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

Interim Consolidated Financial Statements

For the period ended

As of September 30, 2014

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

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the period ended

September 30, 2014

Contents:

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

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Interim Consolidated Statements of Financial Position

As at September 30, 2014, and December 31, 2013

(In thousands of Chilean pesos)

ASSETS	NOTE	09-30-2014	12-31-2013
CURRENT ASSETS			
Cash and cash equivalents	4	169,676,611	129,279,100
Other current financial assets	10	128,471,213	69,151,222
Other current non-financial assets	11	4,634,981	3,473,614
Trade and other receivables, current	5	11,209,934	10,427,899
Inventories	6	9,682,768	7,291,617
Current tax assets		1,148,714	895,783
Total current assets		324,824,221	220,519,235
NON-CURRENT ASSETS			
Other non-current financial assets	10	10,422,286	7,516,430
Other non-current non-financial assets	11	56,527,270	66,797,766
Trade receivables, non-current		922,778	901,982
Intangible assets other than goodwill	7	4,711,118	3,331,246
Property, plant and equipment	8	3,037,974,203	2,822,197,875
Investment property	9	13,145,102	13,308,911
Total non-current assets		3,123,702,757	2,914,054,210
TOTAL ASSETS		3,448,526,978	3,134,573,445

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

Interim Consolidated Statements of Financial Position

As at September 30, 2014, and December 31, 2013

(In thousands of Chilean pesos)

LIABILITIES AND EQUITY	NOTE	09-30-2014	12-31-2013
LIABILITIES			
CURRENT LIABILITIES			
Other current financial liabilities	12	84,956,004	116,368,024
Trade and other payables	15	51,080,998	44,611,758
Other current provisions	19	1,259,300	1,187,150
Provision for employee benefits, current	17	9,217,129	9,658,842
Other current non-financial liabilities	13	8,758,918	9,476,886
Total current liabilities		155,272,349	181,302,660

NON-CURRENT LIABILITIES			
Other non-current financial liabilities	12	1,409,829,116	1,094,268,127
Accounts payable due to related entities, non-current	14	141,788,861	21,788,861
Provision for employee benefits, non-current	17	13,443,216	12,401,746
Other non-current non-financial liabilities	13	3,469,108	3,495,776
Total non-current liabilities		1,568,530,301	1,131,954,510
Total liabilities		1,723,802,650	1,313,257,170

EQUITY			
Share capital	20	2,053,200,847	2,001,000,847
Treasury shares	20	(52,200,000)	-
Retained earnings (accumulated deficit)	20	(309,644,835)	(213,052,888)
Other reserves	20	33,378,961	33,378,961
Equity attributable to owners of the Parent		1,724,734,973	1,821,326,920
Non-controlling interests	20	(10,645)	(10,645)
Total equity		1,724,724,328	1,821,316,275
Total liabilities and equity		3,448,526,978	3,134,573,445

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

Interim Consolidated Statements of Comprehensive Income

As of September 30, 2014 and 2013

(In thousands of Chilean pesos)

STATEMENT OF INCOME		ACCUMULATED		QUARTER	
	NOTE	01-01-2014	01-01-2013	07-01-2014	07-01-2013
PROFIT (LOSS)		09-30-2014	09-30-2013	09-30-2014	09-30-2013
Revenue	21	206,406,555	181,590,441	71,202,639	63,543,604
Cost of sales	21	(189,265,362)	(160,782,929)	(65,513,257)	(53,162,352)
Gross profit		17,141,193	20,807,512	5,689,382	10,381,252
Other income, by function	21	7,458,508	1,134,794	3,822,819	489,645
Administrative expenses	21	(16,305,805)	(16,586,503)	(6,316,704)	(5,580,105)
Other expenses, by function	21	(333,529)	(617,491)	(238,935)	(600,895)
Other profit (loss)	21	7,658,999	1,448,593	5,836,942	(1,547,880)
Finance income	21	7,797,266	6,297,232	2,695,068	2,208,469
Finance costs	21	(37,359,920)	(37,481,624)	(12,429,202)	(12,234,810)
Foreign currency translation difference	21	(51,470,152)	(15,437,294)	(36,976,926)	1,699,445
Profit (loss) on index-adjusted units	21	(30,340,338)	(8,982,694)	(4,813,576)	(8,511,343)
Profit (loss) before tax		(95,753,778)	(49,417,475)	(42,731,132)	(13,696,222)
Profit (loss) from continuing operations		(95,753,778)	(49,417,475)	(42,731,132)	(13,696,222)
Profit (loss)		(95,753,778)	(49,417,475)	(42,731,132)	(13,696,222)
PROFIT (LOSS) ATTRIBUTABLE TO					
Owners of the Parent		(95,753,778)	(49,417,475)	(42,731,132)	(13,696,222)
Non-controlling interests		-	-	-	-
Profit (loss)		(95,753,778)	(49,417,475)	(42,731,132)	(13,696,222)
STATEMENT OF COMPREHENSIVE INCOME (LOSS)					
Profit (loss)		(95,753,778)	(49,417,475)	(42,731,132)	(13,696,222)
Other comprehensive income (loss)		(838,169)	(271,017)	(289,571)	(156,452)
Total comprehensive income (loss)		(96,591,947)	(49,688,492)	(43,020,703)	(13,852,674)
Comprehensive income (loss attributable to:					
Owners of the Parent		(96,591,947)	(49,688,492)	(43,020,703)	(13,852,674)
Non-controlling interests		-	-	-	-
Total comprehensive income (loss)		(96,591,947)	(49,688,492)	(43,020,703)	(13,852,674)

