Workshop, marking the beginning of a subway network that originally consisted of five lines for a total length of approximately 80 kilometers.

1975: May 15th marked the beginning of the commissioning period, with the first train rolling down the tracks between San Pablo and Central Station.

In September, Metro de Santiago officially opened its doors and began operations on lines running between the San Pablo and La Moneda stations. During the first few months of operations people would visit Metro's facilities to look around, ride on the escalators and marvel at the modern, clean, high-tech venue.

1977: The first network expansion was commissioned in March, extending Line 1 to the Salvador Station.

1978: Line 2 from the Los Heroes to Franklin Stations was opened, resulting in an additional six stations on December 21st that same year up to Lo Ovalle Station.

1980: Extension works on Line 1 were completed up to the Escuela Militar station, resulting in a total network of 25 kilometers.

1987: On September 15th, two new stations were added: Santa Ana and Mapocho. The name of the latter was subsequently changed due to the remarkable discovery of the remains of the *Cal y Canto* Bridge during ensuing excavations. This bridge was a flagship construction for over a century in the city.

August marked the beginning of the Metrobus system, with 11 bus lines departing from the Escuela Militar, Lo Ovalle and Las Rejas stations.

1989: In January, Act 18,772 was enacted, whereby *Dirección General de Metro*, so far under the purview of the Ministry

of Public Works, became a public limited company, whose shareholders were *Corporacion de Fomento de la Producción* (Corfo) (Chilean economic development agency) and the State, represented by the Ministry of Finance.

1990: Starting in 1990, Metro de Santiago implemented a cultural affairs policy, which would make the company unique benchmark in art promotion and endorsement in our country.

1993: The first MetroArte project was formalized by public art exhibitions at Metro stations. The first show entitled “Interior Urbano” by Hernán Miranda, was placed on display at the Universidad de Chile station.

1996: An agreement between the Council on Libraries, Archives and Museums (Dibam) and *Metro de Santiago*, the BiblioMetro initiative took off, a book lending system comprising of several booths located at different stations with a view to promoting reading among Metro users.

1997: The first section of Line 5 was opened in April, running from Vicuña Mackenna Av. Stop No. 14 (Bellavista de La Florida station) up to Plaza Italia (Baquedano station), for a total length of 10.3 kilometers.

1998: In February, the company began expansion works on Line 5 up to the Santa Ana station. The method used in this project was the NATM (New Austrian Tunneling Method), consisting of inter-station and station tunneling, that is, no surface excavations were conducted, thereby minimizing disturbance in the community and making works more efficient.

1999: In keeping with its commitment to make the most diverse artistic expressions available to all Chileans, Metro de Santiago created the MetroArte Cultural Trust (Corporación Cultural MetroArte).

2000: Three new stations running through Santiago’s historic district were opened on March 21st on Line 5: Bellas Artes, Plaza de Armas and Santa Ana stations, connecting Line 5 with Line 2. At the time, Metro’s ridership amounted to one million passengers per day along its 40.4 kilometers and 52 stations.

2002: As announced one year earlier, construction began on Line 4 to Puente Alto, connecting 11 municipal districts and serving more than one million inhabitants.

2004: On March 31st, the westbound expansion of Line 5 was opened, thereby adding two new stations, Cumming and Quinta Normal. The underground crossing of the Mapocho River completed on September 8th became a new landmark, in order to commission two new stations named Patronato and Cerro Blanco on the northbound track of Line 2.
On December 22nd, the El Parrón and La Cisterna stations on Line 2’s southbound track began operations. This expansion process also involved intermodal or hub stations that improved the connectivity between the underground train and other means of transportation, mainly buses. Nowadays, these facilities are also available at the Vespucio Norte, Pajaritos, La Cisterna, Lo Ovalle and Bellavista de La Florida stations.

2005: On November 25th, the Cementerios and Einstein stations were commissioned on Line 2’s northbound track. Meanwhile,

on November 30th, the first section of Line 4 was opened. It comprised an underground stretch between the Tobalaba and Grecia stations and an elevated railway between Vicente Valdés and Plaza de Puente Alto.

2006: The last section of Line 4 was opened in March, finally connecting the Puente Alto and Tobalaba stations. Up until then, that was the longest stretch of the entire subway system running 24.7 kilometers with 22 stations, connecting the districts of Providencia, Ñuñoa, La Reina, Peñalolén, Macul, La Florida and Puente Alto.

The Line 4A opening was conceived as a supplement to Line 4, which allowed Metro to connect lines 2 and 4 as of that year. Finally, the section between the Dorsal and Vespucio Norte stations was added in order to complete the Line 2 expansion to date.

2007: The City of Santiago's new transit system, Transantiago, was inaugurated in 2007, with Metro serving as the backbone for Santiago residents' commuting needs. Consequently, new users came on board, doubling Metro's demand and social profitability. Expansion works on Line 1 eastbound and Line 5 westbound began simultaneously, as well as construction of the new San José de La Estrella Station on Line 4.

2008: During the year of Metro's 40th anniversary, the Vespucio Norte intermodal station was inaugurated, and the first bicycle storage racks (BiciMetros) and SubCentro underground shopping district were opened at the Escuela Militar Station. In terms of operations, the Metro Expreso service hours were extended along Line 4 and the system was also implemented on Line 5. Green and Red routes were launched in 2007. That same year, the Chilean Transportation Engineering Society presented Metro with an award for the best Transportation System Intervention, in recognition of this measure.

2009: In November, in the midst of a major consolidation phase, the company inaugurated the San José de La Estrella Station (in La Florida district) on Line 4.

2010: Three new stations: Manquehue, Hernando de Magallanes and the Los Dominicos terminal were added to the eastern end of the line. The first section of Line 5 expansion up to Pudahuel entered into operation, adding five new stations: Gruta de Lourdes, Blanqueado, Lo Prado, San Pablo and Pudahuel.

2011: Line 5 expansion was opened in February with seven new stations: Barrancas, Laguna Sur, Las Parcelas, Monte Tabor, Del Sol, Santiago Bueras and Plaza de Maipú, for a total of 8.6 kilometers.

Line 5 demand (Quinta Normal – Plaza de Maipú) is estimated at 80 million rides annually or 300,000 a day.

In July, the company announced the layout of two new lines: Lines 3 and 6. Scheduled for completion in 2017 and 2018, respectively, this expansion is the consolidation of the most ambitious project by Metro de Santiago, representing the integration of five new districts to the network and improved travel performance.

Early engineering works and technical processes began for the development of the new lines.

2012: Metro began on-site works for Lines 3 and 6 by officially opening preliminary works in various districts of Santiago. Citizens were involved in the process as required by the Environmental Impact Declaration for Shafts and Drives.

As a clear sign of service improvement and in keeping with citizen demands, the first trains with air-conditioning started operating on Line 1 during the second semester.

2013: The tunneling and drives excavation phase began on the Lines 3 and 6 Project.

The contract for trains and a modern driving control system was awarded.

Metro is responsible for managing the prepaid card (bip!) for the entire transit system citywide. In December 2012, the company signed a contract with the Ministry of Transportation and Telecommunications appointing Metro as the sole operator of the bip! card until 2019. Transantiago Financial Administrator (AFT) originally performed this task. The formal handover began on July 1st, 2013 and by September of that same year Metro has assumed full control.

2014: During 2014, the most challenging project in the history of Metro, i.e., construction of Lines 6 and 3, continued its progress: bidding processes were completed for the construction of tunnels, shafts and drives, as well as most of the main system components.

Furthermore, in order to fund the construction of Lines 3 and 6, as well as other improvements to the existing network, Metro successfully carried out its first bond placement on the international market amounting to US$500 million. This operation was formalized in New York. Additionally, in December Metro signed the largest international banking contract for a total of US$800 million, with BNP Paribas and Sumitomo Mitsui acting as agent banks for the operation.

In December 2014, Metro de Santiago published its High-Impact Failure Improvement Management Plan in order to minimize the impact its service shutdowns were having on its ridership and the city. This plan is framed by the company's new administrative approach.

Fed by in-house studies, suggestions issued by the Committee of Experts, worker input and international best practices, this initiative aims to reduce the failure rate and time required to bring the Metro service back on line when these situations arise. The initiative entails short- and medium-term actions in maintenance, operations and passenger communications.

2015: the Company focused on improving the reliability of its services. In keeping with its Improvement Plan, Metro worked on bringing down its breakdown rate. As a result of these efforts, the company successfully cut its high-impact failure rate in half, which, in turn, softened the impact on customers, resulting in quicker service restitution time when facing contingencies.

Thanks to this effort the company's prestige and reputation indicator rebounded by 28%, according to the GFK Adimark

Image and Positioning survey conducted in December, which reported a rate of -1% in December 2014 and 27% in December 2015.

This shows a substantial improvement in the community's perception of the company's image. Additioanlly, more than 400 new bip! Card loading points were added to the Full Carga network and 169 were added to the retail network. Ever since Metro took over bip! Card administration, it has endeavored to improve and expand card coverage by redistributing card loading points throughout high-traffic areas and adding new payment methods to the system such as Webpay. This ongoing effort paid off in 2015 with more than 2,200 bip! Card points.

Construction on Lines 3 and 6 also continued to move forward and the company hit a very significant milestone when it connected all Line 6 tunnels. During the period that company also reinforced its community relations management plan by focusing on being actively involved in the various municipalities that will soon be part of the Metro network through the new lines, not to mention the municipalities currently involved in today's operations. More than 400 activities were carried out in these municipalities over the year.

Regarding cultural events, the Mario Toral mural entitled "Visual Memory of a Nation" was finally completed and included a painting alluding to the case of burn victims, entitled "The Martyrdom of Carmen Gloria Quintana and Rodrigo Rojas."

1.3. Metro's Strategic Priorities

Metro defined the following four strategic areas of action for 2015:

In keeping with these strategic areas, nine corporate strategic projects were identified to enable Metro to meet its strategic objectives. The Executive Committee reviews these projects on a monthly basis and project performance is intertwined with organization-wide company targets.

OE
- **Regain Operational Excellence**
- Optimize Operations and Maintenance processes.
- Implement high-impact failure improvement plan.

PM
- **Project Management on time, on budget and in form**
- Develop Project P63.
- Implement the Line 2 & 3 Extension Development Plan and assess Network impact.

OH
- **Make Organizational Health the basis for an inclusive and motivating company culture**
- Implement a Collaborative Management Model.
- Implement a new Labor Relations Model.

FS
- **Financial Sustainability**
- Define a Non-Tariff Revenue Development Strategy
- Lock in a long-term efficient energy supply model as of 2017.
- Work toward a sustainable technical tariff.

1.3.1. Mission, Vision, and Values

Mission and Vision

Since beginning operations forty years ago, Metro has taken on many tasks and challenges in keeping with its sense of duty regarding Chile's development and individuals' quality of life. A mere few thousand of us move millions, and we are committed to doing our very best to provide quality services that make Santiago a better place to live.

The company's mission and vision are defined as follows:

MISSION

To guarantee a sustainable, efficient, high-quality, reliable and safe travel experience on electric means of transportation, in our role as a backbone of the public transit system.

Additionally, to provide services which contribute to the company's profitability in order to fund its expansion and improve citizens' quality of life by wisely using public resources.

VISION

To be a state-owned company respected for its efficiency, safety and commitment to the environment and society.

To be a company capable of attracting very good talent and for being known for our merit-based talent management approach.

Our Values

Our values are based on five core principles. These values help us reinforce the decisions and actions adopted by all company employees; they are complementary in nature and reflect who we are as Metro personnel and what we aspire to become. These values are summarized as follows:

- Customer care: we strive to be one of the best service-based companies in the country.
- Safety and security: Your safety comes first.
- Efficiency: We want to be a global benchmark for underground trains.
- Collaboration: We meet our goals faster when we work together.
- Transparency: Transparency is at the core of all our actions.

1.4. Industrial Sector

The company operates in the Greater Santiago passenger mass transit market, which consists of individuals looking for a quick and safe way to get around the city. At present, more than 60% of all public transit trips in Santiago involve Metro.

In addition, as of July 2013, Metro took full responsibility for managing credits made to the bip! card under the system, adding street-level reloading stations to the underground card-loading network.

The company also operates in other areas: renting advertising space, leasing retail premises and commercial space, and a new international consulting business area.

1.5. Activities and Business

1.5.1. Corporate Objective

Law No 18,772 from 1989, passed by way of an amendment to Article 55 of Law No. 18,899 and Article 3, Paragraph A, of Law No. 19,046 from 1991, established the regulations to transform Metro's General Management into a public limited company. In keeping with said regulations, by way of a public deed dated January 24th, 1990 executed before Santiago Notary Public Raúl Undurraga Laso, the Chilean Treasury and the Corporación de Fomento de la Producción (CORFO) formed Empresa de Transporte de Pasajeros Metro S.A..

Pursuant to the legal authority vested in the text constituting the company's by laws, Article Two defines the company's corporate objective as "to carry out all activities pertaining to passenger transit service on metropolitan railways or other supplementary electric means and those connected to such lines of business."

Broadened Scope of Business

On November 30th, 2015, Law No. 20,877 was published in the Official Gazette, providing for improvements to the fare-based public passenger transit system, and authorizing Metro S.A. to expand its scope to business to include the provision of street-level transit services by bus or by any other vehicle technology.

Pursuant to the new regulations, Metro's corporate objective was amended as such: "to carry out all activities pertaining to passenger transit service on metropolitan railways or other supplementary electric means, and the provision of street-level transit services by bus or by any other vehicle technology, in addition to activities connected to such lines of business, thereby entitling Metro to set up or take part in companies and perform any action or operation related to its social purpose. However, pursuant to that which is set forth under Article 2, Law No. 18,772, the company shall not give up nor transfer any ownership rights over its main line of business which are the transportations services it currently renders on the Metro de Santiago tracks or tracks built exclusively by this company.

Regarding street level transportation services, the company may provide public passenger transit services under a concession for use of tracks as provided under Law No. 18,696 or another modality, directly or indirectly through a related company or subsidiary, under the terms established in the paragraph hereinabove."

Metro's scope of action is within the Santiago Metropolitan Region, specifically, Greater Santiago, where it carries out the following business:

1.5.2. Network Operations

Transportation: Passenger transit on Lines 1, 2, 4, 4A and 5 of Metro's network.

Non-fare Related Business: Non-fare business accounted for 21% of the company's total income in 2015.

The growth and operation of non-fare related business lines have provided the community with numerous benefits and services, resulting in greater wellbeing, more business, and services that boost our customers' riding experience.

The following is a list and description of Metro S.A.'s non-fare businesses:

Retail Space: retail and store space are leased throughout Metro's network consisting of over 300 stores, primarily mini-markets, bakeries, fast food, services, etc.

Advertising: This business makes use of Metro's infrastructure and trains as advertising venues seen by a wide audience with broad coverage. JCDecaux and SubTV are responsible for managing and marketing static and dynamic advertising, respectively.

Telecommunications: Technology-related business, i.e., antennas and equipment providing indoor and outdoor coverage throughout Metro's network, fiber optics in our network piping, and free Wi-Fi hotspots for our users.

Services and ATMs: These make space inside Metro's network profitable by placing vending machines, ATMs, pay phones and mobile phone recharge kiosks at Metro facilities in order to provide our customers with more services.

Land Leases: Provide the company a profit from the residual land owned by Metro.

Intermodal Operations: Manage and make a profit out of intermodal connections within Metro's network.

International Consulting: This line of business was developed as a result of expertise the company has gained over 40 years of service. Metro provides support to public and private entities in charge of operating rail systems and integrating Public Transit systems. Metro provides integrated strategic and technical consulting services for all project development stages ranging from design to start up and operations. Since 2012, Metro de Santiago has promoted the development of integrated and sustainable public transit systems.

Points of Sale: Meets contractual obligations between the Ministry of Transportation and Telecommunication and Metro, in regards to issuing access cards, post sales service and operations of the reloading network for the card (bip! card) that provides users with access to Santiago's Public Passenger Transit System.

Points of Sales are responsible for manufacturing and selling the bip! card in its various formats including the *Tarjeta Nacional Escolar* (Student Discount Card)

Points of Sale manage the bip! card reloading network, both in the brick and mortar and remote channels. The brick and mortar networks is comprised of tickets counters in the Metro, and the street level card loading network which includes more than 2,200 card-loading sites broken down as follows:

- 1,715 bip! sites on the Full Carga network.
- 180 bip! sites on the Servipag and ServiEstado networks
- 75 bip! centers on the Servipag, ServiEstado and Full Carga networks.
- 169 additional retailers who joined the ranks in 2015

1.5.2. Operación de la Red

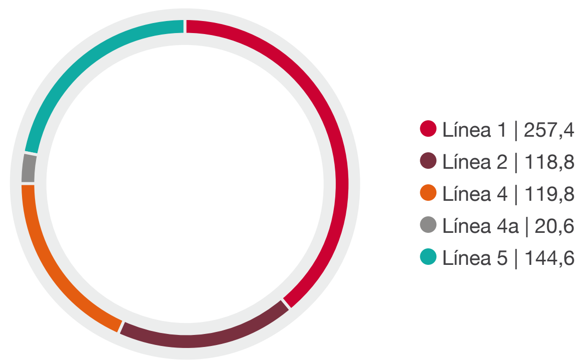
Afluencia

En el año 2015 la afluencia de pasajeros en la red alcanzó a 661,2 millones de viajes, lo que significa una disminución de 1,0% respecto al año 2014. De ellos, un 31,0% realizó viajes en horario punta y un 69,0% en horario valle. El tren subterráneo continúa siendo el eje estructurante del transporte público capitalino.

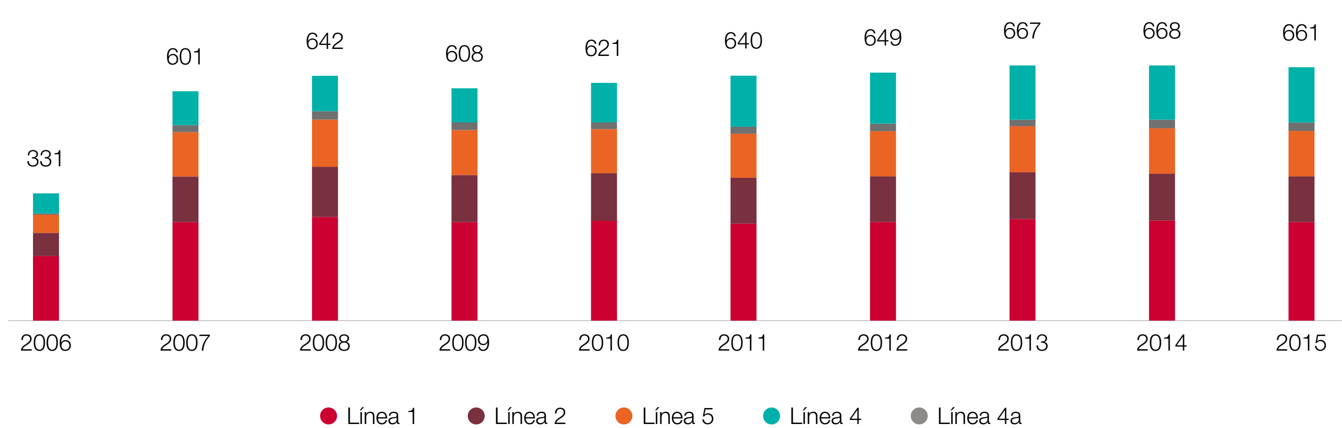
La afluencia del año 2015 se distribuyó como sigue: Línea 1: 38,9%; Línea 2: 18,0%; Línea 4: 18,1%; Línea 4A: 3,1%; y Línea 5: 21,9%. La afluencia media por día laboral, en el año 2015, llegó a 2.242 mil viajes.

En el año 2007, con la implementación del Sistema Público de Transporte Transantiago, Metro incrementó su afluencia en 81%.

COMPOSICIÓN POR LÍNEA AFLUENCIA 2015
(millones de pasajeros)



AFLUENCIAS ANUALES METRO S.A
(Millones de Viajes)



Transit Market

As far as kilometers are concerned, in 2015 more than 137.8 million car/kilometers were recorded on the network.

Meanwhile, the train breakdown index per million cars/kilometer of trains, with an impact greater than five minutes (all hours), amounted to 0.85 breakdowns/MMCkm, up 25% from last year. Nonetheless, in 2015 Metro successfully reduced its high-impact failure rate (energy-, track- and system-related failures) by 41.6%, which also brought down its customer time delay impact rate by 63.8%

1.5.3. Vendors

The table below lists Metro's top vendors in 2015:

TOP VENDORS IN 2015		
NO.	VENDORS	TOTAL IN $
1	Alstom Chile S.A.	1,595,666,078
2	Thyssenkrupp Elevadores S.A.	1,247,308,557
3	Suministros y Soluciones Técnicas S.A.	893,974,251
4	Faiveley Transport Chile Ltda.	840,451,957
5	Mersen Chile Ltda.	746,110,008
6	Compagnie Francaise de Promotion Industrielle (COFIE)	704,574,602
7	Geinse Ingeniería S.A.	670,947,519
8	Grupos Diferenciales S.A.	629,637,162
9	CAF S.A.	605,733,725
10	Ascensores Otis Chile Ltda.	358,569,988
11	Hoerbiger de Chile S.A.	296,955,058
12	Precisión Técnica y Mecánica Ltda.	235,354,130
13	Soc. Comer. y Dist. Ruiz y Cía. Ltda.	233,296,843
14	Vossloh Cogifer	225,084,024
	TOTAL	**9,283,663,902**

1.5.4. Customers

Metro's main customers are riders of Lines 1, 2, 4, 4A and 5, as well as the companies advertising in the network through JC Decaux—a company that markets advertising space on trains and at stations—and lessees of stores and retail space at stations. Additionally, since 2013 all passengers using bip! cards are among our customers

1.5.5. Trademarks and Patents

As of December 31, 2015, the company owns the following trademarks registered under various classes, with the National Industrial Property Institute of Chile:

a) "Metro", "Metrobús", "Metropolitano", "Subterráneo", "Metro a Metro", "El Ferrocarril Metropolitano", "Metrovisión", "Metropublicidad", "Metroclub", "Club Metro"; "Metromático", "El Metro te cuida, Cuida el Metro", "Metro Chile", "Metro-Chile", "Red Metro", "Metro Red", "Metropolitana", "Metro de Santiago"; "Cuentos en el Metro", "Cuentos Metro", "Cuentos Urbanos", "Cuentos Urbanos de Metro", "Cuentos Urbanos en el Metro", "Metro Cuentos Urbanos", "Metrocuentos", "Metrourbano", "Multired", "Multitrans", "Bici Metro", "Metro Bici", "Te llevo bajo la piel", "Metroboutique", "Metro, pasa por ti", "Red de Clientes Metro", "Te-Guio", "Multivia".

b) Labels: one label registered under various classes.

c) Mixed brands such as "Metro," "Metrobús," "Metrotren," "Metroexpreso," "Metrotaxi," "MetroInforma," "Metro S.A.," "MetroArte," "El Metro en la Cultura," "Metroeventos," "Metrored," "Ventana Cultural," "Metroservicios," "Metro a Metro," "Metro de Santiago," "Conozcámonos," "Metronet," "Metro Cultura," "Metroexpress," "Redmetro," "Metrocard," "Metro en la Cultura"; "Carga Fácil," "MetroTV," "Multired," "Multitrans," "TVMetro," "Metro Bici," "Te llevo bajo la piel," "Metrociudadano," "Red Bip!," "Santiago matemático un desafío entretenido."

d) Slogans such as: "El Metro te cuida, Cuida el Metro," "Metro, pasa por ti," "Metro de Santiago, pasa por ti," "Metro ciudadano pasa por ti."

Patents for Inventions

In 2015, Metro continued to process its patent applications in Europe and Venezuela for invention patents related to *Tarjeta Multivía* ("A Security and Control Device that records loading and electronic charging of fares on a contactless Card with a predefined amount in a Passenger Transit System").

Patent applications submitted in other countries for the same invention were granted in the United States, (Registration No. 7,229,016, February 9th, 2007); Mexico (Registration No. 253570, December 3rd, 2007); Peru (Registration No. 5070, August 22th, 2008); Argentina (Registration No. AR048314B1, June 14th, 2010); and, finally, in Ecuador toward the end of 2011 (Registration No. PI-11-2072, on September 30th, 2011).

In Chile, a patent was granted on August 11th, 2009 under Patent Registration No. 45,663, thereby completing the patent application process for the invention entitled, "System and Method used for Detecting Brushes or Negative Contacts for Train Positioning on a Railway Track, specifically for trains with rubber tires."

A patent was previously granted on December 31th, 2008, under Patent Registration No. 44,277, which completed the patent application process for the invention of a "tire pressure control system for drive rubber tires as well as horizontal guiding wheels on metropolitan trains."

1.5.6. Property and Equipment

The company is the sole owner of all the facilities and equipment it utilizes in performing its activities, such as: stations, tunnels, rolling stock, tracks, electrical equipment, tools, spare parts, retail space and buildings, etc., and they are located in the Metropolitan Region.