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

Interim Consolidated Statements of Changes in Equity

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

Concept	Share capital	Treasury shares	Other reserves: Other miscellaneous reserves	Other reserves: Revaluation surplus	Other reserves: Reserve for gains (losses) 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 January 1, 2014	2,001,000,847	-	30,336,377	3,042,584	-	33,378,961	(213,052,888)	1,821,326,920	(10,645)	1,821,316,275
Profit (loss)	-	-	-	-	-	-	(95,753,778)	(95,753,778)	-	(95,753,778)
Other comprehensive income (loss)	-	-	-	-	(838,169)	(838,169)	-	(838,169)	-	(838,169)
Comprehensive income (loss)	-	-	-	-	-	-	-	(96,591,947)	-	(96,591,947)
Issue of Equity	52,200,000	-	-	-	-	-	-	52,200,000	-	52,200,000
Increase (decrease) on transfers in portfolio	-	(52,200,000)	-	-	-	-	-	(52,200,000)	-	(52,200,000)
Increase (decrease) on transfers and other changes	-	-	-	-	838,169	838,169	(838,169)	-	-	-
Closing balance as of September 30, 2014	2,053,200,847	(52,200,000)	30,336,377	3,042,584	-	33,378,961	(309,644,835)	1,724,734,973	(10,645)	1,724,724,328
Opening balance as of January 1, 2013	1,776,047,711	-	30,336,377	4,620,694	-	34,957,071	(141,311,634)	1,669,693,148	(10,645)	1,669,682,503
Profit (loss)	-	-	-	-	-	-	(49,417,475)	(49,417,475)	-	(49,417,475)
Other comprehensive income (loss)	-	-	-	-	(271,017)	(271,017)	-	(271,017)	-	(271,017)
Comprehensive income (loss)	-	-	-	-	-	-	-	(49,688,492)	-	(49,688,492)
Issue of Equity	99,200,000	-	-	-	-	-	-	99,200,000	-	99,200,000
Increase (decrease) on transfers and other changes	-	-	-	-	271,017	271,017	(271,017)	-	-	-
Closing balance as of September 30, 2013	1,875,247,711	-	30,336,377	4,620,694	-	34,957,071	(191,000,126)	1,719,204,656	(10,645)	1,719,194,011

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

Interim Consolidated Statements of Cash Flows

As of September 30, 2014 and 2013

(In thousands of Chilean pesos)

Statements of cash flows – direct method	01-01-2014 09-30-2014	Restated 01-01-2013 09-30-2013
Statement of Cash Flows		
Cash flows from (used in) operating activities:		
Receipts from sales of goods and the rendering of services	203,790,345	177,562,537
Other receipts from operating activities	6,292,805	3,270,114
Payments to suppliers for goods and services	(99,851,482)	(77,425,631)
Payments to and on behalf of employees	(50,476,884)	(46,208,168)
Other payments for operating activities	(5,398,762)	(4,379,260)
Net cash flows from operating activities	**54,356,022**	**52,819,592**
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(232,852,899)	(127,756,275)
Acquisition of intangible assets	(1,018,865)	(20,706)
Other payments made to acquire other entities' equity or debt securities	(59,871,095)	-
Other receipts for the sale of other entities' equity or debt securities	-	28,970,305
Net cash flows used in investing activities:	**(293,742,859)**	**(98,806,676)**
Cash flows from (used in) financing activities:		
Procedes from issue of shares	-	99,200,000
Loans from related entities	120,000,000	90,000,000
Payment of loans	(75,925,314)	(33,489,353)
Interest paid	(43,685,507)	(41,242,167)
Other cash inflows (outflows)	263,957,056	(5,482,906)
Net cash flows from (used in) financing activities:	**264,346,235**	**108,985,574**
Net increase (decrease) in cash and cash equivalents before the effect of changes in exchange rate	24,959,398	62,998,490
Effects of changes in exchange rate on cash and cash equivalents	15,438,113	2,417,521
Net increase (decrease) in cash and cash equivalents	40,397,511	65,416,011
Cash and cash equivalents as of January 1	129,279,100	132,034,481
Cash and cash equivalents as of September 30	**169,676,611**	**197,450,492**

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE PERIODS ENDED SEPTEMBER 30, 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 18,722 on January 28, 1989 as the legal successor, in all the rights and obligations, to the *Dirección General de Metro*.

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

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

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

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

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

2. Significant accounting policies

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

2.1. Basis of preparation

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

These consolidated financial statements were approved by the Board on November 10, 2014, authorizing their publication by management.