Buildings owned by Metro are, among others:

1. Corporate Building and SEAT: The company's main office is located on an 11,250-m² plot with close to 33,781 m² of built building floor area on the corner of Lord Cochrane Street and 1414 Alameda Ave., right above La Moneda Metro Station, in the District of Santiago.
2. Workshops and Car Yards for Train Maintenance and Storage: The following facilities make up the total surface area of 488,539 m²:
    a. L1 Neptuno Workshop: Located on #6252 Dorsal Ave., Lo Prado, with a total surface area of 220,455 m².
    b. L2 Lo Ovalle Workshop: Located on #1001 Lo Ovalle Ave., San Miguel District, with a total surface area of 54,038 m².
    c. L4 Intermediate train yards: Located on #3652 Américo Vespucio Sur Ave., Peñalolén District, with a total surface area of 59,486 m².
    d. L4 Puente Alto Workshop: Located on Nemesio Vicuña Ave., Puente Alto District, with a total surface area of 104,000 m².
    e. L5 San Eugenio Workshop: Located on #1290 Vicuña Mackenna Ave., Ñuñoa District, with a total surface area of 50,560 m².

    Two new workshops and train yards will be added when lines 3 and 6 are completed, one for each new line.

    f. f.L3 North Terminal Workshop: Located on the corner of Américo Vespucio Ave. and Autopista Los Libertadores (Ruta CH 57), Quilicura District, with a total surface area of 133,806 m²
    g. L6 Suiza Workshop: Located on the corner of Pdte. Salvador Allende Ave. S/N, Cerrillos District, with a total surface area of 47,886 m²
3. Metro's network covers 103 kilometers, and consists of 108 stations, four workshops, seven cultural areas and facilities. It also has six types of trains, the difference being the kind of rolling undercarriage (rubber-tired or steel-on-steel) and the assembly date. Metro has a total fleet of 1,093 cars, all of which operate in the Metropolitan Region.

1.5.7. Insurance

Metro S.A. currently has several valid insurance policies described below: a general liability insurance policy is held with RSA Seguros Chile S.A.; fire and additional risks insurance policy covering the Main Administrative Building, Metro S.A Offices on Miraflores, Neptuno Workshop, Lo Ovalle Workshop, San Eugenio Workshop, Puente Alto Workshop, Intermediate Car Yards Line 4, Vasconia Warehouse, Pajaritos Intermodal Station, Vespucio Norte Intermodal Station, Estación del Sol Intermodal Station, La Florida Intermodal Station, and Lo Ovalle Intermodal Station, with additional risk coverage for Edificio Casona and General Management Offices is held with Mapfre Seguros Generales de Chile S.A.; a Life Insurance Policy for Senior Management at Metro S.A. is held with Compañía Metlife Chile Seguro de Vida S.A.; a Passenger Accident Insurance Policy is held with Bice Vida Compañía de Seguro S.A.; a Life Insurance Policy for Private Security Guards is held with Chilena Consolidada Seguros de Vida Chile S.A.; and a Floating Insurance Policy for Transporting Cargo is held with RSA Seguros Chile S.A.

Metro S.A. also keeps the following current and valid policies for Projects on Lines 3 and 6 covering specific risks pertaining to those works: a Civil Liability Policy is held with RSA Seguros Chile S.A., and a Fully Comprehensive Construction and Assembly Insurance Policy is held with Seguros Generales Penta - Security S.A.

1.5.8. Contracts

The company has entered into various contracts with third parties, the most significant of which are described as follows:

- Contract with JCDecaux for leasing advertising space at Metro stations and on trains.
- Contract with Banco Santander Chile for checking accounts and other banking services.
- Contract with Banco del Estado de Chile for Metro's Financial Investment Portfolio Management.
- Contract for network hardware maintenance, user support and network administration with Integración de Tecnologías ITQ Ltda. and an ERP SAP Financial and Accounting Support contract with Novis S.A., among others.
- Contracts with cleaning and maintenance service providers for workshops, trains, stations, tracks and buildings, and other services: Servicios de Aseo y Jardines Maclean Ltda.; ISS Servicios Integrales Ltda.; Consorcio Rojas Sinel S.A.; Alstom Chile S.A.; CAF Chile S.A.; Balfour Beatty Chile S.A.; Sometec S.A.; Thyssenkrup Elevadores S.A.; Siemens S.A.; Bitelco Diebold Chile Ltda.; Inversiones Cosenza Ltda.; and Proyectos y Productos Profesionales Ltda
- Contracts with catering service providers, security guards, telephone operators, auditing and other general services: Central Restaurantes Ltda.; Support Services Ltda.; Securitas S.A.; Esert Servicios Integrales de Seguridad Ltda.; GTD Telesat S.A.; Entel PCS Telecomunicaciones S.A.; KPMG Auditores Consultores Ltda.; Dimacofi S.A., among others.
- Contracts with underground-level Points of Sale operators: EME Servicios Generales Ltda., Consorcio GSI SPA, and Ingeniería en Electrónica Computación y Medicina S.A.
- Contracts with street-level Points of Sale operators: Fullcarga Chile S.A., Soc.de Recaudación y Pagos de Servicios Ltda. (Servipag), and BancoEstado Centro de Servicios S.A.

1.6. Financial Activities

The company has checking accounts at Banco Santander Chile, Banco de Chile, Banco BICE and Banco del Estado de Chile, in order to facilitate payment of its obligations with different vendors for goods and services, as well as with its workforce. The company's main financial assets are term deposits and repurchase agreements (fixed income securities), the details of which are provided in the company's financial statements. Local banks with credit ratings equal to or higher than N1+ and AA- for short and long-term deposits, respectively, manage these operations, or they are managed by brokerage firms that are jointly or severally liable with those banks, and by international banks with a credit rating equal to or higher than A1 or equivalent. Financial operations must be carried out in accordance with the Financial Investment Policy set forth by Metro S.A., which in turn is pursuant to regulations provided for by the Ministry of Finance to that effect. As of December 31, 2015, the company's financial investment portfolio is managed by the Banco del Estado de Chile, as a third party.

1.7. Strategic Analysis: Risk Factors

Metro is exposed to a variety of market-related and business-specific risks. In order to address this matter, the company has developed organizational structures to develop strategies that help minimize those risks and reduce the potential adverse effects thereof.

Regarding passenger demand, it should consider the country's economic activity, its unemployment and inflation rates, as well as other the relevant factors. In terms of Metro's technical fare, its purpose is to cover the company's costs, which consist of operating costs, and asset replenishment and debt for a 40-year horizon. The technical fare is updated on a monthly basis by way of a polynomial, which reflects variations in the variables making up the company's long-term cost structure (CPI, dollar, euro, price of power and electric power). This allows for a natural indexation to cost variations resulting from an increase in any one of the variables making up the polynomial.

It must be noted that the fare paid by riders is different from the fare that Metro receives per transported passenger. Although in December 2015 customers paid a fare of $720 during peak hours, $660 during intermediate hours and $610 during off-peak hours, on average the company received a technical fare of $372.92 per passenger that month.

The risks described below constitute the most significant ones that could possibly affect Metro's performance:

1. Financial Risks: This category includes market risks, liquidity and credit risks.

   At December 31st, 2015, 59% of Metro's financial debt was denominated in UF (inflation adjusted units) and the remaining 41% in US dollars. The latter exposes the company to exchange-rate risk, which results in a "natural hedge" for long-term because of the polynomial used to update the technical fare in the event of dollar and euro fluctuations, among other variables.

Regarding interest-rate risks (Libor) associated with the company's variable interest rate loans, Metro has a Hedging Policy that allows for trading derivatives such as cross currency swaps (CCS) and placing fixed-rate UF denominated bonds.

In February 2014, for the first time ever, Metro S.A. placed bonds on the international financial market in the amount of US$500 millions at a 4.85% rate, which underscores the remarkable interest among international investors who offered 7.6 times the amount of the placement.

As far as liquidity is concerned, income from the passenger transit business is subtracted on a daily basis from revenues collected by Metro's Points of Sale, providing the company with the funds it need to meet its financial obligations. In addition, Metro has duly approved bank credit lines, which help lower liquidity risks.

There is very little credit risk arising from accounts receivables or commercial debtors, in connection with income from retail space leases, advertising or invoices due, since this income only represents 21% of the company's regular income. The remaining 79% comes from the technical fare. The arrears associated with this type of debtor are considered low.

Likewise, the company's Financial Investment Policy establishes the level of exposure to financial asset risk the company is allowed to accept. The purpose of this policy is to reduce risk by diversifying the portfolio and by setting maximum investment levels permitted per bank, in addition to taking into consideration lender banks' minimum credit risk ratings.

2. Capital Risk: Regarding capital management, Metro aims to have an optimal capital structure by reducing its costs and ensuring long-term financial stability, in addition to overseeing the fulfillment of its debt-related financial obligations and covenants.

   Every year Metro holds a Special Shareholders' Meeting in order to capitalize on capital and Treasury contributions linked to its expansion projects. Additionally, the company controls its capital structure by keeping a watchful eye on its financial leverage position.

3. Electric power-related Risks: Should there be a power outage, Metro has two direct power supply connections to the Main Grid (SIC), which supply Lines 1, 2 and 5, as well as two direct connections supplying Line 4. Additionally, those power supply systems are and designed under redundant criteria, that is, they are "stand by," thus, should one of them fail, the other one will immediately come on line, thereby ensuring the power supply for normal operations of the underground network.

In terms of the power supply for Lines 1, 2 and 5, in the event of a power outage on the SIC's main grid, by definition, the power utility company's first priority involves restoring power to the government sector in downtown Santiago. The latter makes it possible for Metro's network to simultaneously resume operation since Metro's power supply comes from the same system.

Likewise, it must be noted that in addition to the current electric power supply agreement the company holds with Enorchile S.A., effective until March 31st, 2017, in September 2015 the company entered into a new electric power supply agreement with Chilectra S.A. at a fixed rate for up to 40% of Metro's total demand curve. The effective term of this agreement begins on October 1st, 2015 and expires on December 31st, 2023.

1.8. Investment Plans

1.8.1. Investment and Financing Policies

Metro de Santiago allocates significant resources to studies and investment projects aimed at expanding our network in addition to up keeping and improving our current infrastructure. Investments in network expansion seek to consolidate Metro as a backbone of the capital city's public transportation system, whereas our investments on maintenance and infrastructure improvements are earmarked for the following areas: improving the quality of our services; bolstering operational safety and stability; preserving and maintaining our facilities and grounds; and updating, renewing and modernizing technology used by our equipment and systems, all with a view to better serve our customers.

In 2015, infrastructure and equipment improvements and renewals were financed by operations and capital contributions. Regarding network expansions, however, generally speaking Metro S.A. finances imported equipment and parts through borrowed funds, which are paid back through increases in Metro S.A.'s technical fare, whereas domestically-obtained components—consisting of infrastructure, civil works and other expenses, in addition to entry import duties and tariffs placed on imported goods—have been financed by contributions from the State, which are subsequently capitalized.

1.8.2. Metro's Development Plan

• Construction of New Lines 6 & 3

The most challenging project undertaken by Metro since founded was still underway in 2015. Investments in Line 6 and Line 3, scheduled for completion in 2017 and 2018, respectively, involve a financing structure consisting of partner contributions (two thirds of the total investment was furnished by State and Corfo) and Metro contributions (one third of the total investment).

This is a high-level project involving the best international practices in areas such as: platform doors, overhead electric-power cabling, automated train control system, cameras on-board cars, air conditioning, passenger information systems, and universally-accessible stations throughout the entire network including the new transfer stations involved in this project.

In 2015, excavation works were completed on the 15 kilometers making up Line 6 tunnels, the construction contacts for Line 6 stations were awarded, and construction began during the last quarter of 2015. Approximately 85% of Line 3 tunnels were dug in 2015. Regarding systems and rolling stock, the automated driving system was put to test with trains on test tracks. The rest of the systems are undergoing preliminary testing and being installed, while work on tracks and overhead power cables began in the second half of the year. In short, as far as Line 6 is concerned, tunnel excavation is complete, the stations are under construction, workshop are 75% complete, and the tender process for stations is currently underway. In terms of the various items required for systems and rolling stock (platform doors, electric system, tracks, overhead power cables, etc.), they are currently being installed, built or delivered.

At 2015 year-end, overall project progress was 54.1% (up from 27.1% at 2014 year-end), broken down as follows: 68% of Line 6 construction is complete (with 97% of the shafts, tunnels and drives and 9% of the stations complete); 46% of Line 3 construction is complete, including 80% of the shafts, tunnels and drives. Regarding systems and rolling stock, the cumulative weighted progress percentage is 36%.

1.8.3. Operation-Related Projects

In 2015, the following improvements were made to Metro's current network:

- Remodeled Trains: new air conditioning systems

  Started in October 2013, this project aimed to improve riders' experience on underground trains by installing air conditioning on all Line 1 cars. To this end, train manufacturers were hired to install AC equipment on the entire Line 1 fleet.

  By the end of 2015, 29 trains had been successfully modified, in addition to the 14 new trains added to the fleet during the September 2012 to October 2013 period—bringing the amount of Line 1 fleet cars with AC up to 88%. The company expects to have all Line 1 trains equipped with AC at some point during the second half of 2016.

- Universal Access Project (Elevators)

  In 2015, the engineering studies on four stations (Lo Ovalle, El Llano, Toesca and La Moneda) were completed, while engineering studies on four additional stations (Lo Vial, Departamental, Alcántara and El Golf) were initiated.

  Regarding tendering, the company opened its public bidding process during the second half of 2015 with a view to contract out civil works for the Neptuno and Parque O'Higgins Stations.

  Metro expects to begin the civil works on the Neptuno, Parque O'Higgins, La Moneda, Toesca, El Llano and Lo Ovalle stations, and the engineering for República, Unión Latinoamericana, San Alberto Hurtado, Santa Ana, Universidad de Santiago, Santa Lucía, Pedro de Valdivia and Estación Central stations in 2016.

- Installation of Automated Train Control System

  In 2015, the project's main focus was system start up, which began in April and was completed in June. During this process, the company was able to determine the system's capacity and stabilize operations with trains under manual driving mode. During the second half of the year, the project entailed a series of activities aimed at preparing the Automatic Train Control System for Line 1 trains. Metro expects to begin operating the automated system during the second half of 2016. This system will provide many benefits, such as, shorter travel times, improved energy consumption, greater operational availability and flexibility.

- Improvement Plan

  Well aware of the fact that a complex system such as the Metro is not except from system failures, in 2015 Metro reinforced its preventive and corrective maintenance area with a view to reducing its breakdown rate.

  The plan also entailed improvements to operations and passenger communications, which were two critical areas for Metro operations in 2014, not to mention being vital to Metro's goal of providing good services.

  The plan, with a 2018 horizon, included some immediate, medium- and long-term measures. Actions taken by the company in 2015 successfully stabilized the system, thereby cutting in half the rate of track and system failures (those that have the greatest impact on service) when compared to the 2014 rate.

Measures Implemented

All measures scheduled for immediate action in the maintenance area as part of the improvement plan were implemented in 2015. One of these measures was an exhaustive inspection of all tracks and track components making up the network, in addition to a series of additional maintenance activities, such as inspecting cables, replacing insulators, and making improvement to rails, roll ways, guide bars and switching devices.

At present, the company is implementing its medium- and long-term plan focused on bolstering system reliability and carrying out 50 projects primarily aimed at foreseeing equipment obsolescence, redefining the role of maintenance within the operations management group, and reinforcing support processes such as planning and supply.

In the operations area, with a view to mitigating the impact operational failures may have on riders and on the Santiago public transit, several actions were taken to fine tune the Metro and its staff's response to emergencies, in addition to the company's coordination with the Metropolitan Public Transit Authority (DTPM).

In 2015, Metro worked on improving its Passenger Communication system in order to facilitate a smoother commute in the event of breakdowns affecting service. To this end, the company is working on setting up an instant alert system that will sound off when Metro services are interrupted, and on installing more entrance area screens to the 44 panels already installed at 18 stations.

Likewise, passenger information is available at:

- Mobile traffic lights located in front of ticket counters, broadcasting service status information.
- Fixed screens on platforms and at ticket counters.
- Flyers with information about street level bus stops and bus lines available near stations.
- Mobil screens located at station entrances.
- Metro Mobile app and on-line information at www.metro.cl.
- Additional information on emergency procedures located in the area above doors on all trains.
- A massive information distribution campaign was carried out, providing passengers with information and guidelines on what to do during different types of emergencies.

- **March Plan**

In March 2014, the company submitted a plan to address the increase in its passenger rate, which tends to occur after city residents return from summer vacation. A series of operational measures were implemented at critical points along the Metro network, especially along the highest traffic sections. Metro increased its capacity by nearly 5,000 passengers (3.5%) during rush hour, which is equal to adding more than three trains.

Moreover, several other actions were taken in the operations, services, maintenance, and passenger communication departments, such as strategically adding longer trains to Line 1 headed to Los Dominicos during the morning rush hour; in addition to decreasing the number of containment measures and improving the flow of passengers at the busiest line transfer stations during morning rush hour (Baquedano and Los Héroes). Furthermore, short routes on the Pajaritos-Manquehue stretch remained the same.

In addition, the company increased its security staff by 30% during the month of March. It added female security guards to its ranks, gave passenger support staff new uniforms so that they were easier for passengers to identify, and beefed up the police presence at all network stations, particularly at line transfer stations.

- Bolstering the bip! card Loading Network

Ever since the company began managing the bip! card in mid-2013, Metro has come up with a series of measures aimed at expanding and improving the card loading network, all with a view to facilitating greater access to the capital's transit system. These measures have focused on expanding coverage of the card-loading network, activating more card-loading points in heavy passenger traffic area, and adding technological improvements to the system.

In keeping with the abovementioned goals, in 2015 Metro added 400 new card-loading points to its network after signing a contract with a new street level card-loading network operator.

Moreover, retailers joined the network for the first time ever after Metro signed agreements with Unired and Walmart, thereby adding a total of 169 supermarkets from the Unimarc, Líder and SuperBodega Acuenta chains, accounting for 8% of the total card-loading network.

- Passenger Information

Toward the end of 2014, spurred on by operational issues during the year, Metro adopted a new customer-centered managerial approach with a view to mitigating the impact of service shutdowns on customers. Accordingly, in 2015, the company put a great deal of effort into redefining its Service Strategy, in order to better manage the passenger experience during each stage of the commute.

This new approach aims to tackle service pillars, specific moments during the commute, the service schedule and certain service attributes, in order to better handle the most critical and necessary service aspects so that Metro's services are more in keeping with its passengers' needs.

Specifically in terms of broadcasting passenger information during network emergencies, the company has implemented a series of measures to aid passengers and provide them with clear, useful and timely information so that they may make the best decisions according to their stage in the commute.

Some of the projects currently under development involve improvements to the station public announcement system, providing better information to users during emergency situations, installing more access information screens to the 78 already existing screens located at 44 entrances at 18 stations, and mobile traffic lights located at turnstiles to provide riders with service status messages before they go through the turnstile.

Moreover, Metro launched a media-based information campaign to make passengers more aware of what procedures they should follow during emergencies. Signs were hung up describing proper emergency procedures on trains, the company mass distributed guidelines telling passengers what to do during emergencies, and information was handed out along the Transantiago routes linked to each Metro station, so that passengers may continue their commute even when Metro services are discontinued. Finally, Metro beefed up its other information outlets such as fixed information panels along the platforms and at ticket counters, mobile panels, the Metro Mobile app, the Call Center, its website "http://www.metro.cl" www.metro.cl, and others.

2

Corporate Governance

2

CORPORATE GOVERNANCE

2.1 Organization Description

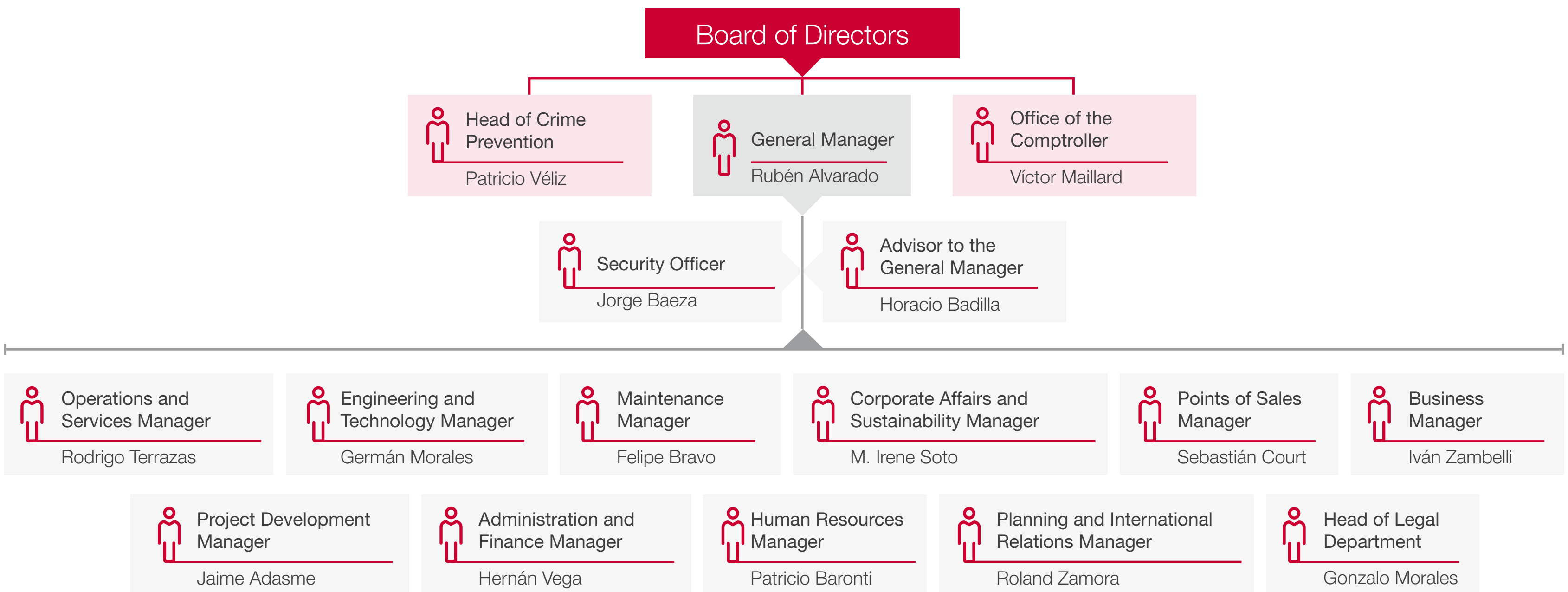
Metro de Santiago's administration is managed by a Board of Directors, comprised of a chairman, vice chairman and five board members. Twenty-four regular board meetings were held in 2015.

Metro's General Manager, the Office of Comptroller and the Head of the Law 20,393 Crime Prevention Model are under the Board of Director's purview.

At year-end 2015, the General Manager was in charge of managing the Company through the following ten Corporate Managements: Human Resources; Administration and Finance; Planning and International Relations, Corporate Affairs and Sustainability, Points of Sales, Business & Project Development; Engineering and Technology; Operations and Services; and Maintenance; in addition to receiving direct support from the Legal Department. Two additional positions were added to the ranks in 2015, to wit, Information Security Officer and Advisor to the General Manager

2.2 Organizational Chart

(As of 31 December 2015)



2.3 Board of Directors

Chairman	Rodrigo Azócar Hidalgo	Civil Industrial Engineer	6.444.699-1
Vice Chair	Paulina Soriano Fuenzalida	Attorney at Law	8.783.340-2
Director	Karen Poniachik Pollak	Journalist	6.379.415-5
Director	Carlos Mladinic Alonso	Commercial Engineer	6.100.558-7
Director	Juan Carlos Muñoz Abogabir	Civil Industrial Engineer	9.005.541-0
Director	Claudio Soto Gamboa	Commercial Engineer	7.981.443-1
Director	Vicente Pardo Díaz	Civil Engineer	6.317.380-0

Advisor to the Board

Comptroller	Víctor Maillard González	Auditor & Accountant	5.013.160-2

Changes to the Board

The Board of Directors composition did not undergo any changes in 2015.

At the 24th Regular Shareholders' Meeting held on April 28th, 2015, shareholders appointed the following board members: Rodrigo Azócar Hidalgo, Carlos Mladinic Alonso, Juan Carlos Muñoz Abogabir, Claudio Soto Gamboa, Vicente Pardo Díaz, Paulina Soriano Fuenzalida, and Karen Poniachik Pollak. At the 869th Board of Directors' Meeting held on May 11th, 2015, board members agreed to appoint Rodrigo Azócar Hidalgo as Chairman of the Board and Paulina Soriano Fuenzalida as Vice Chair.

Advisory Services Outsourced to Auditing Firms

During the January 1st, 2015—December 31st, 2015 period, the following auditing firms were paid for services rendered as follows:

COMPANY NAME	SERVICES RENDERED	FEES ($)
KPMG Auditores Consultores Limitada	2014 Financial Statement Auditing Services	118,025,452
	TOTAL	**118,025,452**
Ernst & Young Servicios Profesionales de Auditoría y Asesorías Limitada	Services Related to Maintaining Propyme Seal of Certification	4,324,250
	TOTAL	**4,324,250**
Deloitte Auditores y Consultores Limitada	Auditing Services for the 2013 & 2014 Welfare Funds	6,991,502
	TOTAL	**6,991,502**
Pricewaterhousecoopers Consultores, Auditores y Compañía Limitada	Auditing Services related to the JCDecaux CO-613-2009-I Contract	7,778,614
	TOTAL	**7,778,614**

Regarding other advisory services, neither the Board of Directors nor Board Committees hired other services directly in 2015.

2.3.1. Directors' Committees

There are four Directors' Committees as follows:

- **Project Management Committee:** this committee is in charge of reviewing the guidelines for development of extensions and new line projects.
- **Operating Committee:** this committee addresses the company's strategic and managerial aspects pertaining to business development, encompassing operational and service-related topics, planning and control, engineering and technology, human resources and commercial affairs.
- **Auditing, Finance & Risks Committee:** This committee looks out for the company's financial resources, ensuring they are managed efficiently and in accordance with established procedures. In addition to the latter, this committee is apprised of the company's accounting principles and possible changes thereto. It supervises internal auditing and issues opinions regarding the independent auditing of the company's financial statements, along with reviewing the risk matrix and its associated mitigation plan.
- **Technical Committee:** This non-decision-making committee was founded in 2015 with a view to closely analyze complicated technical matters arising in connection with projects under way. The committee is comprised of all board members.

The abovementioned is merely an example and does not entail a complete description of all functions performed by the committees, which address sundry issues affecting the company as they develop. In 2015, the board committees were made up as follows:

2015 Board of Directors' Committees

PROJECT MANAGEMENT (# OF MEETINGS:13)	OPERATING (# OF MEETINGS: 12)	AUDITING, FINANCE & RISKS (# OF MEETINGS: 12)	TECHNICAL (# OF MEETINGS: 11)
Vicente Pardo Díaz (Chairman)	Juan Carlos Muñoz Abogabir (Chairman)	Carlos Mladinic Alonso (Chairman)	Vicente Pardo Díaz (Chairman)
Rodrigo Azócar Hidalgo	Rodrigo Azócar Hidalgo	Rodrigo Azócar Hidalgo	Rodrigo Azócar Hidalgo
Carlos Mladinic Alonso	Vicente Pardo Díaz	Claudio Soto Gamboa	Carlos Mladinic Alonso
Juan Carlos Muñoz Abogabir	Karen Poniachik Pollak	Paulina Soriano Fuenzalida	Juan Carlos Muñoz Abogabir
Paulina Soriano Fuenzalida			Paulina Soriano Fuenzalida
Claudio Soto Gamboa			Claudio Soto Gamboa
Karen Poniachik Pollak			Karen Poniachik Pollak

Cristian Ruiz Santibáñez was Acting Secretary of the Board of Directors and Board Committees up until January 26th, 2015, and thereafter it was Patricio Véliz Möller.

2014 Board of Directors' Committees

PROJECT MANAGEMENT (# OF MEETINGS:12)	OPERATING (# OF MEETINGS: 12)	AUDITING & FINANCE (# OF MEETINGS: 11)
Vicente Pardo Díaz (Chairman)	Juan Carlos Muñoz Abogabir (Chairman)	Carlos Mladinic Alonso (Chairman)
Rodrigo Azócar Hidalgo	Rodrigo Azócar Hidalgo	Rodrigo Azócar Hidalgo
Carlos Mladinic Alonso	Vicente Pardo Díaz	Claudio Soto Gamboa
Juan Carlos Muñoz Abogabir	Karen Poniachik Pollak	Paulina Soriano Fuenzalida
Paulina Soriano Fuenzalida		
Claudio Soto Gamboa		

Cristian Ruiz Santibáñez was Acting Secretary of the Board of Directors and Board Committees in 2014.

2.4 2015 Senior Executives

POSITION	NAME	PROFESSION	I.D.#	DATE APPOINTED
General Manager	Rubén Alvarado Vigar	Chemical Engineer	7.846.224-8	09/29/2014
Administration & Finance Manager	Hernán Vega Molina	Commercial Engineer	6.373.587-6	03/01/1997
Project Development Manager	Jaime Adasme Araya	Construction Engineer	7.535.688-9	06/01/2012
Operations & Service Manager	Rodrigo Terrazas Michell	Electronics Engineer	9.516.705-5	09/23/2013
Human Resources Manager	Patricio Baronti Correa	Psychologist	12.636.901-8	12/01/2014
Sustainability & Corporate Affairs Manager	María Irene Soto Layseca	Journalist	8.308.174-0	10/05/2015
Maintenance Manager	Felipe Bravo Busta	Industrial Engineer	10.567.676-K	11/22/2014
Engineering & Technology Manager	Germán Morales Gaarn	Mining Engineer	5.849.974-9	10/01/2015
Planning & International Relations Manager	Roland Zamora Vega	Industrial Engineer	9.395.145-k	07/05/2011
Business Manager	Iván Zambelli Klenner	Commercial Engineer	5.993.203-9	10/26/2015
Points of Sale Manager	Sebastián Court Benvenuto	Mathematical Engineer	15.779.884-7	10/01/2015
Legal Counsel	Gonzalo Morales Moreno	Attorney at Law	8.866.936-3	01/01/2008
Comptroller	Víctor Maillard González	Auditor/Accountant	5.013.160-2	05/26/2003

Metro's senior executives and board members do not hold any shares of company capital since the Chilean State is the company's sole shareholder.

Changes to Managerial Team

On January 2nd, 2015, Gastón Quezada Rissetti, Engineering and Technology Manager, ceased to be a member of the Managerial Team.

In October 1st, 2015, the company's organizational structure underwent some changes. The Commercial and Corporate Affairs Management department was split into three separate departments as follows: Corporate Affairs and Sustainability Management, Business Management, and Points of Sale Management. As a result, the former Commercial and Corporate Affairs Manager, Álvaro Caballero Rey, left the company ranks while Germán Morales Gaarn joined the firm as Engineering and Technology Manager, and Sebastián Court Benvenuto took over as Points of Sale Manager. A few departments were also shuffled around at the assistant manager level, thereby making way for the new Planning and International Relations Management in lieu of the former Planning and Management Control Department.

On October 5th, 2015, María Irene Soto Layseca was appointed Corporate Affairs and Sustainability Manager, and Iván Zambelli Klenner joined the company on October 26th, 2015 as Business Manager.

2.4.1. Board Compensation

The following tables contains a 2014-2015 comparison of annual compensation paid to board members for services rendered, in thousands of Chilean pesos:

- 2015 Compensation or Allowances

The following corresponds to allowances and board member compensation for attending each board meeting, and includes lump sum for attending Board Committees.

2015 COMPENSATION OR ALLOWANCES			
2015 BOARD MEMBERS	FIXED COMPENSATION	VARIABLE COMPENSATION	TOTAL
Rodrigo Azócar Hidalgo	107,619	0	107,619
Paulina Soriano Fuenzalida	5,525	12,366	17,891
Juan Carlos Muñoz Abogabir	3,684	9,735	13,419
Vicente Pardo Díaz	3,684	9,735	13,419
Karen Poniachik Pollak	3,684	9,735	13,419
Carlos Mladinic Alonso	3,683	9,736	13,419
Claudio Soto Gamboa	3,683	9,736	13,419
TOTAL	**131,562**	**61,043**	**192,605**

- 2014 Compensation or Allowances

2014 COMPENSATION OR ALLOWANCES			
2014 BOARD MEMBERS	FIXED COMPENSATION	VARIABLE COMPENSATION	TOTAL
Rodrigo Azócar Hidalgo	12,080	0	12,080
Aldo González Tissinetti	51,981	0	51,981
Paulina Soriano Fuenzalida	3,627	8,380	12,007
Juan Carlos Muñoz Abogabir	2,440	6,685	9,125
Vicente Pardo Díaz	2,440	6,685	9,125
Karen Poniachik Pollak	2,440	6,685	9,125
Carlos Mladinic Alonso	2,440	6,685	9,125
Claudio Soto Gamboa	2,440	3,804	6,244
Fernando Cañas Berkowitz	28,650	0	28,650
José Domínguez Covarrubias	1,731	3,874	5,605
Francisco Silva Donoso	1,154	3,049	4,203
Domingo Arteaga Echeverría	1,154	2,284	3,438
Clemente Pérez Errázuriz	1,154	3,050	4,204
Bernardo Fontaine Talavera	1,154	3,050	4,204
Luis De Grange Concha	1,154	3,050	4,204
TOTAL	**116,039**	**60,162**	**176,201**

Travel, Per Diems and other Stipends

In 2015, the company disbursed a total of M$5,709 Chilean pesos in travel expenses. and M$4,476 Chilean pesos in 2014.

M$913 Chilean pesos in per diem in 2015 while received M$1,576 Chilean pesos in per diem in 2014.

Senior Executives

The General Manager's 2015 compensation amounted to M$169,794 (M$180,749 Chilean pesos in 2014) while compensation received by other managers (senior executives) totaled M$1,377,887 (M$1,191,435 Chilean pesos in 2014).

During the first quarter of each year, managers are entitled to an individual annual bonus calculated on the basis of company results and an individual performance during the previous calendar year, subject to annual approval by the company's Board of Directors.

2.4.2. Summary of Shareholder and Board Committee Remarks and Proposals

Neither shareholders nor board committees issued requests to submit remarks or proposals to this Annual Report.

3

Ownership and Shares

3

OWNERSHIP AND SHARES

3.1. Ownership

The Company is owned by two shareholders, to wit, Corporación de Fomento de la Producción (CORFO), the majority shareholder, and the Chilean State, represented by the Ministry of Finance. Metro does not have any joint action agreements.

Regarding capital increases, at the Special Shareholders' Meeting held on December 29th, the following was agreed:

- To increase subscribed and paid capital through the capitalization of fiscal contributions in the amount of M$185,140,328, par value, by issuing 5,985,784,934 series A shares to be subscribed and paid by the State and Corfo on a prorated basis according to their interests and share in the company.

A Series shares correspond to the initial capital and capital increases subscribed and paid by the Chilean State and the *Corporación de Fomento de la Producción*, and they shall not be transferred. B Series shares correspond to capital increases and may be held by other shareholders.

As of December 31st, 2015, the company's capital stock consisted of a total of 43,998,312,563 Series A and 19,163,677,063 Series B, no-par value, registered shares, 39,634,775,932 of which are held by Corporación de Fomento de la Producción and 23,527,213,694 are held by the Chilean State.

As of December 31st, 2014, the company's capital stock consisted of a total of 38,012,527,629 Series A and 19,163,677,063 Series B, no-par value, registered shares, 35,878,695,886 of which are held by Corporación de Fomento de la Producción and 21,297,508,806 are held by the Chilean State.

As of December 31st, 2015, shareholders' company ownership was broken down as follows:

SHAREHOLDERS	# OF SHARES (MILLIONS)			%
	Series "A"	Series "B"	Total	Share
Corporación de Fomento de la Producción	27,531.3	12,103.5	39,634.8	62.75%
Chilean State represented by the Ministry of Finance	16,467.0	7,060.2	23,527.2	37.25%
TOTAL	**43,998.3**	**19,163.7**	**63,162.0**	**100.00%**

3.2. Dividends Policy

The company's dividend policy is defined under its Articles of Incorporation and the Chilean Corporation Law, which provide that each fiscal year at least 30% of the company's net profit must be distributed and that said policy shall be reviewed annually. The purpose of the latter is to assess certain topics such as the existence of hefty investments; important projects underway, or, in general, any other circumstances that may constitute grounds for adopting a decision other than the abovementioned policy.

The company's dividend policy is in keeping with current legislation in that at least 30% of annual net profits must be earmarked for cash dividend distribution, except when otherwise agreed to by a unanimous vote of issued shares by the Shareholders' Meeting.

At the Regular Shareholders' Meeting held on April 28th, 2015, shareholders agreed to not distribute company profits or issue dividends. Note that Metro has not issued dividends over the last three years.

4

Subsidiaries, Related Companies and Investments in Other Companies

4

SUBSIDIARIES, RELATED COMPANIES AND INVESTMENTS IN OTHER COMPANIES

Metro S.A. has only one subsidiary, Empresa de Transporte Suburbano de Pasajeros S.A (Transub S.A.).

In a public deed issued January 30th, 1998, by and between Empresa de Ferrocarriles del Estado and Empresa de Transporte de Pasajeros Metro S.A., at the Santiago Offices of Notary Public Francisco Rosas Villarroel, Empresa de Transporte Suburbano de Pasajeros S.A. was duly incorporated. The subsidiary's corporate information is as follows:

- **Company Identification and Type:** La Empresa de Transporte Suburbano de Pasajeros S.A., also hereinafter referred to as "Transub S.A.," is an unlimited duration, stock corporation, domiciled in the City of Santiago.
- **Subscribed and Paid Capital:** the company's subscribed and paid capital amounts to $30,000,000 (thirty million pesos), divided up into one series of thirty thousand, no-par value registered shares.
- **Corporate Purpose and Scheduled Activities:** the company's was founded in order to meet the urban transportation needs of passengers and earn a profit from its assets through complementary activities and services.
- **Board Members and General Manager:** the following members sit on the company's Board of Directors: Hernán Vega Molina, Ignacio Tapia Hortuvia and Roland Zamora Vega on behalf of Metro S.A.; and Darío Farren Spencer and Cecilia Araya Catalán, on behalf of EFE.

  Given that Transub S.A. is not an active entity, its Board Members and General Manager do not receive compensation for any of the board meetings they must attend.

  Board of Director and General Management Positions:

  – Chairman: Hernán Vega Molina.

  – Vice Chair: Darío Farren Spencer.

  – Interim General Manager: Augusto Lucero Alday.

- **Share Percentage:** Metro S.A. holds a 66.66% ownership share in its subsidiary.
- **Parent Company Board Members and Managers:** Hernán Vega Molina is Metro S.A.'s Corporate Administration and Finance Manager; Ignacio Tapia Hortuvia is the Assistant Finance Manager; Roland Zamora Vega is the Corporate Business Planning and International Relations Manager; and Augusto Lucero Alday is Metro S.A.'s Senior Legal Advisor.
- **Commercial Relations with the Subsidiary:** There have never been any commercial relations between the parent company and its subsidiary.
- **Acts and Contracts Entered into with the Subsidiary:** There haven't been any acts or contracts entered into with the subsidiary.
- **Percentage of Investment in Assets:** the company's investment in the subsidiary amounts to 0% of Metro S.A.'s assets (the subsidiary has a negative net worth and is therefore valued at $1 on Metro S.A.'s books).
- **Ownership Relationship between Subsidiaries and Related Companies:** Metro S.A. does not have any other subsidiaries or related companies.
- There is a direct ownership relationship between Metro S.A. and Transub S.A., in which Metro S.A. is the direct owner, as illustrated below:

5

Personnel

5

PERSONNEL

Company personnel constitute one of Metro's main pillars, and, accordingly, the organization understands that providing personnel with the appropriate career development conditions is key to a successful administration.

5.1. Staffing[1]

YEAR (AS OF DECEMBER)	2015	2014	2013	2012
Managers and Section Heads	201	179	149	145
Analysts	762	734	696	360
Administrative Staff	161	182	189	295
Maintenance Personnel	582	519	485	503
Train Traffic Personnel	1,153	1,136	1,131	1,207
Station Personnel	971	880	880	891
Company's Total Staffing	3,830	3,630	3,530	3,401

5.2. Education & Training

In 2015, Metro's education plan was aimed at providing tools and know-how to its workers using several formats and methodologies, all with a view to closing functional gaps and reinforcing behavioral skills companywide in all management groups.

Corporate Training Programs include annual Training Plans for each management group. These plans entail activities aimed at closing the various functional and skill gaps, which are identified by way of a survey on training needs.

In 2015, a total of 297 training activities were held, in which a total of 2,023 individuals received training with a total of 124,755 man-hours of training provided.

The Operations and Services Management group designed its training plan on the basis of two prongs: the first of which was aimed at training large groups of workers in wide-spread positions including drivers, private security guards, station heads, traffic coordinators, supervisors and regulators (on the operations and services side), and technicians 1 and 2 as well as preventive/corrective maintenance technicians. The second prong consisted of refresher courses aimed at maintaining, strengthening and updating workers' know-how and skills required by the company to meet its goals.

Accordingly, in 2015, 980 workers took part in a refresher course for Operations and Service personnel. These refresher courses are based on the "learn by doing" methodology, which combines theoretical and practical teachings and real case studies. Some of the issues addressed were Station Procedures and our Emergency Manual on Trains, Tunnels, Tracks and Stations, while the private security guards course focused on self-defense and the psychology of emergencies.

In another area, Metro's Corporate Integration program continued throughout 2015, thereby reinforcing the integration of new workers into the company by educating them on matters pertaining to Metro's culture, vision and mission. The program format is based on a participation- and experience-based methodology that seeks to create ties among participants and foster a greater sense of belonging within the organization. Fourteen Corporate Integration cycles were held in 2015 for a total of 217 new workers.

[1] The information below is slightly different from information reported last year due to the new 2015 staff classification.

In addition to the Metro's DNC plan (training needs survey), the Organizational Development group implemented its Leadership and Collaborative Management Training program which consisted of 27 workshops for 71 employees and a total of 284 training hours.

Several training workshops on the Crime Prevention Model (Legal Entity Criminal Liability Law) were held. These were face-to-face courses addressing the overall aspects of the company's model to prevent crime and poor practices. Nearly 300 employees took part in these courses, including employees whose job description has taken them abroad on technical missions and business.

5.3. Labor Relations

In 2015, the HR Department's Quality of Life Area continued implementing the Preventive Health Program with a view to fostering self-care and healthy lifestyles. Some of the activities carried out under this program were a vaccination campaign, and a program for at-risk individuals that provides medical and nutritional counseling to workers with cardiovascular risk factors. Also under this program, the Welfare Fund launched the *"Más Salud"* campaign that entailed cost-free preventive medical and dental care for workers and their families. It also involved an HPV immunization campaign for workers' children, in which Metro subsidized 50% of the vaccine's cost and offered various forms of payment. A total of 1,770 individuals benefited from the *"Más Salud"* campaign.

In addition to the above, the company's current Drug and Alcohol Use Policy has an Employee Assistance Program aimed at drug and alcohol use prevention and control. In 2015, the company held a training session on this matter for 52 new managerial and supervisory hires

Metro also has a Welfare Fund, which is a company benefit available to all workers with open-ended contracts. In order to access these benefits workers must pay a monthly fee (and the company matches workers' contribution by five to one). Membership benefits include reimbursement for medical and dental services, medical and low-interest loans, and a variety of different discounts at dental care facilities, drug stores, eye-care stores, clinics and hospitals. Wellness Fund membership in 2015 amounted to 3,594 and 73,427 services were delivered under the program for a total of $1,642,458,049.

The company also promoted it Grants Program aimed at providing economic assistance for social, cultural, sporting and recreational activities spearheaded by workers. In addition to the above, for the first time ever, in 2015 the Welfare Fund publicly announced its results to the entire organization at an event attended by some 320 workers, as an effort to foster closer ties with workers and make the funds' operations publicly known.

On a different note and with a view to encouraging the participation of workers and their family members in company events and a healthy lifestyle through recreational, sports and educational activities, Metro founded the Recreation and Sports Program. The most outstanding activities sponsored through the program in 2015 were: The Quality of Life Soccer Cup with a women's, men's and all players' category in which 595 workers took part; a Bowling Tournament with a turnout of 177 workers; and the Fitness Program with an average monthly attendance of 156 individuals and 1,279 hours yearly.

The most noteworthy recreational activities held in 2015 for our workers and their families were as follows: Winter and Summer Vacation program for workers' children serving 199 children in 2015; the Child's Day Festivities with a turnout of 675 individuals; the My Family Visits the Metro Day for which 114 individuals came out; the Christmas Party with a grand total of 1,477 guests including workers and their families; and a cultural program with plays for a total of 380 theatre goers.

Furthermore, in 2015 the company sponsored the 3nd Annual Children's Drawing Contest entitled "Forty Years since the First Metro Ride," in which 62 children participated and the 12 winning drawings were used in the 2016 Metro Calendar given out as a gift to each worker.

Another initiative launched by the Quality of Life area is *Más Cerca de Ti* (Closer to you), a program aimed at providing social services in the field to workers facing difficult situations affecting their and their families'

quality of life, marking a presence in important moments. In addition to the above, there were several talks given on program benefits and meetings with supervisors. In 2015, 598 workers received assistance under this program and 30 talks were given.

A company-wide celebration was held with all pregnant employees on the first anniversary of implementation of the "Maternity Benefits Policy" with a view to further promoting policy benefits.

In 2015, the company took part in a collective bargaining process with the Union of Professionals and Technicians. While strictly adhering to applicable legal mandates, the parties were able to reach an agreement that, although within the confines of the liability and sustainability requirements set by the company, still benefits workers.

On August 18th, 2015, the board of Metro's Union of Professionals and Technicians signed a new, three-year collective bargaining agreement applicable to union members effective September 1st, 2015. This new agreement provides new and improved benefits for workers, while also reinforcing certain qualitative aspects aimed at fostering workers' development. The agreement was made possible by both parties' commitment to dialogue.

Lastly, as of December 2015, 92% of Metro employees are unionized. The labor organizations represented in the company constitute an important outlet for worker involvement, and the company works closely with workers on a handful of joint initiatives aimed a reinforcing Metro's productivity and workers' wellbeing.

6 Social Responsibility and Sustainable Development

6

SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT

6.1 Diversity on the Board of Directors

i) Makeup by Gender

MEN	WOMEN
5	2

ii) Makeup by Nationality

CHILEAN	FOREIGNERS
7	0

iii) Makeup by Age Group

<30	[30, 40]	]40,50]	]50,60]	]60,70]	>70
0	0	3	1	3	0

iv) Makeup by Seniority

<3 yrs.	[3, 6]	]6,9[	[9,12]	>12 yrs.
7	0	0	0	0

6.2 Diversity in Senior Management & other Managers Reporting to the General Management

i) Makeup by Gender

MEN	WOMEN
12	1

ii) Makeup by Nationality

CHILEAN	FOREIGNERS
13	0

iii) Makeup by Age Group

<30	[30,40]	]40,50]	]50,60]	]60,70]	>70
0	1	3	5	4	0

iv) Makeup by Seniority

<3 yrs.	[3, 6]	]6,9[	[9,12]	>12 yrs.
6	0	1	0	6

6.3 Diversity in the Organization

i) Makeup by Gender

MEN	WOMEN
2992	838

ii) Makeup by Nationality

CHILEAN	FOREIGNERS
3806	24

Foreigners

COUNTRY	TOTAL
Venezuela	6
Colombia	4
Spain	4
France	4
Argentina	2
Germany	1
Brazil	1
Paraguay	1
Peru	1
Overall Total	**24**

iii) Makeup by Age Group

<30	[30,40]	]40,50]	]50,60]	]60,70]	>70
910	1519	730	388	276	7

iv) Makeup by Seniorty

<3 yrs.	[3, 6]	]6,9[	[9,12]	>12 yrs.
1127	590	1002	312	799

6.4 Salary Gap by Gender

POSITION TYPE	AVERAGE PERCENTAGE OF BASE PAY EARNED BY WOMEN VS. MEN IN 2015
Administrative Staff	1.19
Analysts	0.94
Executives & Section Heads	0.76
Station Personnel	1.14
Maintenance Personnel	0.95
Train Traffic Personnel	0.88

Material Facts

7

MATERIAL FACTS

For the period covering January 1st to December 31st, 2015

1. By way of Publication No. 169 dated March 23th, the company reported that at the Board Meeting held on March 20th, the Board of Directors agreed to call a Regular Shareholders' Meeting for April 28th, 2015 at 11:00 am at corporate headquarters.
2. By way of Publication No. 220 dated April 29th, the company reported that the 24th Regular Shareholders' Meeting adopted the following agreements:
   - The 2014 Fiscal Year Annual Report, Consolidated Financial Statements, Independent Auditors' Report, and Board expenses as stated in the Annual Report were approved.
   - The Regular Shareholders' Meeting agreed that neither profits nor dividends would be distributed.
   - The dividend policy was agreed to.
   - Rodrigo Azócar Hidalgo, Juan Carlos Muñoz Abogabir, Carlos Mladinic Alonso, Vicente Pardo Díaz, Claudio Soto Gamboa, Paulina Soriano Fuenzalida and Karen Poniachick Pollak were elected Directors of Metro's Board.
   - Director compensation was defined.
   - KPMG Auditores Consultores Ltda. was appointed as the independent auditing firm for fiscal year 2015.
   - The *Estrategia* newspaper was designated as the official gazette for summons issued by the Shareholders' Meeting.
3. By way of Publication No. 260 dated May 11th, the company reported that pursuant to an agreement adopted by the Board of Directors at a special board meeting held today, the Board of Directors accepted the appointment of Rodrigo Azócar Hidalgo as Chairman of the Board and Paulina Soriano Fuenzalida as Vice Chair.
4. By way of Publication No. 530 dated November 10th, the company reported that at the Board meeting held on November 9th, the Board of Directors agreed to call a Special Shareholders' Meeting for December 29th, 2015 at 11:00 am at corporate headquarters, in order to issue a statement regarding the following matters:
   - Capitalization of fiscal contributions in the amount of M$ 185,140,328.
   - SEP (State-owned Enterprise System) Request established under Ord. 420 dated November 6th, 2015, to correct the adjustable nature of fees paid to Directors of the Board.
5. By way of Publication No. 628 dated December 29th, 2015, the company reported that the 33rd Special Shareholders' Meeting called for that date was held as reported and the following agreements were adopted:
   a) To increase subscribed and paid capital to date in the amount of M$185,140,328, par value, earmarked for financing Lines 6 and 3 construction projects, investments in network improvements, servicing the company's debt, and Metro's security plan, by issuing 5,985,784,934 series A shares to be subscribed and paid by the Treasury and Corfo, as recorded in the meeting's minutes.
   b) To replace standing article five and transitory article one of the Company's By-Laws, in order to reflect the newly authorized capital increase, share breakdown, and the way in which the increase is reported, subscribed and paid.
   c) To make changes to Director compensation, pursuant to a "SEP Request" (by the Chairman of the System of State-owned Enterprises SEP), within the framework of the fiscal austerity measures adopted for fiscal year 2016.