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

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

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

2.2. Basis of consolidation

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

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

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

Tax ID Number	Company	Ownership interest		
		09.30.2014 - 12.31.2013		
		Direct	Indirect	Total
96.850.680-3	Transub S.A.	66.66	-	66.66

Participation in this subsidiary is not subject to joint control.

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

2.3. Foreign currency transactions

2.3.1. Functional and presentation currency

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

2.3.2. Transactions and balances

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

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

2.3.3. Foreign currency translations

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

Date	Ch$/US$	Ch$/EUR	Ch$/UF
09-30-2014	599.22	756.97	24,168.02
12-31-2013	524.61	724.30	23,309.56
09-30-2013	504.20	682.00	23,091.03

Ch$ = Chilean pesos
US$ = US dollar
EUR= Euro
UF = Unidades de Fomento (index-adjusted units)

2.4. Property, plant and equipment

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2.5. Investment properties

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

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

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

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

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

2.6. Intangible assets other than goodwill

2.6.1. Rights of way

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

2.6.2. Software

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

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

2.7. Finance income 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.

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 income over the term of the debt using the effective interest rate method. Costs of interest incurred in the construction of any asset qualified as property, plant and equipment, are capitalized over the period necessary to complete the asset for its intended use. Other interest costs are recorded as an expense in the statement of comprehensive income.

2.8. Losses due to impairment of non-financial assets

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

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

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

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

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

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

2.9. Financial assets

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

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

2.9.1. Financial assets at fair value through profit or loss

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

2.9.2. Loans and accounts receivable

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

2.9.3. Financial assets held-to-maturity

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

2.9.4. Financial assets available-for-sale

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

2.9.5. Recognition and measurement of financial assets

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

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

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

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

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

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

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

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

2.10. Inventories

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

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

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

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

2.11. Trade and other receivables

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

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

2.12. Cash and cash equivalents

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

2.13. Share capital

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

2.14. Trade and other payables

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

2.15. Loans and other financial liabilities

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

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

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

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

2.16. Income tax and deferred taxes

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

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

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

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

2.17.3. Incentive bonuses

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

2.18. Provisions

The Company recognizes provisions when:

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

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

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

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

2.20. Revenue recognition

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

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

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

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

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

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

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

2.21. Lease agreements

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

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

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

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

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

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

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

IAS 19: Employee Benefits The amendment to IAS 19, issued in November 2013, applies to contributions from employees or third-parties to defined benefit plans. The objective is to simplify the accounting for contributions that are independent of the number of years of employee service.	Annual periods beginning on or after July 1, 2014. Early adoption is permitted
Improvements to IFRSs Corresponds to non-urgent improvements that amend the following standards: IFRS 2, IFRS 3, IFRS 8, IAS 13, IAS 16, IAS 24, IAS 38, and IAS 40	Annual periods beginning on or after July 1, 2014
IFRS 3: Business Combinations "Annual Improvements cycle 2010–2012", issued in December 2013, clarifies certain aspects of accounting for contingent consideration in a business combination. The IASB noted that IFRS 3, *Business Combinations*, requires the subsequent measurement of contingent consideration to be at fair value and therefore eliminates the reference to IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, and other IFRS which potentially have difference measurement bases that are not fair vale. The reference to IFRS 9, *Financial Instruments,* is maintained, however, IFRS 9 is modified in order to clarify that contingent consideration that is a financial asset or financial liability can only be measured at fair value, with changes in fair value being presented in either profit or loss or other comprehensive income depending on the requirements of IFRS 9.	Annual periods beginning on or after July 1, 2014. Early adoption is permitted
IAS 40: Investment property "Annual Improvements cycle 2011-2013", issued in December 2013, clarifies that judgment is required to determine whether the acquisition of investment property is the acquisition of an asset, a group of assets or a business combination in the scope of IFRS 3, *Business Combinations*, and that this judgment is based on the guidance in IFRS 3, *Business Combinations.* The IASB concludes that IFRS 3, *Business Combinations*, and IAS 40, *Investment Property*, are not mutually exclusive and that it takes judgment in order to determine whether the transaction is only the acquisition of an investment property or the acquisition of a group of assets or a business combination that includes an investment property.	Annual periods beginning on or after July 1, 2014. Early adoption is permitted