8

Financial Mangement

8

FINANCIAL MANGEMENT

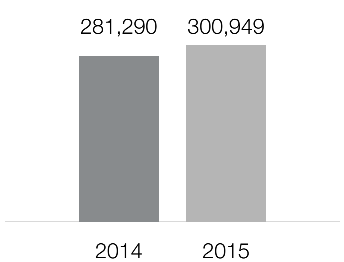
Summary of Company Results

In 2015, Metro remained within the small group of global metros able to finance their own operations, in addition to a portion of their own investment plans, as explained below:

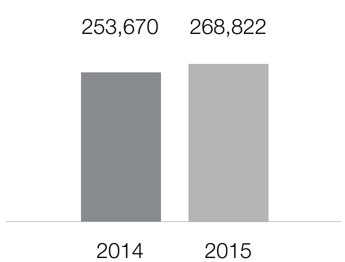
- Income from Regular Activities as of December 2015 totaled MM$ 300,949, up 7.0% from 2014, primarily due to greater revenues from transportation, which amounted to MM$ 238,225, 6.5% greater than the previous year and this is explained due to greater technical tariff perceived by Metro, due to the increase of the variables that make up the polynomial (dollar and CPI, etc.).

  Furthermore, Metro booked a 9.0% increase in non-fare revenues primarily due to increased revenues at Points of Sale. To a lesser extent, the increase in leasing premises and commercial site and Intermodal Terminal Leases was also recorded.

Revenue from Regular Activities (MM$)



Cost of Sales (MM$)



- Cost of sales amounted to MM$ 268,822, up 6.0% from 2014, due to greater expenses in Maintenance. The cost increase in this item is associated with the maintenance of track and rolling stock, in addition to the purchase of specific spare parts and tires.

As a result of the above, Metro's 2015 gross earnings amounted to MM$ 32,127.

Administrative expenses totaled MM$ 29,223, 30.2% more than 2014, mainly explained by the increase of personnel expenses and overhead.

2015 EBITDA amounted to MM$ 77,723, which was 2.3% less than the 2014 figure.

Interest expense on financial debt was booked for a sum of MM$ 50,250, which is similar to the 2014 figure. However, indexation unit results came in at a loss of MM$ 37,533, due to a 4.1% increase in the UF during the year.

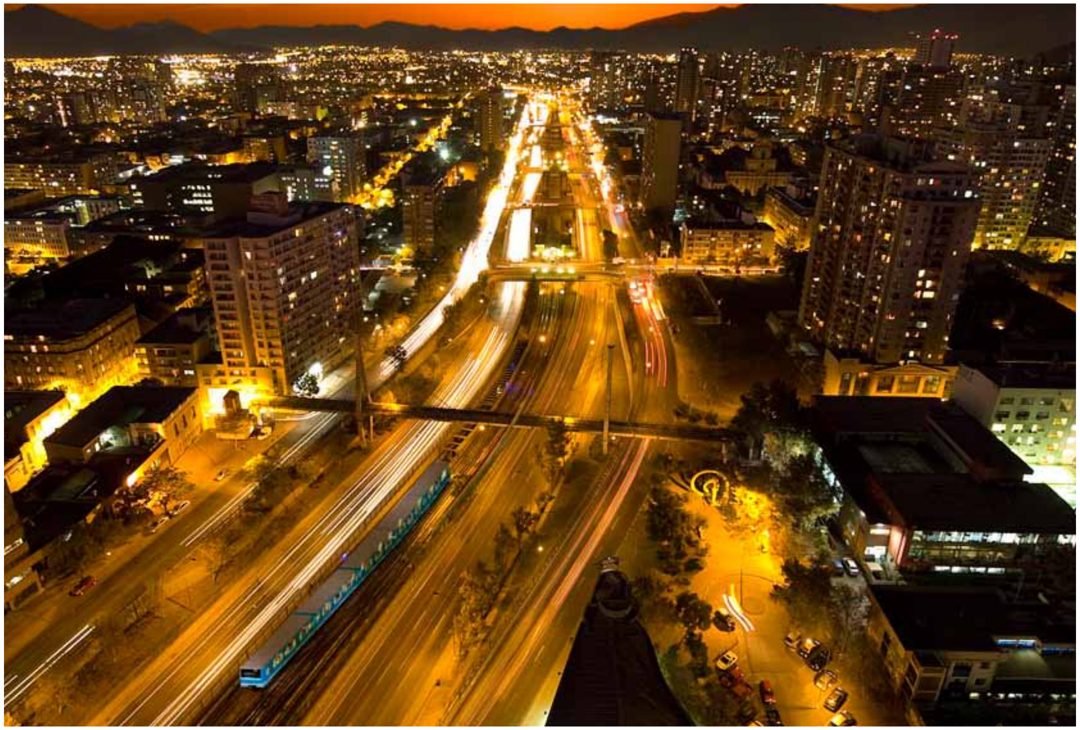
In 2015, the company recorded a MM$87,351 loss for foreign exchange translation due to a 17.0% increase in the dollar value during the year (from $606.75 per dollar at 31 December 2014 to $710.16 per dollar at 31 December 2015).

As a result of the above, at 31 December 2015 the company recorded a loss of MM$ 155,239, which was greater than the MM$ 131,141 in losses recorded for 2014.

At 31 December 2015, the company's total assets amounted to MM$ 3,781,418, i.e., a 7.5% increase over the previous year.

8.1. Financial Statement Reporting

The following reports are attached hereto: Classified Consolidated Statement of Financial Position, Consolidated Income Statements by Function, Consolidated Statement of Changes in Net Equity, Consolidated Cash Flow Statement, Notes to the Consolidated Financial Statements, and Independent Auditors' Report.



8.2. Analysis of the Consolidated Financial Statements

This document aims to present an analysis of the economic/financial position of the Company as of December 31, 2015, analyzing the financial structure and its main trends, through comparative tables of the Statements of Financial Position as of December 31, 2015 and 2014, and the Statements of Comprehensive Income as of December 31, 2015 and 2014, expressed in million of Chilean pesos.

8.2.1. Statement of Financial Position

As of December 31, 2015, total Assets and Liabilities amount to MCh$3,781,418, reflecting an increase of MCh$262,391, equivalent to 7.5% compared to December 2014.

In terms of total assets, they are clearly dominated by the fixed portion of the resources. Accordingly, as of December 31, 2015, Property, Plant & Equipment and Net Investment properties represent 93.2% of total Assets. Additionally, current Assets and the other non-current Assets represent 5.4% and 1.4% of total Assets, respectively.

Net Property, Plant & Equipment, and Investment Properties, commercial premises and other properties, granted under operating lease, increased by 13.2% or MCh$410,544- as of December 2015, compared to December 2014, as a result of purchases of properties of MCh$ 486,019- associated to the expansion projects of the Metro subway network, mainly on Lines 3 and 6, that include MCh$468,988 for works in progress, MCh$10,484 for Land, MCh$9,547 for Railway rolling stock and MCh$1,473 for Machinery, equipment and Other. However, a decrease of MCh$4,473 was recorded due to reclassifications to other assets. This was offset by depreciation expenses associated with the Company's assets (MCh$74,057) and to a lesser extent to

transfers to other assets of the Company (MCh$1,993) and disposals (MCh$697). Investment Property increased by MCh$1,272.

Current Assets as of December 2015, decreased by 41.0% (MCh$142,687) compared to 2014, and its variation was mainly due to decreases in Other current financial assets (MCh$72,515) and Cash and cash equivalents (MCh$69,391), resulting from a lower level of investments in long-term and short-term deposits under 90 days. These investments are mainly from the proceeds of the last issue and placement of bonds in the international market for USD$ 500,000,000 on February 4, 2014, and in additions to fiscal contributions received from the Chilean Government. To a lesser extent, the other items that showed a decrease were, Trade and other receivables (MCh$765) and Current Tax Assets (MCh$438). These decreases were partially offset by an increase in other non-financial assets (MCh$400) and Inventories (MCh$22). Among the main components of current assets, include the items Cash and cash equivalents (MCh$152,906), Other current financial assets (MCh$25,434), -Financial investments greater than three months-, Trade and other accounts receivable (MCh$9,517), Inventories (MCh$12,163) and Other non-financial assets (MCh$4,216).

As of December 2015, non-current assets, excluding property, plant and equipment and Investment Properties, decreased by 9.5% (MCh$5,466) and its variation was mainly due to the decrease in Other non-financial assets (MCh$12,067), due to transfers to property, plant and equipment originated by the acquisition of land and other property associated with projects for lines 3 and 6. To a lesser extent, Non- current rights receivable decreased MCh$420. This is offset by an increase of MCh$6,000 in Other non- current financial assets, due to the revaluation and increase in the dollar exchange rate in the derivative portfolio –Cross Currency Swap- and to a lesser extent to the increase of MCh$1,021 in Intangible assets other than Goodwill.

Total liabilities recorded an increase in all captions where non-current liabilities increased by MCh$173,951, current liabilities increased by MCh$58,538 and equity increased by MCh$129,902. Non- current liabilities increased as a result of an increase in other non-current financial liabilities of MCh$129,107, resulting from a loan assumed of MUS$135, and the increases in exchange rates mainly in bonds and foreign loans. There were other increases in payables due to related parties, non-current which increased by MCh$44,900 as a result of non-capitalized contributions received from the Chilean Government for projects to expand the subway network (Lines 3 and 6) and to a lesser extent because of an increase of MCh$3 in other non-financial liabilities, non-current. This is offset by a decrease in employee benefits of MCh$59. Current liabilities increased as a result of increases in other current financial liabilities of MCh$31,191, trade and other payables of MCh$15,505, other non-financial liabilities of MCh$9,883, current liabilities related to employee benefits of MCh$76 and other current provisions of MCh$1,883.

In terms of Equity, at the Extraordinary Shareholders' meeting held on December 29, 2015, an increase of share capital issued and subscribed was agreed to through the capitalization of government contributions amounting to MCh$185,140; absorbing the loss for the year of MCh$155,238.

Non-current liabilities (MCh$1,607,808) are comprised by 40.8% (MCh$656,360) of foreign currency obligations, 56.1% (MCh$901,711) in obligations in local currency readjustable and 3.1% (MCh$49,737) for Trade payables due to related parties in local currency non-readjustable. Interest-bearing loans (MCh$306,006) and Public obligations (MCh$350,354) are included in obligations in foreign currency with banks and financial institutions. The readjustable local currency component is comprised of Public obligations (Bonds) of MCh$868,895, Non-current provisions for employee benefits (MCh$13,664), Other non-current non-financial liabilities of MCh$3,485 and megaproject contract withholdings of MCh$15,667. The local currency component is comprised of Accounts payable to related companies for the contributions received by the Chilean Government for various ongoing projects.

In terms of liquidity ratios, net working capital is negative MCh$41,664, which decreased by MCh$201,225 compared to December 2014. Current liquidity ranged from 1.85 to 0.83 times and the acid ratio ranged from 1.18 to 0.62 times. The changes in these ratios is explained by a decrease of MCh$142,687 in current assets (financial investments) and an increase of MCh$58,538 in Current liabilities.

Indebtedness ratios compared with December 2014 present the following variations: total debt-to-equity ratio increased from 0.86 to 0.96 times; the current portion of short-term debt from 11.61% to 13.31%, despite the current portion of long-term debt decreasing from 88.39% to 86.69%.

8.2.2. Statement of Comprehensive Income

As of December 31, 2015, the Company recorded a gross profit (Revenue less Cost of Sales) of MCh$32,127, a Loss of MCh$186,984 for other costs, reaching an after tax loss for the year of MCh$154,857. A loss of MCh$381 for Other comprehensive income is added to the previous result, with a total cumulative loss of MCh$155,238.

In 2015, revenue amounted to MCh$300,949 with an increase of MCh$19,659 (7.0%) compared with last year. Some of the main increases include: Revenue for passenger transportation service (MCh$14,502) mainly due to higher average prices of the technical fare per passenger ($25,22) compared to the average price for 2014, explained by the increase in variables included in the polynomial of indexation, mainly US dollars and Inflation. Notwithstanding this, as of December 2015, an decrease of 6.5 million trips was observed, 1.0% compared to the same date 2014, mainly due to a decrease in passenger flow in May and October of 6.1% and 3.8% respectively, due to a decrease in the level of economic activity in the country. Other increases occurred in Sales channel revenue (MCh$4,106), as Metro S.A. is responsible for the entire sales channel of the transportation

system, Transantiago. To a lesser extent, Leasing income increased by MCh$1,278, which was offset by a decrease in Other operating income of MCh$227.

Cost of Sales (MCh$268,822) increased 6.0% (MCh$15,152) compared to December 2014, mainly due to higher Operation and maintenance expenses (MCh$8,248), General expenses (MCh$3,745), Personnel (MCh$4,464) and Depreciation and amortization (MCh$452); despite a decrease in electricity expenses (MCh$1,757).

Energy costs decreased as a result of lower average prices compared to December 2014. It should be noted that since April 2014, the new Electricity Supply Contract with Enorchile S.A. became effective, where the price of electricity is considered a marginal cost (market price) and not a regulated price as in the previous contract. In addition, as a complement to the current Electricity Supply Contract, in September 2015, the Company entered into a New Supply Contract with Chilectra S.A. at a fixed price that will supply up to 40% of the total energy consumption. It will be in effect from October 1, 2015 until December 31, 2023.

General expenses within cost of sales increased mainly due to greater expenses related to the Sales channel, as a consequence of the contract for the provision of complementary broadcasting, after-sales, and commercialization and ticket prepayment services between the Ministry of Transport and Telecommunications and Metro S.A. To a lesser extent, contracts for services received such as security services, IT services, legal services and legal compensation, among others, increased. Operation and maintenance costs were affected by increases in the use of spare parts and tires, rolling stock and tracks maintenance contracts, and other contracts for maintenance mainly related to the increased number of train carriages and their higher average price. To a lesser extent, station maintenance and cleaning costs increased. Personnel expenses varied mainly due to greater payroll and related benefit expenses associated with an increase in the average number of personnel, due to the Company's greater operating level compared with the previous year. The other factor to consider was the expenses due to negotiation with Union No.2. Depreciation varied due to additions from projects associated with the extension of the metro network, relating mainly rolling stock and electrical equipment.

Results other than gross profit, showed a loss of MCh$186,984 due to the negative effect of Exchange rates of MCh$87,351, MCh$50,250 for Financial expenses - External credits, Bonds and derivative transactions interest, - MCh$28,689 for Management fees, MCh$37,533 for Results from Inflation Adjusted Units, MCh$534 for Depreciation and amortization and MCh$3,069 for Other operating expenses. This was offset by the positive effects of Financial income (MCh$8,914) - Financial Investment Revenue and Other income (MCh$7,961) - Net swap valuation and Other operating revenue (MCh$3,567). Complementing the aforementioned, the loss result of the foreign currency exchange differences, was due to a depreciation of 17.0% of the Chilean peso compared to the US dollar (from Ch$606.75 in December 2014 to

Ch$710.16 in December 2015), which generates a greater loss for the year 2015, mainly as a result of liabilities being held in US dollars.

Compared with December 2014, Results other than gross profit increased their loss in MCh$29,314 due to the negative effects of foreign currency exchange differences, which increased their loss by MCh$29,590, Other income by function decreased by MCh$5,342, Management expenses increased by MCh$6,782, Financial income decreased by MCh$1,429, Financial expenses increased by MCh$113 and Other income –swap valuation– increased by MCh$812. This was offset by the positive effect of the increase in Other expenses by function by (MCh$5,463) and a lower loss in Results from Inflation Adjusted Units (MCh$9,291).

8.2.3. Valuation of Main Assets

No information is available regarding differences between the carrying amounts and economic and/or market values that are worth mentioning, except for those that may arise in property, plant and equipment, given the particular characteristics of the Company's assets, such as tunnels, stations and civil works.

8.2.4. Statements of Cash Flows

Net cash generated from operating activities

As of December 31, 2015 the total net cash generated from operating activities was MCh$92,057, (MCh$101,844) compared to last year. Positive cash flows include: Collection from the rendering of services (MCh$292,847) representing an increase of MCh$12,779 compared with 2014, which represents the main source of the Company's revenue, which are the transport of passengers, sales channel and non-tariff related revenue (leases). To a lesser extent Other operating activities amounts to MCh$23,063 that mainly include interests and financial investments of less than 90 days and other operating charges.

The negative operating cash flows consists of payments of MCh$148,710 to suppliers for the provision of goods and services, MCh$66,571 for payment to or on behalf of employees and MCh$8,572 for Other payments for operating activities, mainly for payment of property taxes and other.

Operating cash flows are of the same nature as in 2014, reflecting a decrease in positive net cash flow of MCh$9,788 due to higher negative cash flows of MCh$23,333 which are offset to a lesser extent by higher positive cash inflows of MCh$13,545.

Net cash generated from financing activities

Net cash flows as of December 31, 2015 was positive and amounted to MCh$204,430, while the same date last year it amounted to MCh$310,089. As of December 2015, cash was obtained from Loans to related entities of MCh$230,040 corresponding to contributions received from the Chilean government for investment projects, mainly related to the projects associated with Lines 3 and 6, from which MCh$180,303 were capitalized, in addition to a long-term loan received amounting to MCh$95,912. Additionally, within cash outflows are the payment of external loans (MCh$61,264), Interests paid (MCh$50,218) which include External credits and Obligations with the public - Bonds and other cash outflows (MCh$10,040), including the payment of principal installments of bonds and Swap derivative operations.

Positive net cash flow decreased by MCh$105,659 (compared with December 2014) due to lower cash inflows of MCh$282,135, offset by higher cash inflows of MCh$176,476. Negative variations include MCh$277,536 for lower Other cash inflows and MCh$4,599 for lower cash inflows from the issuance of shares. Positive variations include MCh$95,912 for higher cash inflows from long-term loans, MCh$44,900 for Loans to related entities, and lower cash outflows of MCh$35,278 for the payment of loans and MCh$386 for Interests paid.

It should be noted that the significant decrease in cash inflows from other sources of (MCh$277,536), was mainly due to the new issuance and allocation of Bonds in the international market of MUS$500 on February 04, 2014.

Net cash generated from investment activities

As of December 31, 2015, investment activities recorded a negative net cash flow of MCh$372,030, while at the same time last year were also negative and amounted to MCh$335,294. Negative cash flows include: MCh$432,118 for the purchase of property, plant and equipment, mainly associated with the Line 3 and 6 projects, MCh$1,004 for the purchase of intangible assets (software and easement) and MCh$15,427 for Interests paid (International Bond Financing Cost), offset by MCh$76,519 in Other payments to acquire equity or debt instruments from other entities, relating to time deposit investments for periods greater than 90 days.

Negative cash flows increased by MCh$36,736 compared to last year, due to higher payments for the purchase of property, plant and equipment amounting to MCh$132,529, and higher interests paid for MCh$8,627. This was offset by higher cash inflows from the receipt of debt securities from other entities (redemption of investments grater than 90 days) for MCh$104,256, and to a lesser extent due to a decrease in the acquisition of intangible assets MCh$164.

Increase (decrease) in cash and cash equivalents

At the beginning of 2015, an opening balance of cash and cash equivalents (financial investments not exceeding 90 days) amounted to MCh$222,297. The closing balance of cash and cash equivalents as of December 31, 2015 amounted to MCh$152,906. Consequently, the net variation in cash and cash equivalents for the year was unfavourable and amounted to MCh$69,391.

In comparison with 2014, the opening balance of cash and cash equivalents amounted to MCh$129,279. The closing balance for cash and cash equivalent amounted to MCh$222,297 and net change for the period was positive of MCh$93,018. The effects of the variation in exchange rates on cash and cash equivalents had a positive effect of MCh$6,153 as of December 31, 2015 as result of an increase in the exchange rate, (17%) mainly US dollars. A positive effect of MCh$$16,379 was recorded at the same date in the prior year.

8.2.5. Market Risk Analysis

The Company faces various risks inherent to the activities performed in the public transportation of passengers, in addition to the risks associated with economic/financial changes in market conditions, accidental events or force majeure, among others.

Pricing structure

The Company is part of the Integrated System of Public Passenger Transport of Santiago. Transantiago, and its tariff revenue is based on the number of transported passengers effectively validated and the technical fare established in Appendix No.1 based on the Tender Conditions for the use of Ways in Santiago.

On December 14, 2012 a new Transport agreement was entered into replacing the aforementioned Appendix No.1, where a flat fee of Ch$302.06 per validated transported passenger was established, using September 2012 as the basis. It is updated monthly by an indexation polynomial, which is included in such new agreement and results in an adjustment for fluctuations in variables associated with the structure of the Company's long-term expenses (CPI, U.S. dollars, Euros, price of power and electricity). This allows a natural hedge for changes in costs resulting from an increase in any of the variables included in such polynomial.

Passenger demand

The demand for passenger transport is driven by other economic activities. During the period between January to December 2015, a decrease of 6.5 million trips was observed, when compared to 2014, mainly due to a decrease in passenger flow in May and October of 6.1% and 3.8% respectively, due to a decrease in the level of economic activity in the country and the decrease in students flow in the network.

Interest rate and exchange rate risk

In order to reduce the exposure to changes in exchange and interest rates of financial debt, the Company has a Financial Risk Coverage Policy. Within the framework of this policy, the Company performed derivative transactions which amounted to MUS$98 as of December 31, 2015, and placed for the first time, bonds in the international financial market of MUS$500 at a rate of 4.85%, highlighting the high degree of participation of foreign investors, which reached a demand of 7.6 times the amount of the placement. These actions helped reduce de level of exposure to changes in the aforementioned variables.

Accordingly, it is worth noting that the indexation polynomial, through which the technical rate of Metro S.A. is updated, includes the US dollar and Euro variables, among others, which is a "natural hedge" in the long-term cash flow.

Liquidity risk and financial liabilities structure

Tariff revenue associated with Metro´s passenger transportation, in accordance with the new transport agreement, are deducted daily from funds raised by the Company's Sales Channel, generating the necessary liquidity to cover the Company's obligations. This income corresponds to 79% of total revenue.

The overall debt structure of the Company is mainly composed of bonds and long-term bank loans, aimed at ensuring financial stability and improving the matching with the maturity terms of the Company's assets.

Credit risk

Credit risk of accounts receivable from commercial activity (passenger transportation) is limited as 79% of the revenue received by the Company is in cash on a daily basis, while the remaining 21% corresponds to revenue not related to the main business.

Debtors relate mainly to commercial leases, advertising and invoices receivable with low delinquency. In addition, there are no customers who owe significant amounts relative to the total of accounts receivable.

Credit risk of financial assets (cash and short-term investments), is limited as the Company's Financial Investments Policy aims to reduce risks by means of portfolio diversification, setting maximum investment limits for each bank, as well as considering minimal risk classifications by issuer.

Electricity Supply Risk

One of the main risk factors is the supply of electrical energy required to operate the Metro and the need for service continuity, to avoid interruptions in supply. In this regard, the Company has a feeding system that allows it to reduce exposure to outages, having a direct connection to two points of the Central Interconnected System (SIC), which feeds Lines 1, 2 and 5, as well as two points for the feeding of Line 4. Additionally, please note the following:

- The electricity feeding systems are duplicated and in the event of failure of one of them there is always a backup that keeps the power supply for the regular operation of the network.
- The operational control systems are designed with redundant criteria, i.e., they work in a standby mode, so that in the absence of one of the systems, the other comes into operation immediately, maintaining the normal operation of the network.
- For Lines 1, 2 and 5, in the event of a crash of the Central Interconnected System, the distributing company has defined as a first priority the replenishment of the supply that feeds the center of Santiago, which allows the Metro network to have energy simultaneously, since Metro is supplied by the same feeder.

Accordingly, it should be noted that supplementary to the current Electricity Supply Contract with Enorchile S.A. which is in effect until March 31, 2017, the Company entered into a New Supply Contract with Chilectra S.A. in September, 2015. The contract has a fixed price that will supply up to 40% of the total energy consumption curve, until December 31, 2023.

8.2.6. Comparative Table of the Consolidated Statements of Financial Position

CONCEPT		December 2015 MCh$	December 2014 MCh$	VARIATION MCh$	VARIATION %
Assets:					
Current assets		205,178	347,865	(142,687)	(41.0)
Property, plant and equipment for investment		3,524,428	3,113,884	410,544	13.2
Non-current assets		51,812	57,278	(5,466)	(9.5)
Total assets		3,781,418	3,519,027	262,391	7.5
Liabilities / Total debt :					
Current liabilities		246,842	188,304	58,538	31.1
Non-current liabilities		1,607,808	1,433,857	173,951	12.1
Total liabilities / Total debt		1,854,650	1,622,161	232,489	14.3
Net equity:					
Issued capital		2,392,832	2,207,692	185,140	8.4
Other reserves		33,379	33,379	0	0.0
Retained earnings (losses)		(499,432)	(344,194)	(155,238)	(45.1)
Non-controlling interest		(11)	(11)	0	0.0
Total net equity		1,926,768	1,896,866	29,902	1.6
Net equity and liabilities, Total		**3,781,418**	**3,519,027**	**262,391**	**7.5**
Liquidity and indebtedness indicators:					
Liquidity index:					
Net working capital					
(Current assets (-) Current liabilities)	MCh$	(41,664)	159,561	(201,225)	(126.1)
Current liquidity					
(Current assets / Current liabilities)	times	0.83	1.85		(55.1)
Acid ratio					
(Cash and cash equivalents / Current liabilities)	times	0.62	1.18		(47.5)
Indebtedness ratio:					
Indebtedness ratio:					
(Total debt / Equity)	times	0.96	0.86		11.6
	%	96.26	85.52		12.6
Short-term debt ratio:					
(Current liabilities / Total debt)	%	13.31	11.61		14.6
Long-term debt ratio:					
(Non-current liabilities / Total debt)	%	86.69	88.39		(1.9)

8.2.7. Comparative Table of the Consolidated Statements of Comprehensive Income, by Function

CONCEPT		December 2015 MCh$	December 2014 MCh$	VARIATION MCh$	VARIATION %
Total passenger flow (millions of trips)		661.17	667.65	(6.5)	(1.0)
Total passenger flow, paid (millions of trips)		660.35	668.72	(8.4)	(1.3)
Revenue					
Passenger transport service revenue		238,225	223,723	14,502	6.5
Sales channel revenue		40,878	36,772	4,106	11.2
Leasing revenue		15,580	14,302	1,278	8.9
Other revenue		6,266	6,493	(227)	(3.5)
Total revenue		300,949	281,290	19,659	7.0
Cost of sales					
Personnel		(53,944)	(49,480)	(4,464)	(9.0)
Operation and maintenance costs		(54,409)	(46,161)	(8,248)	(17.9)
Electricity		(42,531)	(44,288)	1,757	4.0
General		(43,653)	(39,908)	(3,745)	(9.4)
Depreciations and amortizations		(74,285)	(73,833)	(452)	(0.6)
Total cost of sales		(268,822)	(253,670)	(15,152)	(6.0)
Gross profit		32,127	27,620	4,507	16.3
Other profit by function		3,567	8,909	(5,342)	(60.0)
Administrative expenses		(28,689)	(21,907)	(6,782)	(31.0)
Administrative depreciation and amortization		(534)	(534)	0	0.0
Other expenses by function		(3,069)	(8,532)	5,463	64.0
Other gains (losses)		7,961	8,773	(812)	(9.3)
Finance income		8,914	10,343	(1,429)	(13.8)
Finance expenses		(50,250)	(50,137)	(113)	(0.2)
Exchange rate		(87,351)	(57,761)	(29,590)	(51.2)
Profit (loss) on index-adjusted units		(37,533)	(46,824)	9,291	19.8
Profit or loss other than gross profit		(186,984)	(157,670)	(29,314)	(18.6)
Profit (loss) before taxes		(154,857)	(130,050)	(24,807)	(19.1)
Income tax expenses					
Profit (loss)		(154,857)	(130,050)	(24,807)	(19.1)
Other comprehensive income					
Actuarial gains (losses) for defined benefit plans		(381)	(1,091)	710	65.1
Total comprehensive income		(155,238)	(131,141)	(24,097)	(18.4)
Indebtedness index					
Financial expenses coverage:					
(Profit or loss before taxes and interests/Finance expenses)	%	(156.48)	(161.60)		3.2
Profit or loss ratios:					
E.B.I.T.D.A.					
(Earnings before interest, taxes, depreciation and amortization)		(30,437)	(6,655)	(23,782)	(357.4)
Operating profit (*)					
(Gross profit less Administrative expenses, depreciation and amortization)		2,904	5,179	(2,275)	(43.9)
E.B.I.T.D.A. (Revenue plus Depreciations and amortizations) (*)		77,723	79,546	(1,823)	(2.3)
E.B.I.T.D.A. margin (Ebitda / Revenue) (*)	%	25.83	28.28		(8.7)
(*) Subject to contracts entered into					
Profitability index					
Operating profitability (Operating profit / Property, plant and equipment)	%	0.08	0.17		(52.9)
Equity profitability (Net profit (loss) /Average equity)	%	(8.10)	(7.00)		(15.7)
Asset profitability (Net profit (loss) /Average asset)	%	(4.24)	(3.91)		(8.4)
Operating assets return (operating profit or loss/average operating assets) (**)	%	0.09	0.17		(47.1)
Profit (loss) per share (Profit(loss) for the period./No. of shares	$	(2.45)	(2.27)		(7.9)
2015 - 63,161,989,626 shares					
2014 - 57,500,333,234 shares					

(**) Operating assets are Property, plant and equipment and Investment properties

Financial Statements

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

Consolidated Financial Statements
for the years ended December 31, 2015 and 2014

(With the Independent Auditor's Report Thereon)

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

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ThCh$	:	Figures expressed in thousands of Chilean Pesos
MCh$	:	Figures expressed in millions of Chilean Pesos
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MUS$	:	Figures expressed in millions of United States dollars

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Independent Auditors' Report

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

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Empresa de Transporte de Pasajeros Metro S.A. and its subsidiary, which comprise the consolidated statements of financial position as of December 31, 2015 and 2014, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the instructions and standards for the preparation and presentation of financial information issued by the Chilean Superintendence of Securities and Insurance (SVS) described in Note 2.1 to the consolidated financial statements; this responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

KPMG

Opinion on the regulatory basis of accounting

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Empresa de Transporte de Pasajeros Metro S.A. and its subsidiary as of December 31, 2015 and 2014, and the results of their operations and their cash flows for the years then ended in accordance with instructions and standards for the preparation and presentation of financial information issued by the Superintendence of Securities and Insurance (SVS) described in Note 2.1 to the consolidated financial statements.

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

Héctor del Campo R.

KPMG Ltda.

Santiago, March 14, 2016

METRO DE SANTIAGO

Empresa de Transporte de Pasajeros Metro S.A. and subsidiary

Consolidated Financial Statements

for the years ended December 31, 2015 and 2014

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

CONSOLIDATED FINANCIAL STATEMENTS

for the years ended

December 31, 2015 and 2014

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Consolidated Classified Statements of Financial Position

for the years ended December 31, 2015 and 2014

(in thousands of Chilean pesos)

ASSETS	NOTE	12-31-2015	12-31-2014
CURRENT ASSETS			
Cash and cash equivalents	4	152,905,969	222,297,210
Other current financial assets	10	25,434,334	97,949,131
Other current non-financial assets	11	4,215,891	3,815,743
Trade and other receivables, current	5	9,517,191	10,281,620
Inventories	6	12,163,510	12,141,802
Current tax assets		941,476	1,379,896
Total current assets		205,178,371	347,865,402
NON-CURRENT ASSETS			
Other non-current financial assets	10	16,968,475	10,968,457
Other non-current non-financial assets	11	28,095,756	40,163,467
Trade receivables, non-current		782,202	1,202,697
Intangible assets other than goodwill	7	5,964,885	4,943,762
Property, plant and equipment	8	3,510,066,347	3,100,792,871
Investment property	9	14,362,284	13,090,499
Total non-current assets		3,576,239,949	3,171,161,753
TOTAL ASSETS		3,781,418,320	3,519,027,155

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

Consolidated Classified Statements of Financial Position, continued

for the years ended December 31, 2015 and 2014

(In thousands of Chilean pesos)

LIABILITIES AND EQUITY	NOTE	12-31-2015	12-31-2014
LIABILITIES			
CURRENT LIABILITIES			
Other current financial liabilities	12	124,609,083	93,417,666
Trade and other payables	15	72,117,665	56,612,308
Other short-term provisions	19	2,168,773	286,000
Provisions for employee benefits, current	17	10,493,525	10,417,076
Other current non-financial liabilities	13	37,453,584	27,570,371
Total current liabilities		246,842,630	188,303,421
NON-CURRENT LIABILITIES			
Other non-current financial liabilities	12	1,540,921,873	1,411,815,210
Accounts payable due to related entities, non-current	14	49,737,277	4,837,328
Provisions for employee benefits, non-current	17	13,663,705	13,722,607
Other non current non-financial liabilities	13	3,484,945	3,482,216
Total non-current liabilities		1,607,807,800	1,433,857,361
Total liabilities		1,854,650,430	1,622,160,782
EQUITY			
Share capital	20	2,392,831,968	2,207,691,640
Retained earnings (accumulated deficit)	20	(499,432,394)	(344,193,583)
Other reserves	20	33,378,961	33,378,961
Equity attributable to owners of the Parent		1,926,778,535	1,896,877,018
Non-controlling interests	20	(10,645)	(10,645)
Total equity		1,926,767,890	1,896,866,373
Total liabilities and equity		3,781,418,320	3,519,027,155

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

Consolidated Statements of Comprehensive Income by Function

for the years ended December 31, 2015 and 2014

(in thousands of Chilean pesos)

STATEMENT OF INCOME		ACCUMULATED	
	NOTE	01-01-2015	01-01-2014
PROFIT (LOSS)		12-31-2015	12-31-2014
Revenue	21	300,948,510	281,289,836
Cost of sales	21	(268,821,799)	(253,670,471)
Gross profit		32,126,711	27,619,365
Other income, by function	21	3,567,441	8,909,108
Administrative expenses	21	(29,223,200)	(22,440,598)
Other expenses, by function	21	(3,069,218)	(8,532,040)
Other profit (loss)	21	7,960,601	8,773,403
Finance income	21	8,913,930	10,343,068
Finance costs	21	(50,250,049)	(50,137,114)
Foreign currency translation difference	21	(87,350,774)	(57,761,318)
Profit (loss) on index-adjusted units	21	(37,532,672)	(46,824,131)
Profit (loss) before tax		(154,857,230)	(130,050,257)
Profit (loss) from continuing operations		(154,857,230)	(130,050,257)
Profit (loss)		(154,857,230)	(130,050,257)
PROFIT (LOSS) ATTRIBUTABLE TO:			
Owners of the Parent		(154,857,230)	(130,050,257)
Non-controlling interests		-	-
Profit (loss)		(154,857,230)	(130,050,257)
STATEMENT OF COMPREHENSIVE INCOME			
Profit (loss)		(154,857,230)	(130,050,257)
Other comprehensive income	21	(381,581)	(1,090,438)
Total comprehensive income		(155,238,811)	(131,140,695)
Comprehensive income attributable to:			
Owners of the Parent		(155,238,811)	(131,140,695)
Non-controlling interests		-	-
Total comprehensive income		(155,238,811)	(131,140,695)

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

Consolidated Statements of Changes in Equity

for the years ended December 31, 2015 and 2014

(in thousands of Chilean pesos)

Concept	Share capital	Other reserves: Other miscellaneous reserves	Other reserves: Revaluation surplus	Other reserves: Reserve for gain (loss) on defined benefit plans	Other reserves: Total other reserves	Retained earnings (accumulated deficit)	Equity attributable to owners of the Parent	Non-controlling interests	Total net equity
Opening balance as of 01-01-2015	2,207,691,640	30,336,377	3,042,584	-	33,378,961	(344,193,583)	1,896,877,018	(10,645)	1,896,866,373
Profit (loss)	-	-	-	-	-	(154,857,230)	(154,857,230)	-	(154,857,230)
Other comprehensive income	-	-	-	(381,581)	(381,581)	-	(381,581)	-	(381,581)
Comprehensive income	-	-	-	-	-	-	(155,238,811)	-	(155,238,811)
Issue of equity	185,140,328	-	-	-	-	-	185,140,328	-	185,140,328
Increase (decrease) on transfers and other changes	-	-	-	381,581	381,581	(381,581)	-	-	-
Closing balance as of 12-31-2015	2,392,831,968	30,336,377	3,042,584	-	33,378,961	(499,432,394)	1,926,778,535	(10,645)	1,926,767,890
Opening balance as of 01-01-2014	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)	-	-	-	-	-	(130,050,257)	(130,050,257)	-	(130,050,257)
Other comprehensive income	-	-	-	(1,090,438)	(1,090,438)		(1,090,438)	-	(1,090,438)
Comprehensive income	-	-	-	-	-	-	(131,140,695)	-	(131,140,695)
Issue of equity	206,690,793	-	-	-	-	-	206,690,793	-	206,690,793
Increase (decrease) on transfers and other changes	-	-	-	1,090,438	1,090,438	(1,090,438)	-	-	-
Closing balance as of 12-31-2014	2,207,691,640	30,336,377	3,042,584	-	33,378,961	(344,193,583)	1,896,877,018	(10,645)	1,896,866,373

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

Consolidated Statements of Cash Flows

for the years ended December 31, 2015 and 2014

(in thousands of Chilean pesos)

Statement of Cash Flow - Direct Method	01-01-2015 12-31-2015	01-01-2014 12-31-2014
Statement of cash flows		
Cash flows from (used in) operating activities		
Receipts from sales of goods and the rendering of services	292,846,577	280,067,048
Other receipts from operating activities	23,063,127	27,314,886
Payment to suppliers for goods and services	(148,709,600)	(131,091,331)
Payments to and on behalf of employees	(66,571,167)	(67,337,616)
Other payments for operating activities	(8,572,148)	(7,108,540)
Net cash flows generated from operating activities	**92,056,789**	**101,844,447**
Cash flows from (used in) investing activities		
Acquisition of property, plant and equipment	(432,118,253)	(299,589,332)
Acquisition of intangible assets	(1,003,839)	(1,167,870)
Other receipts (payments) made for the sale of other entities' equity or debt securities	76,519,133	(27,737,260)
Interest paid	(15,427,525)	(6,799,744)
Net cash flows used in investing activities	**(372,030,484)**	**(335,294,206)**
Cash flows from (used in) financing activities		
Proceeds from the issue of shares	180,303,000	184,901,932
Proceeds from long-term borrowings	95,912,100	-
Loans from related entities	49,737,277	4,837,328
Loan payments	(61,264,363)	(96,542,668)
Interest paid	(50,218,059)	(50,603,401)
Other cash inflows (outflows)	(10,040,438)	267,495,466
Net cash flows from financing activities	**204,429,517**	**310,088,657**
Net increase (decrease) in cash and cash equivalents before the effect of changes in exchange rate	(75,544,178)	76,638,898
Effects of changes in exchange rate on cash and cash equivalents	**6,152,937**	**16,379,212**
Net increase (decrease) in cash and cash equivalents	(69,391,241)	93,018,110
Cash and cash equivalents at the beginning of period	222,297,210	129,279,100
Cash and cash equivalents at the end of period	**152,905,969**	**222,297,210**

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

(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 18.772 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 (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.

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. Summary of 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 December 31, 2015 and have been applied on a consistent basis to all the years presented in the financial statements.

2.1. Basis of preparation

The consolidated financial statements comprise the statements of financial position as of December 31, 2015 and 2014, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years ended December 31, 2015 and 2014, which have been prepared in accordance with International Financial Reporting Standards (IFRS) 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.

2.1. Basis of preparation, continued

In addition, on October 17, 2014 the SVS issued Circular No. 856, which established an exception, mandatory and for one time only, to the preparation and presentation framework for financial reporting which such regulatory agency has defined as International Financial Reporting Standards. Such Circular provides instructions for entities to: “account for differences in deferred tax assets and liabilities arising as a direct effect of the increase in the corporate income tax rate introduced by Law No. 20,780 against equity for the respective years."

These Consolidated Financial Statements were approved by the Board on March 14, 2016, 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, and specific instructions issued by the SVS, 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.

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

2.2. Basis of consolidation

Empresa de Transporte Suburbano de Pasajeros S.A. (Transub S.A.) is consolidated from the date on which control of the Company was transferred. Consolidation includes 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 Statements of Comprehensive Income.

Empresa de Transporte Suburbano de Pasajeros S.A. (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		
		12-31-2015 - 12-31-2014		
		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 associates.

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 in foreign currency and adjustment units

Transactions in foreign currency and adjustment units 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 measured at fair value 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
12-31-2015	710.16	774.61	25,629.09
12-31-2014	606.75	738.05	24,627.10
12-31-2013	524.61	724.30	23,309.56

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.

Costs include expenditure directly attributable to the acquisition of assets and the capitalized interest incurred during the construction and development period.

The cost of self-constructed assets includes the cost of materials and direct labor costs; any other cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and the costs of dismantling and removing the items and restoring the site in which they are located.

Work in progress is reclassified as operating assets 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, at which point 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.

2.4. Property, plant and equipment, continued

Periodic maintenance, conservation and repair expenses are recorded directly in the statement of income as costs for the period in which they are incurred.

Major maintenance costs of rolling stock, which includes among other things, replacement of parts and pieces, are capitalized as an asset that is independent from the main asset, if it is probable that future economic benefits related to the costs are received.

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.

Amortization (depreciation) of property, plant and equipment according to IAS 16 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 Public Sector IAS 21, as described in Note 2.8.

The effects of the impairment analysis are recognized directly in profit or loss.

2.5. Investment property

Relates to real state (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 property that corresponds to land and buildings are valued using the cost model.

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

Investment property	**Useful life**
Commercial premises	57 years on average
Other buildings	88 years on average

2.6. Intangible assets other than goodwill

2.6.1. Easements

Easements are presented at historical cost. If those easements have indefinite useful lives, they are not subject to amortization. However, indefinite useful life assets are subject to review at each reporting period, to determine whether the determination of indefinite useful life is still applicable. These assets are subject to annual impairment testing.

2.6.2. Software

Licenses for information technology programs acquired are capitalized on the basis of the costs incurred to acquire them and prepare them for use. 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 and finance costs

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.

2.7. Finance income and finance costs, continued

Finance costs, both interest and expenses on bank loans, obligations with the public, bonds and other finance expenses are recognized in the Consolidated Statement of Comprehensive 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 assess the 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.

2.9. Financial assets, continued

In accordance with IFRS 7 "Financial Instruments: Disclosure", we consider that the carrying amounts of assets valued at amortized cost are a reasonable approximation of 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 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 rate 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.

2.9.5. Recognition and measurement of financial assets, continued

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

Financial assets at fair value through profit or loss: a financial asset is classified at fair value through profit or loss when it is classified as held for trading or designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, including any interest or dividend income, are recognized in profit or loss.

Loans and receivables: these assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method.

Held-to-maturity financial assets: these assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortized cost using the effective interest method.

Available-for-sale financial assets: these assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and the changes therein, other than impairment losses and foreign currency differences on debt instruments are recognized in other comprehensive income and accumulated in the fair value reserve. When these assets are derecognized, the gain or loss accumulated in equity is reclassified to profit or loss.

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 to their net realizable value, recognizing their technological obsolescence with a direct charge to profit or loss.

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 profit or loss.

2.12. Cash and cash equivalents

Cash and cash equivalents include cash, checking account 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.

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.

On December 29, 2014, the Tax Reform Law was enacted, which, among other aspects, defines the default tax system applicable to the Company; the corporate income tax rate that will be gradually applied between 2014 and 2018; and allows companies to opt for one of the two tax systems established therein: the attributed income system or the partially-integrated system, which results in entities being subject to different tax rates starting in 2017.

The Attributed regime is applicable to individual entrepreneurs, single-owner limited liability companies, communities and partnerships when formed exclusively by natural persons domiciled or residents in Chile. The Partially Integrated regime is applicable to the remaining taxpayers, such as openly and closely held shareholders' corporations, joint stock companies or partnerships whose owners are not solely natural persons domiciled or residents in Chile. The tax system to which the Company, by default, shall be subject to as of January 1, 2017, is the partially integrated system.

2.16. Income tax and deferred taxes, continued

Likewise, the Company may opt for a change in the tax system to use a system other than the default system within the last three months of the 2016 calendar year, upon approval by the shareholders at an Extraordinary Shareholders' Meeting with a quorum of at least two thirds of voting-right shares issued, and it will become effective through submission of the declaration signed by the Company, and the minute, drafted as public deed, entered by the company. The Company shall be subject to the tax system that was assigned to it, during at least five consecutive business years. After this period it is able to change the tax system, and should be subject to such new system for at least five consecutive years.

The deferred tax rate is measured using the tax rates expected to be applicable to the temporary differences in the period when they are reversed using tax rates that by default will be applicable to the Company at the reporting date. Metro S.A. applies a rate of 27%.

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. Employee benefits

2.17.1. Accrued vacations

The Company recognizes accrued vacation expenses using the accrual method.

2.17.2. Severance indemnity payment provisions

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 by 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.

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 can be 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 classified 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 and expenses recognition

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

b) Revenue from operating leases is recognized on an accrual basis.

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) Revenue from interest is recognized using the effective interest rate method.

e) Other revenue 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 a contract that has the characteristics of a financial lease, which has 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.

2.21. Lease agreements, continued

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 IFRS and interpretations issued by the IFRS Interpretations Committee (IFRIC).

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

New IFRSs	**Mandatory application date**
IFRS 9, Financial Instruments	Effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.
IFRS 14, Regulatory Deferral Accounts	Effective for annual periods beginning on or after January 1, 2016. Earlier application is permitted.
IFRS 15, Revenue from Contracts with Customers	Effective for annual periods beginning on or after January 1, 2018. Earlier application is permitted.
IFRS 16, Leases	Effective for annual periods beginning on or after January 1, 2019. Earlier application is permitted.
Amendments to IFRSs	
IFRS 10: Consolidated Financial Statements , IFRS 12: Disclosure of Interests in Other Entities, and IAS 28: Investments in Associates and Joint Ventures. Investment Entities: Applying the Consolidation Exception.	Effective date deferred indefinitely
IFRS 11, Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations	Effective for annual periods beginning on or after January 1, 2016. Earlier application is permitted.
IAS 16, Property, Plant and Equipment, and IAS 38, Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortization.	Effective for annual periods beginning on or after January 1, 2016. Earlier application is permitted.
IFRS 10, Consolidated Financial Statements, and IAS 28, Investments in Associates and Joint Ventures: Sales or contributions of assets between an investor and its associate/joint venture	Effective for annual periods beginning on or after January 1, 2016. Earlier application is permitted.
IAS 27, Separate Financial Statements, Equity Method in Separate Financial Statements.	Effective for annual periods beginning on or after January 1, 2016. Earlier application is
IAS 27, Separate Financial Statements, IFRS 10, Consolidated Financial Statements, and IFRS 12, Disclosure of Interests in Other Entities. Applying the Consolidation Exception.	Effective for annual periods beginning on or after January 1, 2016.
IAS 1, Presentation of Financial Statements: Disclosure initiative.	Effective for annual periods beginning on or after January 1, 2016. Earlier application is permitted.

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 a 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.

Actuarial gains and losses arise from variances between estimated and actual performance of actuarial assumptions or the restatement of established actuarial assumptions, which are reported directly in Other Comprehensive Income for the period.

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 consolidated 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. 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) el 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 evaluates 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 IFRS 13, 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.

3.4. Measurements and/or valuations at fair value, continued

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:

Level 1:

- ✓ Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2:

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

Level 3:

- ✓ Unobservable inputs.