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

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

IFRS 9: Financial instruments: Classification and Measurement It correspond to the IASB first stage project to replace IAS 39, Financial Instruments: Recognition and Measurement". Modifies the classification and measurement of financial assets and liabilities and includes the treatment and classification of financial liabilities.	Annual periods beginning on or after January 1, 2015.
Amendment of IAS16 and IAS38: Acceptable methods for depreciation and The amendment to IAS 16 prohibits the use of revenue-based depreciation. In the case of IAS 38, the amendment introduces assumption that the revenue-based amortisation method is inappropriate for intangible assets.	Annual periods beginning on or after January 1, 2016.
IFRS 14: Regulatory Deferral Accounts This is a provisional standard intended to improve the comparability of financial reporting by entities with rate-regulated activities (e-g. gas, water, energy supply), which can have a significant impact on revenue (considering timing and amount) of the entity. This standard is intended to allow entities that are first-time adopter of IFRS, and currently recognize regulatory deferral accounts in accordance with previous GAAP, to continue to do so but showing such amounts separately. Entities that report financial statements under IFRS do not need to apply this standard. The effective date is on or after January 1, 2016. Early adoption is permitted.	Annual periods beginning on or after July 1, 2016. Early adoption is permitted
IFRS 15: Revenues from contract with customers This standard is applicable to all contracts with customers except for leases related financial instruments and insurance contracts. It will replace IAS 15 and 18 and their interpretations (IFRIC 13, IFRIC 15, IFRIC 18 and SIC 31)	Annual periods beginning on or after January 1, 2017.
IFRS 11: Joint Arrangements Amendments to IFRS 11, issued in May, 2014, apply to acquisitions of interest in a joint operation in which the activity constitutes a business. The amendments clarify that the acquirers of these parties are required to apply all of the principles for accounting for business combinations (IFRS 3 Business Combinations) and other standards tha tare not in conflict with guidance in IFRS 11 Joint Arrangements. These amendments are effective on or after January 1, 2016. Early adoption is permitted.	Annual periods beginning on or after July 1, 2016. Early adoption 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 the liability for the agreed upon obligations for severance payments using an actuarial methodology that considers factors such as the discount rate, effective turnover and other factors inherent to the Company. Any change in these factors and assumptions, shall have an impact on the carrying amount of the severance obligation.

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

3.2. Useful life of property, plant and equipment

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

3.3. Litigation and other contingencies

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

3.4. Change of accounting criteria for land valuation

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

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

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

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

3.5. Measurements and/or valuations at fair value

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

To measure fair value the following must be determined:

a) the concrete asset or liability to be measured

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

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

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

Market value hierarchies for items at fair value:

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

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

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

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

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

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

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

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

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

Entry data for fair value measurement.

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

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

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

Fair value measurement for assets and liabilities

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

The characteristics include the following elements, for example:

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

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

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

Financial assets and financial liabilities at fair value, classified by hierarchy through profit or loss	09-30-2014		
	Level 1 ThCh$	Level 2 ThCh$	Level 3 ThCh$
Financial assets			
Cross Currency Swap	-	8,485,235	-
Financial liabilities			
Cross Currency Swap	-	588,834	-

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

3.6. Reclassifications

As of September 30, 2013

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

Statements of Cash Flows	**Original figure**	**Restated**	**Variance**
(in thousands of Chilean Pesos) **Cash flows from (used in) investing activities:**	**01-01-2013 09-30-2013**	**01-01-2013 09-30-2013**	**01-01-2013 09-30-2013**
Other receipts for the sale of other entities' equity or debt securities		28,970,305	28,970,305
Cash flows from (used in) investing activities:	(127,776,981)	(98,806,676)	28,970,305
Cash and cash equivalents as of January 1	162,517,705	132,034,481	(30,483,224)
Cash and cash equivalents as of September 30	198,963,411	197,450,492	(1,512,919)

4. Cash and cash equivalents

Balances of cash and cash equivalents are detailed as follows:

Conceptos	Moneda	Balance as of 09-30-2014 ThCh$	Balance as of 12-31-2013 ThCh$
Cash			
On hand	Ch$	28,767	24,636
	US$	5,676	3,190
	EUR	598	724
In banks	Ch$	1,590,665	1,927,131
	US$	17,940	36,330
Total cash		**1,643,646**	**1,992,011**
Term deposits	Ch$	107,402,807	78,263,970
	US$	59,191,773	34,761,481
Total term deposits		**166,594,580**	**113,025,451**
Repurchase agreements	Ch$	1,370,072	9,260,383
	US$	68,313	-
Total Repurchase agreements		**1,438,385**	**9,260,383**
Promissory notes Central Bank	Ch$	-	5,001,255
Total promissory notes Central Bank		-	**5,001,255**
Total cash and cash equivalents		**169,676,611**	**129,279,100**
Subtotal by currency	Ch$	110,392,311	94,477,375
	US$	59,283,702	34,801,001
	EUR	598	724

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

Term deposits

Type of investment	Currency	Capital in currency of origin ThCh$ - ThUS$	Average annual rate	Average maturity days	Capital in domestic currency ThCh$	Accrued interest in domestic currency ThCh$	Carrying amounts 09-30-2014 ThCh$
Time deposit	CLP	107,185,715	3.43%	22	107,185,715	217,092	107,402,807
Time deposit	USD	98,762.78	0.24%	3	59,180,637	11,136	59,191,773
Total					**166,366,352**	**228,228**	**166,594,580**

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

Repurchase agreements

Code	Date		Counterparty	Currency of origin	Subscription Value ThCh$	Annual Rate %	Final Value ThCh$	Instrument identification	Carrying 09-30-2014 ThCh$
	Beginning	End							
CRV	09-29-2014	10-02-2014	BCI CORREDOR DE BOLSA S.A.	CLP	800,000	3.24	800,216	Non-adj prom note	800,072
CRV	09-30-2014	10-02-2014	BCI CORREDOR DE BOLSA S.A.	CLP	570,000	3.24	570,102	Adj prom note	570,000
CRV	09-26-2014	10-02-2014	BCI CORREDOR DE BOLSA S.A.	US$	68,276	2.40	68,313	Non-adj / adj prom n	68,313
Total					**1,438,276**		**1,438,631**		**1,438,385**