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

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

3.4. Measurements and/or valuations at fair value, continued

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 December 31, 2015:

Financial assets and financial liabilities at fair value, classified by hierarchy through profit or loss	12-31-2015		
	Level 1 ThCh$	Level 2 ThCh$	Level 3 ThCh$
Financial assets			
Cross currency swap	-	15,293,184	-
Financial liabilities			
Cross currency swap	-	503,593	-

Financial assets and financial liabilities at fair value classified by hierarchy through profit or loss	12-31-2014		
	Level 1 ThCh$	Level 2 ThCh$	Level 3 ThCh$
Financial assets			
Cross currency swap	-	9,595,348	-
Financial liabilities			
Cross currency swap	-	599,335	-

4. Cash and cash equivalents

Balances of cash and cash equivalents are detailed as follows:

Concept	**Currency**	**Balance as of**	
		12-31-2015 ThCh$	**12-31-2014 ThCh$**
Cash			
On hand	Ch$	114,338	30,920
	US$	3,431	2,713
	EUR	612	59,246
In banks	Ch$	1,950,018	1,780,571
	US$	34,859	30,283
Total cash		**2,103,258**	**1,903,733**
Term deposits	CLP	81,598,860	149,973,689
	US$	67,703,701	70,311,467
Total term deposits		**149,302,561**	**220,285,156**
Reverse repurchase agreements	Ch$	1,500,150	108,321
Total reverse repurchase agreements		**1,500,150**	**108,321**
Total cash and cash equivalents		**152,905,969**	**222,297,210**
Subtotal by currency	Ch$	85,163,366	151,893,501
	US$	67,741,991	70,344,463
	EUR	612	59,246

4. Cash and cash equivalents, continued

Cash equivalents: represent 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. The detail as of December 31, 2015 and 2014 is as follows:

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 at 12-31-2015 ThCh$
Term deposits	Ch$	81,535,147	4.04%	15	81,535,147	63,713	81,598,860
Term deposits	US$	95,304.51	0.36%	22	67,681,452	22,249	67,703,701
Total					**149,216,599**	**85,962**	**149,302,561**

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 at 12-31-2014 ThCh$
Term deposits	Ch$	149,598,390	3.40%	22	149,598,390	375,299	149,973,689
Term deposits	US$	115,871.28	0.21%	32	70,304,902	6,565	70,311,467
Total					**219,903,292**	**381,864**	**220,285,156**

Repurchase agreements

Code	Date		Counterparty	Currency of origin	Subscription value ThCh$	Annual rate %	Final value ThCh$	Instrument identification	Carrying amounts 12-31-2015 ThCh$
	Beginning	End							
CRV	12-30-2015	1/4/2016	BCI CORREDOR DE BOLSA S.A.	Ch$	1,500,000	3.6	1,500,750	NON-ADJ P NOTE	1,500,150
Total					**1,500,000**		**1,500,750**		**1,500,150**

Code	Date		Counterparty	Currency of origin	Subscription value ThCh$	Annual rate %	Final value ThCh$	Instrument identification	Carrying amounts 12-31-2014 ThCh$
	Beginning	End							
CRV	9-29-2015	1/5/2015	BCI CORREDOR DE BOLSA S.A.	Ch$	108,300	3.36	108,371	NON-ADJ P NOTE	108,321
Total					**108,300**		**108,371**		**108,321**

5. Trade and other receivables, current

As of December 31, 2015 and 2014, this caption comprises the following:

Trade and other receivables, gross	Balance at	
	12-31-2015 Current ThCh$	12-31-2014 Current ThCh$
Trade and other receivables, gross	**10,603,765**	**11,447,770**
Trade receivables, gross	4,960,472	5,897,784
Sales channel accounts receivable, gross	3,789,025	4,132,497
Other accounts receivable, gross	1,854,268	1,417,489

Trade and other receivables, net	Balance at	
	12-31-2015 Current ThCh$	12-31-2014 Current ThCh$
Trade and other receivables, net	**9,517,191**	**10,281,620**
Trade receivables, net	3,873,898	4,731,634
Sales channel accounts receivable, net	3,789,025	4,132,497
Other accounts receivable, net	1,854,268	1,417,489

Clients individually have no significant balances in relation to the Company's total sales.

5. Trade and other receivables, current, continued

As of December 31, 2015 and 2014, the analysis of net trade and other accounts receivable by maturity and expiration date are detailed below:

Trade receivables, net	Balance at	
	12-31-2015 Current ThCh$	12-31-2014 Current ThCh$
Maturity up to 3 months	2,744,932	2,910,760
Maturity from 3 months to 1 year	701,029	803,453
Maturity of more than 1 year	427,937	1,017,421
Total	**3,873,898**	**4,731,634**

Sales channel accounts receivable, net	Balance at	
	12-31-2015 Current ThCh$	12-31-2014 Current ThCh$
Maturity up to 3 months	3,553,919	4,131,933
Maturity from 3 months to 1 year	126,708	564
Maturity of more than 1 year	108,398	-
Total	**3,789,025**	**4,132,497**

Other accounts receivable, net	Balance at	
	12-31-2015 Current ThCh$	12-31-2014 Current ThCh$
Maturity up to 3 months	479,597	365,784
Maturity from 3 months to 1 year	1,374,671	1,051,705
Total	**1,854,268**	**1,417,489**

Movements in the allowance for impairment provision are as follows:

Past due and outstanding trade receivables with impairment	ThCh$
Balance as of December 31, 2014	**1,166,150**
Increase (decrease) for the year	(79,576)
Balance as of December 31, 2015	**1,086,574**

The Company establishes a provision using evidence of impairment for trade receivables.

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

6. Inventories

This caption comprises the following:

Inventory types	12-31-2015 ThCh$	12-31-2014 ThCh$
Inventories and stock	1,835,973	2,055,628
Spare parts and maintenance accessories	10,162,352	9,469,618
Imports in transit and others	165,185	616,556
Total	**12,163,510**	**12,141,802**

As of December 2015 and 2014, inventory consumption was charged to the Statement of Comprehensive Income in the cost of sales line item, in the amount of ThCh$12,079,502 and ThCh$8,923,242, respectively.

As of December 2015, inventory write-offs amounted to ThCh$22,651 (ThCh$221,275 in 2014). Based on the analysis performed by management there is no objective evidence of impairment of spare parts, maintenance accessories and supplies inventory.

There are no inventory items pledged or subject to any lien during 2015 and 2014.

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 within the Statement of Comprehensive Income that include amortization of intangible assets with finite useful lives are in the cost of sales and administrative expenses line items.

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

7. Intangible assets other than goodwill, continued

a) Intangible assets other than goodwill as of December 31, 2015 and 2014, are as follows:

Concept	12-31-2015			12-31-2014		
	Gross intangible ThCh$	Accumulated amortization ThCh$	Net intangible ThCh$	Gross intangible ThCh$	Accumulated amortization ThCh$	net intangible ThCh$
Licenses and software	5,578,686	(3,379,087)	2,199,599	4,957,152	(2,835,146)	2,122,006
Easements	3,765,286	-	3,765,286	2,821,756	-	2,821,756
Total	**9,343,972**	**(3,379,087)**	**5,964,885**	**7,778,908**	**(2,835,146)**	**4,943,762**

b) Movements of intangible assets other than goodwill for 2015 are as follows:

Movements	Licenses and Software ThCh$	Easements ThCh$	Totales intangible assets, net ThCh$
Opening balance as of 1-1-2015	2,122,006	2,821,756	4,943,762
Additions	621,535	943,530	1,565,065
Amortization	(543,942)	-	(543,942)
Closing balance as of 12-31-2015	2,199,599	3,765,286	5,964,885
Average remaining useful life	1 year	Perpetual	

c) Movements of intangible assets other than goodwill for 2014 are as follows:

Movements	Licenses and Software ThCh$	Easements ThCh$	Totales intangible assets, net ThCh$
Opening balance as of 1-1-2014	2,381,936	949,310	3,331,246
Additions	390,299	1,872,446	2,262,745
Amortization	(650,229)	-	(650,229)
Closing balance as of 12-31-2014	2,122,006	2,821,756	4,943,762
Average remaining useful life	2 years	Perpetual	

8. Property, plant and equipment

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

Property, plant and equipment, by type	12-31-2015 ThCh$	12-31-2014 ThCh$
Classes of property, plant and equipment, net		
Property, plant and equipment, net	**3,510,066,347**	**3,100,792,871**
Work in progress, net	930,401,620	499,973,601
Land, net	113,219,655	102,758,816
Civil works, net	1,405,884,367	1,423,522,329
Buildings, net	74,223,097	73,400,991
Rolling stock, net	705,045,477	708,194,331
Electrical equipment, net	238,339,446	255,131,761
Machinery and equipment, net	25,749,890	16,135,279
Other, net	17,202,795	21,675,763
Classes of property, plant and equipment, gross		
Property, plant and equipment, gross	**3,980,811,396**	**3,499,116,361**
Work in progress, gross	930,401,620	499,973,601
Land, gross	113,219,655	102,758,816
Civil works, gross	1,528,604,270	1,528,077,753
Buildings, gross	87,140,153	84,375,666
Rolling stock, gross	886,055,041	859,526,107
Electrical equipment, gross	379,242,565	375,395,664
Machinery and equipment, gross	38,945,297	27,332,991
Other, gross	17,202,795	21,675,763
Classes of accumulated depreciation and impairment of property, plant and equipment		
Accumulated depreciation and impairment of property, plant and equipment	**470,745,049**	**398,323,490**
Accumulated depreciation of civil works	122,719,903	104,555,424
Accumulated depreciation of buildings	12,917,056	10,974,675
Accumulated depreciation of rolling stock	181,009,564	151,331,776
Accumulated depreciation of electrical equipment	140,903,119	120,263,903
Accumulated depreciation of machinery and equipment	13,195,407	11,197,712

8. Property, plant and equipment, continued

b) The detail of movements in property, plant and equipment as of December 31, 2015 and 2014, is as follows:

2015 movements		Work in progress	Land	Civil works	Buildings	Rolling stock	Electrical equipment	Machinery and equipment	Other	Property, plant and equipment, net
Opening balance as of 1-1-2015		499,973,601	102,758,816	1,423,522,329	73,400,991	708,194,331	255,131,761	16,135,279	21,675,763	3,100,792,871
Movements	Additions	468,988,285	10,484,215	259,950	474,478	9,547,040	62,631	675,626	(4,472,968)	486,019,257
	Transfers	(38,560,266)	-	380,828	2,290,009	18,810,649	3,808,433	11,278,093	-	(1,992,254)
	Derecognition or sales	-	(23,376)	-	-	(592,626)	(15,291)	(65,068)	-	(696,361)
	Depreciation expense	-	-	(18,278,740)	(1,942,381)	(30,913,917)	(20,648,088)	(2,274,040)	-	(74,057,166)
	Total movements	430,428,019	10,460,839	(17,637,962)	822,106	(3,148,854)	(16,792,315)	9,614,611	(4,472,968)	409,273,476
Closing balance as of 12-31-2015		930,401,620	113,219,655	1,405,884,367	74,223,097	705,045,477	238,339,446	25,749,890	17,202,795	3,510,066,347

2014 movements		Work in progress	Land	Civil works	Buildings	Rolling stock	Electrical equipment	Machinery and equipment	Other	Property, plant and equipment, net
Opening balance as of 1-1-2014		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	320,184,939	19,361,224	4,211,751	181,660	9,908,016	211,961	1,507,676	(2,902,119)	352,665,108
	Transfers	(23,422,915)	-	6,031,049	1,663,220	9,365,432	3,514,974	2,478,027	-	(370,213)
	Derecognition or sales	-	-	-	(47,101)	(109,534)	(40,882)	(1,504)	-	(199,021)
	Depreciation expense	-	-	(18,160,286)	(1,780,687)	(30,179,415)	(21,519,994)	(1,860,496)	-	(73,500,878)
	Total movements	296,762,024	19,361,224	(7,917,486)	17,092	(11,015,501)	(17,833,941)	2,123,703	(2,902,119)	278,594,996
Closing balance as of 12-31-2014		499,973,601	102,758,816	1,423,522,329	73,400,991	708,194,331	255,131,761	16,135,279	21,675,763	3,100,792,871

8. Property, plant and equipment, continued

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

Concept	Estimated years of useful life
Road networks	60
Stations	100
Tunnels	100
Rolling stock	40

d) Impairment

As of December 31, 2015, the Company did not find objective evidence of impairment of its property, plant and equipment assets as described in Note 2.8.

e) Investment projects (unaudited)

As of December 31, 2015, the estimated balances necessary to carry out the authorized projects that form part of the Company's expansion plan amount to, approximately, MCh$671,803 and comprised: MCh$221,445 for civil works, MCh$255,537 for systems and equipment, and MCh$194,821 for rolling stock, up to 2018.

f) Spare parts and accessories

As of December 31, 2015, spare parts and accessories and maintenance materials amounted to ThCh$19,397,362 (ThCh$19,947,898 as of December 31, 2014). These amounts include spare parts that have remained idle for over four years, which resulted in an allowance for obsolescence of ThCh$2,713,990 as of December 31, 2015 (ThCh$2,263,990 as of December 31, 2014).

g) 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$22,439,895 as of December 31, 2015 (ThCh$16,961,749 as of December 31, 2014).

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.

h) Financing costs

During 2015, costs of capitalized interests of property, plant and equipment amounted to ThCh$16,320,583, while for 2014 these amounted to ThCh$12,846,995.

9. Investment property

Investment property corresponds mainly to commercial stores, land and buildings that are held by the Company to be exploited under operating leases.

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

As of December 31, 2015, total investment property amounts to ThCh$14,362,284 (ThCh$13,090,499 in 2014).

Investment property	Commercial stores	Land	Buildings	Total
Balance as of 1-1-2015	3,661,981	607,816	8,820,702	13,090,499
Additions	1,491,580	-	-	1,491,580
Closing balance	5,153,561	607,816	8,820,702	14,582,079
Depreciation for the period	(119,385)	-	(100,410)	(219,795)
Balance as of 12-31-2015	**5,034,176**	**607,816**	**8,720,292**	**14,362,284**
Investment property	**Commercial stores**	**Land**	**Buildings**	**Total**
Balance as of 1-1-2014	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	(118,002)	-	(100,410)	(218,412)
Balance as of 12-31-2014	**3,661,981**	**607,816**	**8,820,702**	**13,090,499**

As established by IAS 40, the fair value of investment property 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 the fair value as of December 31, 2015 is ThCh$120,476,458 (ThCh$101,509,041 in 2014).

The fair value of investment property has been classified as a Level 2 fair value, based on the inputs for the valuation technique used (see Note 3.4).

Concept	12-31-2015 ThCh$	12-31-2014 ThCh$
Commercial stores	80,693,114	63,594,398
Land	32,204,266	30,625,245
Buildings	7,579,078	7,289,398
Total	**120,476,458**	**101,509,041**

9. Investment property, continued

Income from investment property as of December 2015 and 2014 is as follows:

Income and expenses from investment property	Accumulated	
	12-31-2015 ThCh$	12-31-2014 ThCh$
Commercial stores	5,395,739	4,307,179
Land	2,138,829	2,034,475
Buildings	611,180	578,863
Total amount due to rental income	**8,145,748**	**6,920,517**
Commercial stores	(130,865)	(125,529)
Land	(37,640)	(20,712)
Buildings	(116,678)	(99,548)
Total expenses due to leases	**(285,183)**	**(245,789)**

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

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

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 lesser is responsible for.

10. Other financial assets, current and non-current

Other current and non-current financial assets are detailed below:

Concept	12-31-2015		12-31-2014	
	Current ThCh$	Non-current ThCh$	Current ThCh$	Non-current ThCh$
Financial investments over 3 months	24,654,136	-	97,159,783	-
Derivative transactions	735,755	14,557,429	754,828	8,840,520
Financial lease	44,443	1,982,126	34,520	1,731,470
Promissory notes receivables	-	424,179	-	393,388
Other accounts receivable	-	4,741	-	3,079
Total	**25,434,334**	**16,968,475**	**97,949,131**	**10,968,457**

10. Other financial assets, current and non-current, continued

Financial investments, over 3 months

Term deposits

Type of investment	Currency	Capital in currency of origin ThCh$ - ThUS$	Annual average rate	Average maturity dates	Capital in domestic currency ThCh$	Accrued interest in domestic currency ThCh$	Carrying amounts 12-31-2015 ThCh$
Term deposits	Ch$	6,700,532	3.99%	59	6,700,532	59,070	6,759,602
Term deposits	US$	25,170.50	0.92%	78	17,875,082	19,452	17,894,534
Total					24,575,614	78,522	24,654,136

Type of investment	Currency	Capital in currency of origin ThCh$ - ThUS$	Annual average rate	Average maturity dates	Capital in domestic currency ThCh$	Accrued interest in domestic currency ThCh$	Carrying amounts 12-31-2014 ThCh$
Term deposits	Ch$	43,500,000	3.50%	125	43,500,000	176,611	43,676,611
Term deposits	US$	88,113.46	0.27%	70	53,462,840	20,332	53,483,172
Total					96,962,840	196,943	97,159,783

10. Other financial assets, current and non-current, continued

Derivative transactions

Financial assets as of 12-31-2015

									Current			Non-current			
									Maturity		Total current	Maturity			Total non-current
Tax ID number	Name	Country	Tax ID number	Name	Country	Currency	Nominal rate	Amortization type	Up to 90 days	90 days to 1 year	12-31-2015	1 to 3 years	3 to 5 years	Over 5 years	12-31-2015
									ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.72660%	Biannual	-	963	963	76,958	-	-	76,958
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.72500%	Biannual	-	79	79	4,396	-	-	4,396
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.73460%	Biannual	-	343	343	23,536	-	-	23,536
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.85390%	Biannual	-	257	257	35,842	-	-	35,842
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.75740%	Biannual	-	4,098	4,098	379,432	-	-	379,432
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.73450%	Biannual	-	6,503	6,503	357,435	-	-	357,435
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.72500%	Biannual	-	3,283	3,283	241,925	-	-	241,925
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.72500%	Biannual	-	515	515	38,034	-	-	38,034
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.85390%	Biannual	-	152	152	18,510	-	-	18,510
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.80375%	Biannual	-	91	91	8,215	-	-	8,215
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.72500%	Biannual	-	212	212	12,525	-	-	12,525
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.73400%	Biannual	-	1,695	1,695	120,683	-	-	120,683
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.72450%	Biannual	-	1,083	1,083	90,405	-	-	90,405
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.72500%	Biannual	-	256	256	15,124	-	-	15,124
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.73900%	Biannual	318	-	318	17,878	-	-	17,878
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.85390%	Biannual	-	296	296	41,204	-	-	41,204
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.70380%	Biannual	11,419	-	11,419	478,321	-	-	478,321
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.81865%	Biannual	-	1,415	1,415	168,263	-	-	168,263
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.72980%	Maturity	82,086	-	82,086	3,665,323	-	-	3,665,323
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	US$	0.72980%	Maturity	29,343	-	29,343	2,700,033	-	-	2,700,033
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	US$	0.70380%	Biannual	11,265	-	11,265	948,120	-	-	948,120
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	US$	0.72500%	Biannual	-	7,140	7,140	1,017,285	-	-	1,017,285
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US$	4.19000%	Biannual	572,943	-	572,943	2,458,789	1,639,193	-	4,097,982
						Total			**707,374**	**28,381**	**735,755**	**12,918,236**	**1,639,193**	-	**14,557,429**

10. Other financial assets, current and non-current, continued

Financial assets as of 12-31-2014

									Current			Non-current			
									Maturity		Total current	Maturity			Total non-current
Tax ID number	Name	Country	Tax ID number	Name	Country	Currency	Nominal rate	Amortization type	Up to 90 days	90 days to 1 year	12-31-2014	1 to 3 years	3 to 5 years	Over 5 years	12-31-2014
									ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.52640%	Biannual	-	1,789	1,789	46,952	-	-	46,952
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.52640%	Biannual	-	147	147	(1,914)	-	-	(1,914)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.53070%	Biannual	-	635	635	10,023	-	-	10,023
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.52650%	Biannual	-	271	271	(6,982)	-	-	(6,982)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.53040%	Biannual	158	-	158	(1,501)	-	-	(1,501)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.52790%	Biannual	-	3,661	3,661	(7,464)	(3,735)	-	(11,199)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.52470%	Biannual	-	5,953	5,953	(47,080)	(23,543)	-	(70,623)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.52640%	Biannual	-	6,110	6,110	100,966	-	-	100,966
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.52640%	Biannual	-	958	958	14,361	-	-	14,361
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.52650%	Biannual	-	155	155	(7,843)	-	-	(7,843)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.52620%	Biannual	-	148	148	(4,494)	-	-	(4,494)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.52640%	Biannual	-	394	394	(3,079)	-	-	(3,079)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.52620%	Biannual	-	85	85	(1,993)	-	-	(1,993)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.53040%	Biannual	-	3,140	3,140	62,151	-	-	62,151
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.52110%	Biannual	-	1,331	1,331	29,489	-	-	29,489
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.52620%	Biannual	-	52	52	(967)	-	-	(967)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.52640%	Biannual	-	476	476	(3,776)	-	-	(3,776)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.52640%	Biannual	584	-	584	7,634	-	-	7,634
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.52950%	Biannual	-	312	312	(8,023)	-	-	(8,023)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.52690%	Biannual	11,019	-	11,019	28,680	14,340	-	43,020
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.52870%	Biannual	-	1,520	1,520	(18,416)	-	-	(18,416)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.52700%	Maturity	49,859	-	49,859	-	-	(110,557)	(110,557)
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	US$	0.52700%	Maturity	17,823	-	17,823	-	-	1404330	1,404,330
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	US$	0.52990%	Biannual	10,870	-	10,870	597,400	149,352	-	746,752
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	US$	0.52640%	Biannual	-	13,288	13,288	1,631,617	-	-	1,631,617
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US$	4.19000%	Biannual	624,090	-	624,090	2,497,296	832,430	1,664,866	4,994,592
						Total			**714,403**	**40,425**	**754,828**	**4,913,037**	**968,844**	**2,958,639**	**8,840,520**

10. Other financial assets, current and non-current, continued

Financial lease agreements

From August 1, 2004 until 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 was 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 years 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 year.

Outstanding future minimum lease payments (*)	**12-31-2015**			**12-31-2014**		
	Gross amount ThCh$	Interest ThCh$	Current amount ThCh$	Gross amount ThCh$	Interest ThCh$	Current amount ThCh$
Up to 1 year	224,636	180,193	44,443	191,926	157,406	34,520
From 1 to 5 years	1,123,181	824,719	298,462	959,630	727,810	231,820
More than 5 years	2,695,637	1,011,973	1,683,664	2,495,037	995,387	1,499,650
Total	4,043,454	2,016,885	2,026,569	3,646,593	1,880,603	1,765,990

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

Other current and non-current non-financial assets are detailed below:

Other current non-financial assets	12-31-2015 ThCh$	12-31-2014 ThCh$
Prepaid expenses	164,018	153,097
Advances to suppliers and personnel	4,051,873	3,662,646
Total	**4,215,891**	**3,815,743**

Other non-current non-financial assets	12-31-2015 ThCh$	12-31-2014 ThCh$
Funds allocated to pay for expropriations of new lines	18,659,665	30,281,468
Value-added tax fiscal credit (*)	8,106,248	8,810,894
Advances for severance indemnities and other loans for employees	1,329,843	1,071,105
Total	**28,095,756**	**40,163,467**

(*) 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 order to execute was informed in June 2014, resulting in the amendment and deduction of the remaining balance of value-added tax fiscal credit for July 2014, for the value-added tax fiscal credit declared in excess during the period between May 2001 and December 2003.

12. Other financial liabilities, current and non-current

The detail of this caption as follows:

Concept	12-31-2015		12-31-2014	
	Current ThCh$	Non-current ThCh$	Current ThCh$	Non-current ThCh$
Interest-bearing loans	79,107,582	306,005,643	57,214,250	246,292,296
Bonds payable	44,997,908	1,219,249,024	35,604,081	1,157,383,417
Derivative transactions	503,593	-	599,335	-
Megaproject contract retentions	-	15,667,206	-	8,139,497
Total	**124,609,083**	**1,540,921,873**	**93,417,666**	**1,411,815,210**

12. Other financial liabilities, current and non-current, continued

Biannual and equivalent interest-bearing loans as of 12-31-2015

								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$	12-31-2015 ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	12-31-2015 ThCh$
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US$	2.24%	8,035,462	46,013,392	54,048,854	124,166,663	12,739,310	-	136,905,973
61.219.000-3	Metro S.A.	Chile	O-E	Natixis Bank	France	US$	0.70%	654,309	2,382,674	3,036,983	9,032,498	6,021,665	15,157,049	30,211,212
61.219.000-3	Metro S.A.	Chile	O-E	Natixis Bank	France	Euro	2.00%	16,639	44,904	61,543	182,778	121,852	102,627	407,257
61.219.000-3	Metro S.A.	Chile	O-E	Banco Société Générale	France	US$	1.91%	75,282	21,380,082	21,455,364	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Banco Bilbao Vizcaya Argentaria	Chile	US$	2.18%	102,185	162,118	264,303	42,609,600	-	-	42,609,600
61.219.000-3	Metro S.A.	Chile	O-E	Sumitomo Mitsui Banking Corp	Japan	US$	2.10%	-	240,535	240,535	-	12,782,880	83,088,721	95,871,601
						Total		**8,883,877**	**70,223,705**	**79,107,582**	**175,991,539**	**31,665,707**	**98,348,397**	**306,005,643**

Biannual and equivalent interest-bearing loans as of 12-31-2014

								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$	12-31-2014 ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	12-31-2014 ThCh$
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US$	2.00%	7,130,605	47,295,705	54,426,310	138,236,107	24,094,562	523,626	162,854,295
61.219.000-3	Metro S.A.	Chile	O-E	Natixis Bank	France	US$	0.72%	572,215	1,830,029	2,402,244	7,717,230	5,144,820	15,522,364	28,384,414
61.219.000-3	Metro S.A.	Chile	O-E	Natixis Bank	France	Euro	2.00%	8,006	50,706	58,712	174,152	116,101	155,834	446,087
61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Société Générale	France	US$	1.73%	117,132	-	117,132	18,202,500	-	-	18,202,500
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Banco Bilbao Vizcaya Argentaria	Chile	US$	1.97%	-	209,852	209,852	36,405,000	-	-	36,405,000
						Total		**7,827,958**	**49,386,292**	**57,214,250**	**200,734,989**	**29,355,483**	**16,201,824**	**246,292,296**

12. Other financial liabilities, current and non-current, continued

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 December 31, 2015, it has been fully used, leaving a principal balance of US$46,781,071.03 (US$51,020,725.03 as of December 31, 2014).
- ✓ Loan from Natixis Bank (financial protocol of the French Government to the Chilean government) in the amount of €1,573,093.76. As of December 31, 2015, it has been fully used, leaving a principal balance of €604,412.02 (€683,065.96 as of December 31, 2014).
- ✓ Financial Loan Agreement for the Metro Line 4 Project, with a syndicate of international banks led by BNP Paribas, in the amount of US$150,000,000, which is State guaranteed. As of December 31, 2015, it has been fully used, leaving a principal balance of US$5,882,352.94. (US$11,764,705.88 as of December 31, 2014).
- ✓ Buyer Credit Facility Agreement for the Metro Line 4 Project, with a syndicate of international banks led by BNP Paribas, in the amount of US$340,000,000.00 which is State guaranteed. As of December 31, 2015, it has been fully used, leaving a principal balance of US$28,135,263.28 (US$63,917,060.68 as of December 31, 2014).
- ✓ Buyer Credit Facility Agreement for the acquisition of rolling stock, with a syndicate of international banks led by BNP Paribas in the amount of US$46,855,822.64, without guarantees. As of December 31, 2015, it has been fully used, leaving a principal balance of US$10,056,458.69 (US$15,084,688.11 as of December 31, 2014).
- ✓ Buyer Credit 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, without guarantees. As of December 31, 2015, it has been fully used, leaving a principal balance of US$115,580,202.03 (US$141,502,257.84 as of December 31, 2014).
- ✓ 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$130,000,000.00, without guarantees. As of December 31, 2015, it has been fully used, leaving a principal balance of US$48,750,000.00 (US$65,000,000.00 as of December 31, 2014).