Code	Date		Counterparty	Currency of origin	Subscription Value ThCh$	Annual Rate %	Final Value ThCh$	Instrument identification	Carrying amounts 09-30-2014 ThCh$
	Beginning	End							
CRV	12-26-2013	01-02-2014	BCI Corredor de Bolsa	CLP	1,800,000	4.44%	1,801,554	Adj prom note	1,801,110
CRV	12-27-2013	01-02-2014	BCI Corredor de Bolsa	CLP	1,450,000	4.80%	1,451,160	Adj prom note	1,450,773
CRV	12-30-2013	01-03-2014	BCI Corredor de Bolsa	CLP	4,000,000	5.04%	4,002,240	Adj prom note	4,000,560
CRV	11-06-2013	01-14-2014	ITAU Corredor de bolsa	CLP	1,000,000	4.85%	1,009,292	Non-adj prom note	1,007,407
CRV	12-27-2013	01-02-2014	BCI Corredor de Bolsa	CLP	1,000,000	4.80%	1,000,800	Adj prom note	1,000,533
Total					**9,250,000**		**9,265,046**		**9,260,383**

Promissory notes

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

5. Trade and other receivables, current

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

Trade and other receivables, gross	Balance as of	
	09-30-2014	12-31-2013
	Current ThCh$	Current ThCh$
Trade and other receivables, gross	**12,275,737**	**11,355,034**
Trade receivables, gross	5,633,427	4,759,813
Sales channel accounts receivable, gross	4,857,352	5,258,068
Other account receivable, gross	1,784,958	1,337,153

Trade and other receivables, net	Balance as of	
	09-30-2014	12-31-2013
	Current ThCh$	Current ThCh$
Trade and other receivables, net	**11,209,934**	**10,427,899**
Trade receivables, net	4,567,624	3,832,678
Sales channel accounts receivable, net	4,857,352	5,258,068
Other account receivable, net	1,784,958	1,337,153

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

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

Trade receivables, net	Balance as of	
	09-30-2014	12-31-2013
	Current ThCh$	Current ThCh$
Maturity up to 3 months	2,609,879	2,500,164
Maturity from 3 months to 1 year	1,203,525	973,483
Maturity more than 1 year	754,220	359,031
Total	**4,567,624**	**3,832,678**

Sales channel accounts receivable, net	Balance as of	
	09-30-2014	12-31-2013
	Current ThCh$	Current ThCh$
Maturity up to 3 months	4,839,430	5,256,774
Maturity from 3 months to 1 year	16,646	1,294
Maturity of more than 1 year	1,276	-
Total	**4,857,352**	**5,258,068**

Other account receivable, net	Balance as of	
	09-30-2014	12-31-2013
	Current ThCh$	Current ThCh$
Maturity up to 3 months	480,544	1,256,181
Expiration date from 3 months to 1 year	1,304,414	80,972
Total	**1,784,958**	**1,337,153**

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

Past due and outstanding trade receivables with impairment	Current ThCh$
Balance as of December 31, 2013	**927,135**
Increase (decrease) for the year	138,668
Balance as of Septiembre 30, 2014	**1,065,803**

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

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

6. Inventories

This caption comprises the following:

Inventory types	09-30-2014 ThCh$	12-31-2013 ThCh$
Inventories and stock	1,878,607	1,659,083
Spare parts and maintenance accessories	7,198,354	5,385,272
Imports in transit and others	605,807	247,262
Total	**9,682,768**	**7,291,617**

As of September 30, 2014 and 2013, inventory consumption was charged to the statement of income under the cost of sales line item of the comprehensive income statement, in the amount of ThCh$7,910,200 and ThCh$5,446,434 and ThCh$6,999,287 for December 2013.

As of September 2014, inventory write-offs amount to ThCh$224,818. As in the prior period, there were no inventories written-off. Based on the analysis performed by management there is no objective evidence of impairment of spare parts, maintenance accessories and supplies inventory that are included in this group.

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

7. Intangible assets other than goodwill

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

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

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

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

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

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

Concept	09-30-2014			12-31-2013		
	Gross intangible ThCh$	Accumulated amortization ThCh$	Net intangible ThCh$	Gross intangible ThCh$	Accumulated amortization ThCh$	Net intangible ThCh$
Licenses and Software	4,572,914	(2,649,359)	1,923,555	4,566,853	(2,184,917)	2,381,936
Easements	2,787,563	-	2,787,563	949,310	-	949,310
Total	**7,360,477**	**(2,649,359)**	**4,711,118**	**5,516,163**	**(2,184,917)**	**3,331,246**

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

Movements	Licenses and Software ThCh$	Easements ThCh$	Total net intangible assets ThCh$
Opening balance as of 12-31-2013	2,381,936	949,310	3,331,246
Additions	6,061	1,838,253	1,844,314
Amortization	(464,442)	-	(464,442)
Closing balance as of 09-30-2014	1,923,555	2,787,563	4,711,118
Average remaining useful life	2 years	Perpetual	

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

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

8. Property, plant and equipment

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

Property, plant and equipment, by type	09-30-2014 ThCh$	12-31-2013 ThCh$
Classes of property, plant and equipment, net		
Property, plant and equipment, net	**3,037,974,203**	**2,822,197,875**
Work in progress, net	401,921,289	203,211,577
Land, net	98,908,143	83,397,592
Civil works, net	1,423,311,230	1,431,439,815
Buildings, net	73,791,741	73,383,899
Rolling stock, net	711,608,117	719,209,832
Electrical equipment, net	260,206,846	272,965,702
Machinery and equipment, net	14,095,831	14,011,576
Other, net	54,131,006	24,577,882
Classes of property, plant and equipment, gross		
Property, plant and equipment, gross	**3,419,860,653**	**3,149,850,297**
Work in progress, gross	401,921,289	203,211,577
Land, gross	98,908,143	83,397,592
Civil works, gross	1,523,315,482	1,517,834,953
Buildings, gross	84,321,200	82,613,905
Rolling stock, gross	857,301,741	843,060,738
Electrical equipment, gross	375,160,081	371,719,300
Machinery and equipment, gross	24,801,711	23,434,350
Other, gross	54,131,006	24,577,882
Classes of accumulated depreciation and impairment of property, plant and equipment		
Accumulated depreciation and impairment of property, plant and equipment	**381,886,450**	**327,652,422**
Accumulated depreciation of civil works	100,004,252	86,395,138
Accumulated depreciation of buildings	10,529,459	9,230,006
Accumulated depreciation of rolling stock	145,693,624	123,850,906
Accumulated depreciation of electrical equipment	114,953,235	98,753,598
Accumulated depreciation of machinery and equipment	10,705,880	9,422,774

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

2014 movement		Work in progress	Land	Civil works	Buildings	Rolling stock	Electrical equipment	Machinery and equipment	Other	Property, plant and equipment,
Opening balance as of January 1, 2014		203,211,577	83,397,592	1,431,439,815	73,383,899	719,209,832	272,965,702	14,011,576	24,577,882	2,822,197,875
Movements	Additions	219,890,105	15,510,551	(7,007)	127,194	5,235,225	20,411	459,787	29,553,124	270,789,390
	Transfers	(21,180,393)	-	5,487,536	1,663,220	9,361,679	3,444,243	991,349	-	(232,366)
	Derecognition or sales	-	-	-	(47,101)	(38,251)	(20,053)	(1,317)	-	(106,722)
	Depreciation expense	-	-	(13,609,114)	(1,335,471)	(22,160,368)	(16,203,457)	(1,365,564)	-	(54,673,974)
	Total movement	198,709,712	15,510,551	(8,128,585)	407,842	(7,601,715)	(12,758,856)	84,255	29,553,124	215,776,328
Closing balance as of September 30, 2014		401,921,289	98,908,143	1,423,311,230	73,791,741	711,608,117	260,206,846	14,095,831	54,131,006	3,037,974,203

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

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

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

d) Impairment

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

e) Collateral contract on rolling stock

To guarantee the financial loan signed on January 23, 2004 granted by a syndicate of banks, whose bank agent is BNP Paribas, an immovable pledge agreement was signed on 26, NS93 model train cars.

f) Investment projects

As of September 30, 2014, the estimated balances necessary to carry out the authorized projects that form part of the Company's expansion plan which ends in the year 2018, is approximately MCh$1,153,705 detailed as follows by type of investment: MCh$629,536 for civil works, MCh$288,934 for systems and equipment and MCh$235,235 for rolling stock .

g) Spare parts and accessories

As of September 30, 2014 spare parts and accessories and maintenance materials amounted to ThCh$22,535,254 and ThCh$23,220,925 as of December 31, 2013. These values include spare parts that have not moved for over four years, based on which obsolescence provisions were established in the amount of ThCh$2,263,990 as of September 30, 2014 and December 31, 2013.

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

1. TINSA Consultants were hired as independent experts on land valuation during the convergence process.
2. The comparison method was used (regarding commercial market value).
3. Fair value was directly determined based on prices observable in an active market.
4. Reserve funds were created for the revaluation of lands, which are recorded in equity in the balance sheet.

i) Other disclosures

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

   The gross carrying amount of property, plant and equipment that is fully amortized and is still in use is ThCh$12,579,231 as of September 30, 2014 and ThCh$9,922,924 as of December 31, 2013.

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

3. There are no useful life revaluations.

j) Financing costs

During 2014, costs of capitalized interests of property, plant and equipment amounts to ThCh$9,229,106, while in 2013, no costs of capitalized interests were recorded.

9. Investment properties

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

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

Total investment properties as of September 30, 2014, amount to ThCh$13,145,102 (ThCh$13,308,911 as of December 31, 2013).