  Such agreement establishes that, at each reporting year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of ThCh$700 million, an EBITDA/revenue equal to or higher than 10%, and a minimum interest coverage ratio of 1.1 times. Note that, as of December 31, 2015, this debt/equity ratio is 0.96 times; equity reaches ThCh$1,927 million, the EBITDA/Revenue is 25.83%, and the interest coverage ratio is 1.89 times, calculated as set forth in the relevant loan agreement.

12. Other financial liabilities, current and non-current, continued

- ✓ Debt Restructuring Loan Agreement, with BNP Paribas, in the amount of US$90,000,000.00 (bullet payment at maturity date). This financing is state guaranteed in the amount of US$60,000,000. As of December 31, 2015 and 2014, it has been fully used, leaving a principal balance of US$60,000,000.00.

  Such agreement establishes that, at each reporting year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of ThCh$700 million, an EBITDA/revenue equal to or higher than 10%, and a minimum interest coverage ratio of 1.1 times. It should be noted that, as of December 31, 2015, this debt/equity ratio is 0.96 times; equity reaches ThCh$1,927 million, the EBITDA/Revenue is 25.83%, and the interest coverage ratio is 1.89 times, calculated as set forth in the relevant loan agreement.

- ✓ Debt Restructuring Credit Agreement, with Société Générale, in the amount of US$30,000,000.00 (bullet payment at maturity date). This financing is not guaranteed. As of December 31, 2015 and 2014, it has been fully used, leaving a principal balance of US$30,000,000.

  Such agreement establishes that, at each reporting year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of ThCh$700 million, an EBITDA/revenue equal to or higher than 10%, and a minimum interest coverage ratio of 1.0 times. It should be noted that, as of December 31, 2015, this debt/equity ratio is 0.96 times; equity reaches ThCh$1,927 million, the EBITDA/Revenue is 25.83%, and the interest coverage ratio is 1.89 times, 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 is not guaranteed. As of December 31, 2015 and 2014, it has been fully used, leaving a principal balance of US$60,000,000.

  Such agreement establishes that, as of December 31, 2015, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of ThCh$700 million, an EBITDA/revenue equal to or higher than 10%, and a minimum interest coverage ratio of 1.1 times. It should be noted that, as of December 31, 2015, this debt/equity ratio is 0.96 times; equity reaches ThCh$1,927 million, the EBITDA/Revenue is 25.83%, and the interest coverage ratio is 1.89 times, calculated as set forth in the relevant loan agreement.

- ✓ Buyer Credit Agreement for Extension Projects on Lines 3 and 6, with a syndicate of international banks headed by BNP Paribas, of US$550,000,000.00, without guarantees and signed on December 18, 2014. As of December 31, 2015 and 2014, it has not been used.

12. Other financial liabilities, current and non-current, continued

Such agreement establishes that, at each reporting year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of ThCh$700 million. Note that as of December 31, 2015, this debt/equity ratio is 0.96 times and equity amounts to ThCh$1,927 million, calculated as set forth in the relevant loan agreement.

✓ Financial Loan Agreement for Extension Projects on Lines 3 and 6, with a syndicate of international banks headed by Sumitomo Mitsui Banking, in the amount of US$250,000,000.00, without guarantees and signed on December 18, 2014. This financing is not guaranteed. As of December 31, 2015, there is an unused balance of US$ 115,000,000, leaving a principal balance of US$135,000,000 (as of December 31, 2014, it had not been used).

Such agreement establishes that, at each reporting year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of ThCh$700 million. Note that as of December 31, 2015, this debt/equity ratio is 0.96 times and equity amounts to ThCh$1,927 million, calculated as set forth in the relevant loan agreement.

12. Other financial liabilities, current and non-current, continued

Bonds

The Company’s domestic and foreign liabilities as of 12-31-2015

											Current			Non-current			
											Maturity		Total current	Maturity			Total non-current
Series	Tax ID number	Name	Country	Bank Tax ID number	RTB Bank (*) and payer	Country	Currency	Nominal rate	Effective rate	Amortization rate	Up to 90 days ThCh$	90 days to 1 year ThCh$	12-31-2015 ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	12-31-2015 ThCh$
A	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.6%	6.3%	Biannual	4,170,177	1,794,037	5,964,214	14,352,291	10,764,218	61,338,673	86,455,182
B	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.6%	5.9%	Biannual	897,018	1,326,441	2,223,459	7,176,145	5,382,109	31,553,861	44,112,115
C	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.5%	5.5%	Biannual	4,017,224	1,708,606	5,725,830	5,126,085	10,251,636	73,392,723	88,770,444
D	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.1%	Biannual	4,102,727	1,708,606	5,811,333	10,251,638	10,251,636	74,016,257	94,519,531
E	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	4.9%	Biannual	1,196,024	1,668,719	2,864,743	7,176,147	6,578,133	54,659,474	68,413,754
F	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.0%	Biannual	1,989,410	811,588	2,800,998	4,869,528	4,057,940	38,165,939	47,093,407
G	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	4.5%	3.1%	Biannual	2,136,400	1,196,024	3,332,424	7,176,146	4,784,098	65,235,234	77,195,478
H	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.3%	4.5%	Biannual	3,065,728	2,562,929	5,628,657	15,377,454	5,037,896	-	20,415,350
I	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.7%	4.8%	Biannual	1,564,826	-	1,564,826	6,640,258	13,280,515	52,521,525	72,442,298
J	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.5%	4.5%	Biannual	-	544,952	544,952	-	13,668,834	88,458,245	102,127,079
K	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	3.8%	4.0%	Biannual	1,457,991	-	1,457,991	-	-	129,223,609	129,223,609
L	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	3.9%	3.8%	Biannual	-	191,408	191,408	-	-	38,126,901	38,126,901
	61.219.000-3	Metro S.A.	Chile		Deutsche Bank T	USA	US$	4.8%	4.9%	Biannual	6,887,073	-	6,887,073	-	-	350,353,876	350,353,876
							Total				**31,484,598**	**13,513,310**	**44,997,908**	**78,145,692**	**84,057,015**	**1,057,046,317**	**1,219,249,024**

The Company’s domestic and foreign liabilities as of 12-31-2014

											Current			Non-current			
											Maturity		Total current	Maturity			Total non-current
Series	Tax ID number	Name	Country	Bank Tax ID number	RTB Bank (*) and payer	Country	Currency	Nominal rate	Effective rate	Amortization rate	Up to 90 days ThCh$	90 days to 1 year ThCh$	12-31-2014 ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	12-31-2014 ThCh$
A	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.6%	6.3%	Biannual	4,094,958	1,723,898	5,818,856	12,067,280	10,343,382	63,750,584	86,161,246
B	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.6%	5.9%	Biannual	861,948	1,290,453	2,152,401	6,033,640	5,171,691	32,790,004	43,995,335
C	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.5%	5.5%	Biannual	3,942,328	1,641,807	5,584,135	9,850,842	9,850,907	68,874,208	88,575,957
D	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.1%	Biannual	4,024,490	1,641,807	5,666,297	9,850,842	8,209,034	76,351,762	94,411,638
E	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	4.9%	Biannual	1,149,265	1,619,417	2,768,682	6,895,589	5,378,559	56,095,799	68,369,947
F	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.0%	Biannual	1,950,659	779,858	2,730,517	4,679,150	3,119,433	39,219,882	47,018,465
G	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	4.5%	3.1%	Biannual	903,612	-	903,612	6,895,589	4,597,060	65,645,246	77,137,895
H	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.3%	4.5%	Biannual	483,161	-	483,161	14,776,260	9,705,735	-	24,481,995
I	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.7%	4.8%	Biannual	1,503,648	-	1,503,648	-	12,761,303	56,770,663	69,531,966
J	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.5%	4.5%	Biannual	-	523,646	523,646	-	6,567,220	91,538,255	98,105,475
K	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	3.8%	4.0%	Biannual	1,400,990	-	1,400,990	-	-	123,990,008	123,990,008
L	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	3.9%	3.8%	Biannual	-	183,925	183,925	-	-	36,616,622	36,616,622
	61.219.000-3	Metro S.A.	Chile		Deutsche Bank T	USA	US$	4.8%	4.9%	Biannual	5,884,211	-	5,884,211	-	-	298,986,868	298,986,868
							Total				**26,199,270**	**9,404,811**	**35,604,081**	**71,049,192**	**75,704,324**	**1,010,629,901**	**1,157,383,417**

(*) RTB: Bondholders' Representative.

12. Other financial liabilities, current and non-current, continued

On July 31, 2001, December 5, 2001, August 9, 2002, December 3, 2003, December 23, 2004 and December 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 December 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$500,000,000.00 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.

12. Other financial liabilities, current and non-current, continued

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 ThCh$700 million 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.

It should be noted that as of December 31, 2015, this debt/equity ratio is 0.96 times; equity reaches ThCh$1,927, and the interest coverage ratio is 1.89 times, calculated as set forth in the relevant bond issuance agreement.

12. Other financial liabilities, current and non-current, continued

Derivative transactions

Financial liabilities as of 12-31-2015

Tax ID Number	Name	Country	Bank Tax ID Number	Name	Country	Currency	Nominal rate	Amortization type	Current: Maturity Up to 90 days ThCh$	Current: Maturity 90 days to 1 year ThCh$	Total current 12-31-2015 ThCh$	Non-current: Maturity 1 to 3 years ThCh$	Non-current: Maturity 3 to 5 years ThCh$	Non-current: Maturity Over 5 years ThCh$	Total non-current 12-31-2015 ThCh$
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	1.97%	Biannual	-	2,251	2,251	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.40%	Biannual	-	235	235	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.35%	Biannual	-	954	954	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	Biannual	-	645	645	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.63%	Biannual	-	12,540	12,540	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.59%	Biannual	-	20,479	20,479	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.63%	Biannual	-	10,333	10,333	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.41%	Biannual	-	1,491	1,491	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	Biannual	-	395	395	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	Biannual	-	250	250	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.40%	Biannual	-	628	628	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.09%	Biannual	-	4,183	4,183	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.08%	Biannual	-	2,694	2,694	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.42%	Biannual	-	765	765	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.38%	Biannual	891	-	891	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	Biannual	-	741	741	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.75%	Biannual	38,906	-	38,906	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.27%	Biannual	-	3,501	3,501	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	3.10%	Maturity	301,168	-	301,168	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.91%	Maturity	58,196	-	58,196	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.97%	Biannual	23,894	-	23,894	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	1.93%	Biannual	-	14,385	14,385	-	-	-	-
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	Chile	US$	4.19%	Biannual	-	4,068	4,068	-	-	-	-
						Total			423,055	80,538	503,593	-	-	-	-

12. Other financial liabilities, current and non-current, continued

Financial liabilities as of 12-31-2014

									Current			Non-current			
									Maturity		Total current	Maturity			Total non-current
Tax ID Number	Name	Country	Bank Tax ID Number	Name	Country	Currency	Nominal rate	Amortization type	Up to 90 days	90 days to 1 year	12-31-2014	1 to 3 years	3 to 5 years	Over 5 years	12-31-2014
									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	-	6,490	6,490	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.40%	Biannual	-	679	679	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.35%	Biannual	-	2,751	2,751	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	Biannual	-	1,239	1,239	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.63%	Biannual	695	-	695	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.59%	Biannual	-	18,075	18,075	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.63%	Biannual	-	29,517	29,517	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.41%	Biannual	-	29,786	29,786	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	Biannual	-	4,297	4,297	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	Biannual	-	735	735	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.40%	Biannual	-	706	706	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.40%	Biannual	-	1,811	1,811	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.09%	Biannual	-	393	393	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.08%	Biannual	-	12,057	12,057	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.32%	Biannual	-	5,176	5,176	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.42%	Biannual	-	231	231	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.38%	Biannual	-	2,206	2,206	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	Biannual	2,568	-	2,568	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.75%	Biannual	-	1,424	1,424	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.27%	Biannual	56,077	-	56,077	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	3.10%	Maturity	-	6,551	6,551	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.91%	Maturity	284,907	-	284,907	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.97%	Biannual	55,053	-	55,053	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	1.93%	Biannual		41,468	41,468				
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	1.93%	Biannual	34,443	-	34,443	-	-	-	-
						Total			433,743	165,592	599,335	-	-	-	-

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

This caption comprises the following:

Current	12-31-2015 ThCh$	12-31-2014 ThCh$
Real estate taxes	3,421,982	6,694,913
Deferred income	1,186,398	777,477
Guarantees received	32,845,204	20,097,981
Total	**37,453,584**	**27,570,371**

Non-current	12-31-2015 ThCh$	12-31-2014 ThCh$
Deferred income (*)	3,484,945	3,482,216
Total	**3,484,945**	**3,482,216**

(*) Corresponds to long-term operational leases.

14. Balances and transactions with related parties

Trade and other receivables:

As of December 31, 2015 and 2014, the Company records no outstanding balances of receivables from related parties.

Trade and other payables:

Corresponds to capital contributions received from the Government of Chile for network expansion projects. As of December 31, 2015, contributions pending capitalization reached ThCh$49,737,277 (ThCh$4,837,328 as of December 31, 2014).

Transactions:

2015

The Company received contributions from the Government of Chile of ThCh$230,040,277.

On December 29, 2015, ThCh$185,140,328 were capitalized through the issuance and placement of 5,985,784,934 new shares.

As of December 31, 2015, contributions pending capitalization reached ThCh$49,737,277, comprising contributions received during 2015.

2014

The Company received contributions from the Government of Chile of ThCh$189,739,260.

On August 28, 2014, ThCh$52,200,000 were capitalized through the issuance and placement of 1,498,277,842 new shares.

On December 23, 2014, ThCh$154,490,793 were capitalized through the issuance and placement of 4,675,871,458 new shares.

14. Balances and transactions with related parties, continued

As of December 31, 2014, contributions pending capitalization reached ThCh$4,837,328, comprising contributions received during 2014.

As detailed in Note 12 to the financial statements, the Government of Chile is the guarantor of certain bank loans and bonds issued by the Company.

Key management personnel

The Company's key personnel are composed of those individuals having the authority and responsibility to plan, manage and control the entity's activities. The Company has determined that key management personnel are composed of the Directors, General Manager and Managers of the Company's different areas (senior executives).

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

Directors's income are as follows:

Directors' income	Accumulated	
	12/31/2015	**12/31/2014**
	ThCh$	ThCh$
Fixed remunerations	131,562	116,039
Variable remunerations	61,043	60,162
Total	**192,605**	**176,201**

Board of Directors expenses

During 2015, air ticket expenses reached ThCh$5,709 (ThCh$4,476 as of 2014).

Per diem expenses during 2015 reached ThCh$913 (ThCh$1,576 as of 2014).

Remunerations of the General Manager and Other Managers:

During 2015, the compensation paid to the General Manager amounted to ThCh$169,794 (ThCh$180,749 as of 2014) and compensation paid to Other Managers amounted to ThCh$1,377,887 (ThCh$1,191,435 as of 2014).

15. Trade and other payables

This caption comprises the following:

Concept	**12-31-2015 ThCh$**	**12-31-2014 ThCh$**
Debt for purchases or services received	61,345,348	46,099,648
Accounts payable - Transantiago	8,262,031	7,888,299
Withholdings	2,139,440	2,133,914
Other accounts payable	370,846	490,447
Total	**72,117,665**	**56,612,308**

16. Segmented information

The Company reports segmented information 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 joint-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	12-31-2015	12-31-2014
	ThCh$	ThCh$
Accrued vacations	3,689,177	3,486,648
Employee benefit obligations	1,593,321	2,242,326
Productivity bonus	5,211,027	4,688,102
Total	**10,493,525**	**10,417,076**

Non-current

Concept	12-31-2015	12-31-2014
	ThCh$	ThCh$
Provision for dismissal	14,511,211	14,481,443
Provision for resignations	67,732	75,876
Provision for mortality	871,668	937,964
Advance for severance indemnity payments	(1,786,906)	(1,772,676)
Total	**13,663,705**	**13,722,607**

17. Provisions for employee benefits, continued

Movement in the provision for severance indemnity payments

Concept	ThCh$
Liabilities as of 1-1-2015	13,722,607
Service interest	633,586
Benefits paid	(1,074,069)
Actuarial profit (loss)	381,581
Liabilities as of 12-31-2015	**13,663,705**

Concept	ThCh$
Liabilities as of 1-1-2014	12,401,746
Service interest	705,448
Benefits paid	(475,025)
Actuarial profit (loss)	1,090,438
Liabilities as of 12-31-2014	**13,722,607**

Sensitivity analysis

Reasonable possible changes in the relevant actuarial assumptions at the reporting date, provided that other assumptions remain constant, would have affected the defined benefit obligation by the following amounts:

2015

Concept	Increase	Base	Decrease	Increase ThCh$	Decrease ThCh$
Discount rate (change of 0.5)	5.266%	4.766%	4.266%	13,341,061	13,998,506
Increase in salary (change of 0.5)	4.530%	4.030%	3.530%	14,078,684	13,265,250
Labor rotation (change of 25%)	1.813%	1.450%	1.088%	13,655,831	13,672,281
Mortality rate (change of 25%)	25.00%	CB14 & RV14	-25.00%	13,632,522	13,695,583

2014

Concept	Increase	Base	Decrease	Increase ThCh$	Decrease ThCh$
Discount rate (change of 0.5)	5.179%	4.679%	4.179%	13,653,117	13,788,977
Increase in salary (change of 0.5)	4.530%	4.030%	3.530%	13,739,196	13,707,639
Labor rotation (change of 25%)	1.813%	1.450%	1.088%	13,716,622	13,729,177
Mortality rate (change of 25%)	25.00%	RV-2009	-25.00%	13,687,617	13,758,348

Projection of the actuarial calculation for the following year:

The projected calculation for the following year amounts to ThCh$14,222,739.

17. Provisions for employee benefits, continued

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$89,505 as of December 31, 2015 (ThCh$55,000 as of 2014).

Actuarial revaluation of obligations:

The Company revalued its obligations as of December 31, 2015, determining a loss due to the update of financial parameters of ThCh$36,125 (ThCh$604,538 as of 2014) a loss due to experience of ThCh$356,873 (loss of ThCh$485,900 as of 2014), and a profit of ThCh$11,417 due to the update of demographical parameters.

Concept / profit (loss)	12-31-2015 ThCh$	12-31-2014 ThCh$
Revaluation of demographical parameters	11,417	-
Revaluation of financial parameters	(36,125)	(604,538)
Revaluation due to experience	(356,873)	(485,900)
Total deviation for the period	(381,581)	(1,090,438)
Summary		
Due to hypotheses	(24,708)	(604,538)
Due to experience	(356,873)	(485,900)
Total deviation for the period	(381,581)	(1,090,438)

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

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.

17. Provisions for employee benefits, continued

Actuarial assumptions:

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

1. Mortality

   The CB-H-2014 men and M-2014 women's mortality tables established by the Chilean Superintendence of Pensions and Superintendence of Securities and Insurance 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 year are as follows:

Period	Rate %
12-31-2013	2.47
12-31-2014	1.63
12-31-2015	1.72

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$831,143,389 as of December 2015 (ThCh$655,225,735 as of December 31, 2014), 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 recognize there deferred tax assets, therefore these have been recognized up to the amount of deferred tax liabilities (1).

Temporary difference	Tax assets		Tax liabilities	
	12-31-2015 ThCh$	12-31-2014 ThCh$	12-31-2015 ThCh$	12-31-2014 ThCh$
Allowance for doubtful accounts	293,375	314,861	-	-
Deferred income	1,261,262	1,150,117	-	-
Accrued vacations	996,078	941,395	-	-
Severance indemnity payments	1,739,459	1,724,195	-	-
Provisions for law suits	585,569	77,220	-	-
Provisions for maintenance	875,350	489,972	-	-
Provision for employee benefits	430,197	605,428	-	-
Provisions for spare parts	732,777	611,277	-	-
Irrecoverable value added-tax fiscal credit for extensions	-	-	31,476,774	30,295,259
Capitalized expenses	-	-	22,219,168	12,280,168
Property, plant and equipment	67,334,005	35,976,674	-	-
Tax loss	224,408,715	176,910,948	-	-
Other events	1,015,116	1,387,982	-	-
Subtotal	299,671,903	220,190,069	53,695,942	42,575,427
Net deferred tax assets	245,975,961	177,614,642	-	-
Reduction of deferred tax assets (1)	(245,975,961)	(177,614,642)	-	-
Deferred tax, net	-	-	-	-

As a consequence of Circular No. 856 of October 17, 2014 issued by the Chilean SVS, the differences in assets and liabilities generated by deferred taxes, as a direct effect of the increase corporate income tax rate introduced by Law No. 20,780, are recognized exceptionally and for one time only in equity in the caption of retained earnings (accumulated deficit) for a sum of zero pesos, because of the tax loss position explained above.

19. Provisions, contingencies and guarantees

As of December 31, 2015, 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	12-31-2015 ThCh$	12-31-2014 ThCh$
Civil - compensation for damages	164,000	168,800
Civil - others	-	50,000
Labor	703,521	37,200
Other (resources - presentations - etc.)	1,301,252	30,000
Total	**2,168,773**	**286,000**

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 as follows:

Concept	Amount ThCh$
Balance as of 1-1-2014	1,187,150
Accrued provisions	575,786
Reversal of provisions	(1,476,936)
Balance as of 12-31-2014	286,000
Accrued provisions	2,427,963
Reversal of provisions	(545,190)
Balance as of 12-31-2015	2,168,773

19. Provisions, contingencies and guarantees, continued

Direct guarantees

The guarantees granted by the Company are in UF, US dollars and pesos, expressed in thousands of Chilean pesos as of December 31, 2015, are detailed below.