Investment property	Commercial Stores	Land	Buildings	Total
Balance as of 01-01-2014	3,779,983	607,816	8,921,112	13,308,911
Closing balance	3,779,983	607,816	8,921,112	13,308,911
Depreciation for the period	(88,501)	-	(75,308)	(163,809)
Balance as of 09-30-2014	**3,691,482**	**607,816**	**8,845,804**	**13,145,102**

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

As established by IAS 40, the fair value of investment properties measured at costs has to be disclosed. For this reason, we have realized this calculation by means of internal valuations based on discounted future cash flow projections. It is estimated that fair value as of September 30, 2014 is ThCh$103,512,262 (as of September 30, 2013 ThCh$84,043,907).

Concept	09-30-2014 ThCh$	09-30-2013 ThCh$
Commercial stores	51,449,032	41,753,710
Land	44,858,027	39,190,142
Buildings	7,205,203	3,100,055
Total	103,512,262	84,043,907

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

Income and expenses from investment property	Accumulated		Change for the quarter	
	01-01-2014 09-30-2014	01-01-2013 09-30-2013	07-01-2014 09-30-2014	07-01-2013 09-30-2013
	ThCh$	ThCh$	ThCh$	ThCh$
Commercial stores	2,620,266	2,430,285	900,156	848,117
Land	2,235,992	2,230,598	760,595	704,730
Buildings	426,054	237,554	143,715	102,477
Total amount due to rental income	**5,282,312**	**4,898,437**	**1,804,466**	**1,655,324**
Commercial stores	(86,832)	(83,603)	(28,944)	(30,984)
Land	(27,112)	(27,997)	(9,038)	(10,531)
Buildings	(71,258)	(63,322)	(23,752)	(23,961)
Total amount due to rental income	**(185,202)**	**(174,922)**	**(61,734)**	**(65,476)**

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

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

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

10. Other financial assets, current and non-current

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

Concept	09-30-2014		12-31-2013	
	Current ThCh$	Non-current ThCh$	Current ThCh$	Non-current ThCh$
Financial investment, over 3 months	128,279,781	-	68,347,854	-
Derivative transactions	165,863	8,319,372	776,236	5,628,591
Financial lease	25,569	1,718,505	27,132	1,526,916
Promissory notes receivables	-	381,751	-	359,408
Other accounts receivable	-	2,658	-	1,515
Total	**128,471,213**	**10,422,286**	**69,151,222**	**7,516,430**

Financial investments, over 3 months

Term deposits

Type of investment	Currency	Capital in currency of origin ThCh$ - ThUS$	Annual average rate	Average maturity days	Capital in domestic currency ThCh$	Accrued interest Domestic currency ThCh$	Carrying amounts 09-30-2014 ThCh$
Term deposits	CLP	45,727,793	4.00%	40	45,727,793	653,876	46,381,669
Term deposits	USD	136,573.15	0.34%	80	81,837,363	60,749	81,898,112
Total					127,565,156	714,625	128,279,781

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

Reverse repurchase agreements

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

Derivative transactions

Financial assets as of September 30, 2014

									Current			Non-current			
									Maturity		Total current	Maturity			Total non-current
Tax ID Number	Name	Country	Tax ID Number	Name	Country	Currency	Nominal	Type of	Up to 90 days	90 days to 1 year	09-30-2014	1 to 3 years	3 to 5 years	Over 5 years	09-30-2014
							rate	amortization	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52650%	biannual	4,909	-	4,909	48,368	-	-	48,368
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52750%	biannual	403	-	403	(3,685)	-	-	(3,685)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52890%	biannual	1,668	-	1,668	8,920	-	-	8,920
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52190%	biannual	1,327	-	1,327	(16,867)	-	-	(16,867)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52900%	biannual	-	-	-	(2,776)	-	-	(2,776)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52200%	biannual	10,948	-	10,948	(62,232)	(10,369)	-	(72,601)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52750%	biannual	14,108	-	14,108	(119,724)	(19,953)	-	(139,677)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52750%	biannual	16,797	-	16,797	84,185	-	-	84,185
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52750%	biannual	2,633	-	2,633	11,576	-	-	11,576
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52190%	biannual	776	-	776	(14,419)	-	-	(14,419)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52290%	biannual	609	-	609	(8,742)	-	-	(8,742)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52750%	biannual	1,084	-	1,084	(7,162)	-	-	(7,162)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52390%	biannual	380	-	380	(4,779)	-	-	(4,779)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52890%	biannual	8,291	-	8,291	60,310	-	-	60,310
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52400%	biannual	3,604	-	3,604	23,725	-	-	23,725
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52390%	biannual	233	-	233	(2,545)	-	-	(2,545)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52750%	biannual	1,309	-	1,309	(7,248)	-	-	(7,248)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52940%	biannual	-	99	99	3,505	-	-	3,505
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52190%	biannual	1,525	-	1,525	(19,387)	-	-	(19,387)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52990%	biannual	-	4,025	4,025	(31,228)	-	-	(31,228)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52530%	biannual	6,602	-	6,602	(58,829)	-	-	(58,829)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52700%	Upon maturity	-	13,570	13,570	(630,061)	-	-	(630,061)
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	USD	0.52700%	Upon maturity	-	4,851	4,851	1,249,452	-	-	1,249,452
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	USD	0.52990%	biannual	-	3,970	3,970	683,392	-	-	683,392
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	USD	0.52650%	biannual	36,461	-	36,461	2,061,403	-	-	2,061,403
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	USD	4.19000%	biannual	-	25,681	25,681	2,552,273	1,701,516	850,753	5,104,542
						Total			**113,667**	**52,196**	**165,863**	**5,797,425**	**1,671,194**	**850,753**	**8,319,372**