Type of guarantee	No. of guarantee	Issuing entity	Currency	Amount	Beneficiary	Issue date	Maturity date	Status	Parity ThCh$
Note	110235	Banco BBVA	UF	1,000	Subsecretaría de Transportes	8/20/2015	10/2/2016	Effective	25,629
Note	110244	Banco BBVA	UF	5,000	Subsecretaría de Transportes	8/20/2015	10/2/2016	Effective	128,145
Note	110245	Banco BBVA	UF	5,000	Subsecretaría de Transportes	8/20/2015	10/2/2016	Effective	128,145
Note	110243	Banco BBVA	UF	5,000	Subsecretaría de Transportes	8/20/2015	10/2/2016	Effective	128,145
Note	110241	Banco BBVA	UF	5,000	Subsecretaría de Transportes	8/20/2015	10/2/2016	Effective	128,145
Note	110242	Banco BBVA	UF	5,000	Subsecretaría de Transportes	8/20/2015	10/2/2016	Effective	128,145
Note	110240	Banco BBVA	UF	5,000	Subsecretaría de Transportes	8/20/2015	10/2/2016	Effective	128,145
Note	110238	Banco BBVA	UF	5,000	Subsecretaría de Transportes	8/20/2015	10/2/2016	Effective	128,145
Note	110239	Banco BBVA	UF	5,000	Subsecretaría de Transportes	8/20/2015	10/2/2016	Effective	128,145
Note	110237	Banco BBVA	UF	5,000	Subsecretaría de Transportes	8/20/2015	10/2/2016	Effective	128,145
Note	110236	Banco BBVA	UF	5,000	Subsecretaría de Transportes	8/20/2015	10/2/2016	Effective	128,145
Note	292112	Banco Santander	UF	150	Constructora San Francisco	1/3/2014	12/31/2015	Effective	3,844
Note	485246	Banco BCI	Ch$	136,000,000	Junaeb	8/5/2014	3/31/2016	Effective	136,000
Note	96584	Banco BBVA	US$	1,000,000	Enor Chile S.A.	6/10/2014	6/30/2017	Effective	710,160
Stand By	SBLC10187	Multibank	US$	24,930	Metro Panamá	5/20/2014	12/31/2015	Effective	17,704
Note	9176967	Banco Santander	Ch$	351,894,543	Junaeb	8/18/2015	3/31/2016	Effective	351,895
Note	341223	Banco Santander	UF	8,314	Junaeb	12/15/2015	12/31/2016	Effective	213,080

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

20. Changes in equity

2015 capital increase

At an Extraordinary Shareholders' Meeting held on December 29, 2015, the shareholders of the Company agreed to:

- ✓ Increase the issued and fully-paid capital of the Company by capitalizing government contributions of ThCh$185,140,328, at a nominal value through the issuance of 5,985,784,934 Series A shares subscribed and fully-paid by the Government and CORFO, in proportion to their interests and social participation.

2014 capital increase

At an Extraordinary Shareholders' Meeting held on December 23, 2014, the shareholders of the Company agreed to:

- ✓ Increase the issued and fully-paid capital of the Company by capitalizing government contributions of ThCh$154,490,793, at a nominal value through the issuance of 4,675,871,458 Series A shares subscribed and fully-paid by the Government and CORFO, in proportion to their interests and social participation.

20. Changes in equity, continued

At November 19, 2014, CORFO paid the fiscal contributions signed on August 28, 2014.

At an Extraordinary Shareholders' Meeting held on August 28, 2014, the shareholders of the Company agreed to:

- ✓ Increase the issued and fully-paid capital of the Company by capitalizing government contributions of ThCh$52,200,000 at a nominal value through the issuance of 1,498,277,842 Series A shares that will be subscribed and fully-paid by CORFO no later than December 31, 2014.

a. Capital

As of December 31, 2015, the capital of the Company is represented by 43,998,312,563 and 19,163,677,063 Series A and B registered shares without par value, respectively, with 39,634,775,932 shares corresponding to CORFO and 23,527,213,694 to the Government.

As of December 31, 2014, the capital of the Company is represented by 38,012,527,629 and 19,163,677,063 Series A and B registered shares without par value, respectively, with 35,878,695,886 shares corresponding to CORFO and 21,297,508,806 to the Government.

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

20. Changes in equity, continued

Shareholders are detailed as follows:

Shareholder	12-31-2015		12-31-2014	
	Number of shares and percentages			
	Subscribed and paid shares	Ownership %	Subscribed and paid shares	Ownership %
Corporación de Fomento de la Producción (Corfo)	39,634,775,932	62.75%	35,878,695,886	62.75%
Ministry of Finance	23,527,213,694	37.25%	21,297,508,806	37.25%
Total	**63,161,989,626**	**-**	**57,176,204,692**	**-**
Corporación de Fomento de la Producción (Corfo)				
Series A	27,531,304,626	-	23,775,224,580	-
Series B	12,103,471,306	-	12,103,471,306	-
Total	**39,634,775,932**	**-**	**35,878,695,886**	**-**
Ministry of Finance				
Series A	16,467,007,937	-	14,237,303,049	-
Series B	7,060,205,757	-	7,060,205,757	-
Total	**23,527,213,694**	**-**	**21,297,508,806**	**-**

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 28, 2015, 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 years ended as of December 31, 2015 and 2014, these are detailed below:

Subsidiary	Percentage Non-controlling interest		Non-controlling interest Equity		Share of profit or loss Income (expense)	
	2015 %	2014 %	2015 ThCh$	2014 ThCh$	2015 ThCh$	2014 ThCh$
Transub S.A.	33.33	33.33	(10,645)	(10,645)	-	-

20. Changes in equity, continued

d. Other reserves

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

Other reserves	12-31-2015 ThCh$	12-31-2014 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:

For the years ended December 31, 2015 and 2014, revenue is detailed follows:

Revenue	Accumulated	
	01-01-2015 12-31-2015 ThCh$	01-01-2014 12-31-2014 ThCh$
Revenues from passenger transportation services	238,225,349	223,723,300
Sales channel income	40,878,106	36,771,646
Lease of commercial stores, spaces and advertising	13,551,700	12,341,618
Lease in intermodal terminals	2,026,857	1,960,514
Other income	6,266,498	6,492,758
Total	300,948,510	281,289,836

21. Income and expenses, continued

Other income:

For the years ended December 31, 2015 and 2014, other income is detailed as follows:

Other income	Accumulated	
	01-01-2015 12-31-2015 ThCh$	01-01-2014 12-31-2014 ThCh$
Income from fines and indemnities	2,658,904	7,436,242
Welfare income	371,370	334,712
Sale of proposals	20,880	71,314
Other income	516,287	1,066,840
Total	3,567,441	8,909,108

Expenses by nature:

Cost of sales, administrative expenses and other expenses by function for the years ended December 31, 2015 and 2014, are detailed as follows:

Expenses by nature	Accumulated	
	01-01-2015 12-31-2015 ThCh$	01-01-2014 12-31-2014 ThCh$
Personnel expenses	71,799,467	64,204,457
Maintenance and operating expenses	56,442,063	48,348,069
Purchase of energy	42,531,196	44,288,038
General expenses and others	55,522,963	53,435,958
Depreciation and amortization	74,818,528	74,366,587
Total	301,114,217	284,643,109

Personnel expenses:

Personnel expenses for the years ended December 21, 2015 and 2014, are detailed as follows:

Personnel expenses	Accumulated	
	01-01-2015 12-31-2015 ThCh$	01-01-2014 12-31-2014 ThCh$
Wages and salaries	47,393,322	42,962,957
Other benefits	20,538,940	17,213,454
Expenses in social and collective benefits	1,830,576	2,187,629
Social security contribution	2,036,629	1,840,417
Total	71,799,467	64,204,457

21. Income and expenses, continued

Maintenance and operating expenses:

As of December 31, 2015 and 2014, the breakdown for this line item is as follows:

Maintenance and operating expenses	Accumulated	
	01-01-2015 12-31-2015 ThCh$	01-01-2014 12-31-2014 ThCh$
Maintenance of rolling stock, stations and others	40,415,471	35,826,706
Spare parts and materials	12,379,615	9,026,899
Repair, leases and others	3,646,977	3,494,464
Total	56,442,063	48,348,069

Depreciation and amortization:

As of December 31, 2015 and 2014, this caption comprises the following:

Depreciation and amortization	Accumulated	
	01-01-2015 12-31-2015 ThCh$	01-01-2014 12-31-2014 ThCh$
Depreciation	74,272,442	73,716,359
Amortization	546,086	650,228
Total	74,818,528	74,366,587

General and other expenses:

As of December 31, 2015 and 2014, general and other expenses are as follows:

General expenses and others	Accumulated	
	01-01-2015 12-31-2015 ThCh$	01-01-2014 12-31-2014 ThCh$
Service contracts	24,175,545	18,515,806
Property taxes	438,467	1,385,831
Corporate image expenses	1,534,813	1,740,789
Sales channel operator expenses	20,527,785	19,938,656
Insurance, materials and others	8,846,353	11,854,876
Total	55,522,963	53,435,958

21. Income and expenses, continued

Financial result and exchange differences:

The Company's financial result and exchange differences for the years ended December 31, 2015 and 2014, are as follows:

Financial result	Accumulated	
	01-01-2015 12-31-2015 ThCh$	01-01-2014 12-31-2014 ThCh$
Finance income		
Interest on cash and other cash equivalents	5,503,749	7,089,389
Finance income from swaps	2,909,301	3,054,537
Other finance income	500,880	199,142
Subtotal	8,913,930	10,343,068
Financial expenses		
Interest and expenses on bank loans	(8,193,354)	(8,966,973)
Interest and expenses on bonds	(41,443,766)	(40,501,302)
Other financial expenses	(612,929)	(668,839)
Subtotal	(50,250,049)	(50,137,114)
Profit (loss) financial result	(41,336,119)	(39,794,046)

Foreign currency translation and index-adjusted differences	Accumulated	
	01-01-2015 12-31-2015 ThCh$	01-01-2014 12-31-2014 ThCh$
Foreign currency translation difference		
investments)	(87,350,774)	(57,761,318)
Total foreign currency translation difference	(87,350,774)	(57,761,318)
Index-adjusted unit		
Profit (loss) on index-adjusted unit (bonds)	(37,532,672)	(46,824,131)
Total index-adjusted unit	(37,532,672)	(46,824,131)

21. Income and expenses, continued

Other profit (losses):

Other profit (losses) of the Company for the periods ended these consolidated financial statements is comprised of the following:

Other profit (loss)	Accumulated	
	01-01-2015 12-31-2015 ThCh$	01-01-2014 12-31-2014 ThCh$
Net present value of swaps US$	25,246,570	22,513,000
Net present value of swaps UF	(16,630,657)	(13,739,597)
Net present value, value-added tax	(655,312)	-
Total	7,960,601	8,773,403

Other comprehensive income:

As of December 31, 2015 and 2014, other comprehensive income is comprised of the following:

Other comprehensive income	Accumulated	
	01-01-2015 12-31-2015 ThCh$	01-01-2014 12-31-2014 ThCh$
Actuarial profit (loss) on defined benefit plans	(381,581)	(1,090,438)
Total	(381,581)	(1,090,438)

22. Third-party guarantees

Guarantees received as of December 31, 2015, are detailed as follows:

Grantor	Guarantee amount ThCh$	Originating operation	Relationship
Abengoa Chile S.A.	68,581,491	Service contract	Supplier
Alstom Chile S.A.	186,455,872	Service contract	Supplier
Alstom Transport S.A.	116,987,925	Service contract	Supplier
Alstom Transporte S.A.	23,358,160	Supply contract	Supplier
Arrigoni Ingenieria y Construcción	11,237,099	Works contract	Supplier
Balfour Beatty Chile S.A.	2,054,139	Works and service contract	Supplier
Besalco Dragados S.A.	15,702,058	Works contract	Supplier
Besalco S.A.	2,805,474	Works contract	Supplier
CAF Chile S.A.	64,891,545	Service contract	Supplier
Ingenieria Electrica e Inversiones	5,103,964	Service contract	Supplier
Colas Rail Establecimiento	33,525,235	Supply contract	Supplier
Construcciones Piques yTuneles	8,189,743	Works contract	Supplier
Consorcio Acciona - Brotec	12,585,861	Works contract	Supplier
Consorcio El-Ossa S.A.	36,241,929	Works contract	Supplier
Construcción y Auxiliar de Ferrocarriles	58,421,280	Service contract	Supplier
Construcciones y Auxiliares	57,177,252	Supply contract	Supplier
Constructora Jose Fernando Canales	4,343,618	Works contract	Supplier
Constructora Conpax S A	4,049,954	Works contract	Supplier
Constructora Internacional S.A.	6,193,667	Service contract	Supplier
Dragados S.A. Agencia en Chile	2,374,569	Service contract	Supplier
ETF	26,293,057	Service contract	Supplier
ETF Agencia en Chile	91,871,829	Supply contract	Supplier
Eulen Seguridad S.A.	2,341,858	Service contract	Supplier
Faiveley Transport Chile Ltda.	2,549,974	Supply contract	Supplier
Faiveley Transport Far East	6,843,240	Supply doors	Supplier
Ferrovial Agroman Chile S.A.	43,517,081	Seriousness/of fer	Supplier
GPMG Ingeniería y Construcción	3,242,261	Works contract	Supplier
Idom Ingenieria y Consultoria	1,826,965	Service contract	Supplier
Inabensa S.A.	4,260,960	Service contract	Supplier
Indra Sistemas Chile S.A.	36,234,766	Supply contract	Supplier
ISS Servicios Integrales Limitada	6,692,575	Service contract	Supplier
JC Decaux Chile S.A.	2,064,031	Revenue contract	Client
Obrascon Huarte Lain S A Agencia	30,910,008	Works contract	Supplier
Servicios de Aseo y Jardines	1,705,889	Service contract	Supplier
Sice Agencia Chile	23,157,293	Service contract	Supplier
Sociedad de Mantención e Instalaciones Técnicas	78,842,167	Service contract	Supplier
Soler y Palau SA	4,873,414	Supply contract	Supplier
Systra	2,305,958	Service contract	Supplier
Thales Canada	20,647,231	Service contract	Supplier
Thales Comunications & Segurity	3,069,773	Service contract	Supplier
Thyssenkrupp Elevadores S.A.	9,892,136	Service contract	Supplier
Other	48,275,072	Works and service contract	Supplier/Client
TOTAL	**1,171,698,373**		

23. Risk management policies

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 December 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 December 2015, customers paid Ch$720 at peak hours, Ch$660 at valley hours and Ch$610 at low hours, while, on average the Company received a technical tariff of Ch$372.92 per passenger.

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 issuance, after-sales, trading services and charging of the public passenger transport system of Santiago.

23.1 Description of the market in which the Company operates, continued

Demand (unaudited)

To date, the Company is the structuring pillar of the Integrated System of Public Passengers Transportation (Transantiago) and during the period from January to December 2015 reached a level of 2.42 million trips on a business day.

The risk related to the demand of Metro passengers is mainly associated with the level of economic activity in Chile, level of use 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 December 2015, we noted a decrease of 6.5 million trips -1.0%- in comparison to the same date in 2014, which is explained mainly by a decrease in affluence during May and October, of 6.1% and 3.8%, respectively; the low growth of economic activity in Chile, and a low affluence of students in the network.

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")) of MUS$98 as of December 31, 2015 (MUS$138 as of December 31, 2014), 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 a demand of 7.6 times the placement amount.

Particularly, the Company is exposed to two market risks, which are: interest rate risk and foreign currency exchange 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 fixed rate bond in dollar and UF.

As of December 2015, the share of the debt at a variable rate records a significant change with respect to December 2014, due mainly to the use of the financial loan entered into with the group of banks BNP-Sumitomo for MUS$ 135 in November 18, as shown in the following table:

Debt composition	12-31-2015 %	12-31-2014 %
Fixed rate	84.6	89.5
Variable rate	15.4	10.5
Total	100.0	100.0

In conducting a sensitivity analysis as of December 31, 2015 on the net debt at a variable Libor rate, not hedged by current derivatives, which amounts to MUS$354 (MUS$256 as of 2014), we note in the following table, the effect on profit or loss in a scenario where the Libor rate is increased by 100 basis points, would result in an annual increase in finance expenses of MUS$3.5 (MUS$2.6 as of 2014).

Sensitivity analysis	**Equivalent in MUS$**	**Total %**
Total debt (equivalent to MUS$)	**2,291**	**100%**
Debt at LIBOR rate	378	
IRS	74	
CCS	(98)	
Total variable LIBOR rate debt	**354**	**15%**
Total fixed rate debt	**1,937**	**85%**

Variation in financial expenses	**Equivalent in MUS$**
Impact on financial expenses of a variation of 100 basis points in LIBOR	3.5

Exchange rate risk and inflation

The Company has obligations with financial institutions and has issued bonds in foreign markets, agreed in foreign currencies, to finance the extensions in the Metro network. To minimize exchange currency risks, the Company has contracted cross currency swap (CCS) financial derivatives, which amount to MUS$98 as of December 31, 2015.

The Company is also confronted with inflationary risk, as it maintains a debt with bondholders related to bonds issued in the domestic market in UF.

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

Financial debt structure (equivalent in US$)	12-31-2015 Eq. in MUS$	%	12-31-2014 Eq. in MUS$	%
Debt UF	1,348	59%	1,570	65%
Debt US$	943	41%	861	35%
Total financial debt	**2,291**	**100%**	**2,431**	**100%**

The structure of the financial debt as of December 31, 2015, is mainly denominated in UF 59% and in US dollars 41%.

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 December 31, 2015, 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$55,178,040.

Sensitivity analysis Effect on profit or loss as of December 2015	10% depreciation ThCh$	10% appreciation ThCh$
Impact on profit or loss of 10% variation in the Ch$/US$ exchange rate	(55,178,040)	55,178,040

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 79% of total revenue.

Additionally, the Company has duly approved bank credit lines, which reduces liquidity risk (see Note 12).

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$**	**2 to 5 years ThCh$**	**Over 5 years ThCh$**	**Total ThCh$**
Capital	101,830,211	254,137,231	115,722,722	1,155,267,724	1,626,957,888
Interest	67,456,730	186,274,706	111,247,887	232,148,361	597,127,684
Total	**169,286,941**	**440,411,937**	**226,970,609**	**1,387,416,085**	**2,224,085,572**

Financial liability structure

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

Financial liabilities	12-31-2015				
	Up to 1 year ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	Total ThCh$
Interest-bearing bank loans	79,107,582	175,991,539	31,665,707	98,348,397	385,113,225
Bonds	44,997,908	78,145,692	84,057,015	1,057,046,317	1,264,246,932
Derivative transactions	503,593	-	-	-	503,593
Total	**124,609,083**	**254,137,231**	**115,722,722**	**1,155,394,714**	**1,649,863,750**

Financial liabilities	12-31-2014				
	Up to 1 year ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	Total ThCh$
Interest-bearing bank loans	57,214,250	200,734,989	29,355,483	16,201,824	303,506,546
Bonds	35,604,081	71,049,192	75,704,324	1,010,629,901	1,192,987,498
Derivative transactions	599,335	-	-	-	599,335
Total	**93,417,666**	**271,784,181**	**105,059,807**	**1,026,831,725**	**1,497,093,379**

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

Carrying amounts and market value of the debt in loans and bonds of the Company as of December 31, 2015 are detailed as follows.

	Carrying amount ThCh$	Market value ThCh$
Loans	385,113,225	396,265,581
Bonds	1,264,246,932	1,402,477,978

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 79% of the revenue received by the Company is received daily in cash, whereas the remaining 21% 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	
	12-31-2015 ThCh$	12-31-2014 ThCh$
Trade receivables, gross	4,960,472	5,897,784
Impairment of trade receivables	(1,086,574)	(1,166,150)
Trade receivables, net	**3,873,898**	**4,731,634**
Sales channel accounts receivables, net	3,789,025	4,132,497
Other receivables, net	1,854,268	1,417,489
Total trade and other receivables	**9,517,191**	**10,281,620**

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	
	12-31-2015	12-31-2014
	ThCh$	ThCh$
Less than 3 months	2,744,932	2,910,760
From 3 months to 1 year	701,029	803,453
Over 1 year	427,937	1,017,421
Total	**3,873,898**	**4,731,634**

Aging of sales channel accounts receivable, net	Balance as of	
	12-31-2015	12-31-2014
	ThCh$	ThCh$
Less than 3 months	3,553,919	4,131,933
From 3 months to 1 year	126,708	564
Over 1 year	108,398	-
Total	**3,789,025**	**4,132,497**

Aging of other receivables, net	Balance as of	
	12-31-2015	12-31-2014
	ThCh$	ThCh$
Less than 3 months	479,597	365,784
From 3 months to 1 year	1,374,671	1,051,705
Total	**1,854,268**	**1,417,489**

23.2 Financial risks, continued

Financial assets

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

As of December 31, 2015 and 2014, this caption comprises the following:

Financial assets	12-31-2015			
	Up to 1 year ThCh$	1 to 5 years ThCh$	Over 5 years ThCh$	Total ThCh$
Cash and cash equivalents				
Cash	2.103.258	-	-	2.103.258
Term deposits	149.302.561	-	-	149.302.561
Reverse repurchase agreements	1.500.150	-	-	1.500.150
Subtotal	**152.905.969**	-	-	**152.905.969**
Other financial assets				
Financial investments	24.654.136	-	-	24.654.136
Derivative transactions	735.755	14.557.429	-	15.293.184
Finance lease agreements	44.443	298.462	1.683.664	2.026.569
Promissory notes receivable	-	424.179	-	424.179
Other receivables	-	4.741	-	4.741
Subtotal	**25.434.334**	**15.284.811**	**1.683.664**	**42.402.809**
Total	**178.340.303**	**15.284.811**	**1.683.664**	**195.308.778**

Financial assets	12-31-2014			
	Up to 1 year ThCh$	1 to 5 years ThCh$	Over 5 years ThCh$	Total ThCh$
Cash and cash equivalents				
Cash	1,903,733	-	-	1,903,733
Term deposits	220,285,156	-	-	220,285,156
Reverse repurchase agreements	108,321	-	-	108,321
Subtotal	**222,297,210**	**-**	**-**	**222,297,210**
Other financial assets				
Financial investments	97,159,783	-	-	97,159,783
Derivative transactions	754,828	5,881,881	2,958,639	9,595,348
Finance lease agreements	34,520	231,820	1,499,650	1,765,990
Promissory notes receivable	-	393,388	-	393,388
Other receivables	**-**	3,079	**-**	3,079
Subtotal	**97,949,131**	**6,510,168**	**4,458,289**	**108,917,588**
Total	**320,246,341**	**6,510,168**	**4,458,289**	**331,214,798**

The average period of maturity of financial investments as of December 31, 2015 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:

Index	12-31-2015	12-31-2014
Leverage (times)	0.96	0.86
Equity (MCh$)	1,926,768	1,896,866

23.4 Commodities risk (unaudited)

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.

Note that, in addition to the current Energy and Power Contract with Enorchile S.A., which is effective until March 31, 2017, the Company signed a fixed-price Energy and Power Contract with Chilectra S.A. in December 2015, which will be used to supply up to 40% of Metro's total network. This contract is in effect from October 1, 2015, until December 31, 2023.

24. Environment

Disbursements related to improvements and/or investments that directly or indirectly affect protection of the environment, for the years ended December 21, 2015 and 2014, are detailed as follows:

Project	Allocated to administrative expenses		Allocated to property, plant and equipment		Expenditures committed in the future (unaudited)
	01-01-2015 12-31-2015 ThCh$	01-01-2014 12-31-2014 ThCh$	01-01-2015 12-31-2015 ThCh$	01-01-2014 12-31-2014 ThCh$	2016 Amount ThCh$
Noise and vibrations	23,764	41,326	69,852	175,790	621,899
Waste treatment	201,091	33,369	39,793	50,294	444,462
Run-off w ater	123,282	106,984	-	-	126,119
Environmental management	17,515	7,782	1,189,844	105,856,602	1,447,534
Monitoring of polluting parameters	6,515	8,008	-	-	9,750
Total	**372,167**	**197,469**	**1,299,489**	**106,082,686**	**2,649,764**

The aforementioned projects are currently in progress as of December 31, 2015

25. Sanctions

During 2015 and 2014, the Company has not been sanctioned by the SVS or any other supervising entity.

26. Subsequent events

On February 8, 2016, Law No. 20.899 was published, that simplifies The Tax Reform Law No. 20.780 restricting the option originally established to opt into the attributed regime for companies having natural persons as partners, or contributors not domiciled or residents in Chile, other than those not being limited liability companies, as a general rule. Accordingly, the partially-integrated regime was established as the default tax regime for most companies which are not limited liability companies having legal persons as partners, except for certain cases that do not affect the Company.

Accordingly, per Law No. 20.899, the tax regime which the Company will be subject to is the partially-integrated regime, starting from January 1, 2017.

Between January 1 and March 14, 2016, there have been no other subsequent events that would significantly affect the amounts presented in these financial statements or their interpretation at reporting date.

Julio E. Pérez Silva General Accountant	Rubén Alvarado Vigar General Manager

10 Disclaimer

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DISCLAIMER

The undersigned Board Members and General Manager of Empresa de Transporte de Pasajeros Metro S.A. ("Metro S.A."), having been placed under oath, are hereby liable for the veracity of all information contained in the 2015 Metro S.A. Annual Report hereto. The statement hereto was signed in accordance with General Regulation Nr. 30 (Norma de Carácter General Nº 30) and its amendments, issued by the Chilean Securities and Insurance Commission (Superintendencia de Valores y Seguros.)

Name	Position	I.D.	Signature
Rodrigo Azócar Hidalgo	**Chairman of the Board**	6.444.699-1	
Paulina Soriano Fuenzalida	**Vice Chair**	8.783.340-2	
Karen Poniachik Pollak	**Board Member**	6.379.415-5	
Carlos Mladinic Alonso	**Board Member**	6.100.558-7	
Juan Carlos Muñoz Abogabir	**Board Member**	9.005.541-0	
Claudio Soto Gamboa	**Board Member**	7.981.443-1	
Vicente Pardo Díaz	**Board Member**	6.317.380-0	
Rubén Alvarado Vigar	**CEO**	7.846.224-8	

Santiago, March 28, 2016