Financial assets as of December 31, 2013

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

Financial lease agreements

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

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

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

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

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

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

Outstanding future minimum lease payments	09-30-2014			12-31-2013		
	Gross amount ThCh$	Interest ThCh$	Current amount ThCh$	Gross amount ThCh$	Interest ThCh$	Current amount ThCh$
Up to 1 year	142,158	116,589	25,569	165,942	138,810	27,132
From 1 to 5 years	947,721	723,981	223,740	829,719	647,503	182,216
More than 5 years	2,511,459	1,016,694	1,494,765	2,323,210	978,510	1,344,700
Total	3,601,338	1,857,264	1,744,074	3,318,871	1,764,823	1,554,048

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

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

Other current non-financial assets	09-30-2014 ThCh$	12-31-2013 ThCh$
Prepaid expenses	570	147,869
Advances to suppliers and personnel	4,634,411	3,325,745
Total	**4,634,981**	**3,473,614**

Other non-current non-financial assets	09-30-2014 ThCh$	12-31-2013 ThCh$
Funds allocated to pay for expropriations of new lines	39,058,689	44,609,507
Value-added fiscal tax credit	16,496,018	21,345,681
Advance for severance indemnity payments and other loans for employees	972,563	842,578
Total	**56,527,270**	**66,797,766**

(*) The base calculation for the proportional part of the VAT fiscal tax credit was questioned through administrative resolution issued by the Chilean Internal Revenue Service (SII) for which Metro S.A. filed a complaint. Against the second verdict, the Company filed an appeal for an annulment in relation to the merits of the case with the Supreme Court, which was rejected on April 30, 2014. The 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 September 2003.

12. Other financial liabilities, current and non-current

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

Concept	09-30-2014		12-31-2013	
	Current ThCh$	Non-current ThCh$	Current ThCh$	Non-current ThCh$
Interest-bearing loans	57,304,327	263,778,561	89,847,634	261,902,332
Bonds	27,062,843	1,139,660,101	25,827,031	827,651,167
Derivative transactions	588,834	-	693,359	4,714,628
Withholdings associated w ith mega project contracts	-	6,390,454	-	-
Total	**84,956,004**	**1,409,829,116**	**116,368,024**	**1,094,268,127**

Interest-bearing loans

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

								Current			Non-current			
								Maturity		Total current	Maturity			Total non-current
Tax ID. No.	Name	Country	Tax ID. No.	Name	Country	Currency	Effective Rate	Up to 90 days ThCh$	90 days to 1 year ThCh$	09-30-2014 ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	09-30-2014 ThCh$
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US dollars	1.99%	18,923,154	35,502,508	54,425,662	150,182,375	25,323,186	5,102,248	180,607,808
61.219.000-3	Metro S.A.	Chile	O-E	Natixis Bank	France	US dollars	0.71%	761,088	1,811,706	2,572,794	7,621,456	5,080,971	16,058,768	28,761,196
61.219.000-3	Metro S.A.	Chile	O-E	Natixis Bank	France	Euros	2.00%	24,255	37,302	61,557	178,616	119,077	182,065	479,758
61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Société Générale	France	US dollars	1.73%		36,245	36,245	17,976,600	-	-	17,976,600
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Banco Bilbao Vizcaya Argentaria	Chile	US dollars	2.00%	135,037	73,032	208,069	35,953,200	-	-	35,953,200
						Total		**19,843,534**	**37,460,793**	**57,304,327**	**211,912,247**	**30,523,234**	**21,343,080**	**263,778,561**

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

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

Interest-bearing loans:

- ✓ Loan from Natixis Bank (financial protocol of the French Government to the Chilean government) in the amount of US$87,793,769.88. As of September 30, 2014, it has been fully used, leaving a principal balance of US$52,237,377.03.
- ✓ Loan from Natixis Bank (financial protocol of the French Government to the Chilean government) in the amount of €1,573,093.76. As of September 30, 2014, it has been fully used, leaving a principal balance of €712,441.21.
- ✓ Financial Loan Agreement for the Metro Line 4 Project, with a syndicate of banks led by BNP Paribas, in the amount of US$150,000,000, which is State guaranteed. As of September 30, 2014, it has been fully used, leaving a principal balance of US$14,705,882.34.
- ✓ Buyer Credit Facility Agreement for the Metro Line 4 Project, with a syndicate of banks led by BNP Paribas, in the amount of US$340,000,000.00 which is State guaranteed. As of September 30, 2014, it has been fully used, leaving a principal balance of US$78,501,303.47.
- ✓ Buyer Credit Facility Agreement for the acquisition of rolling stock, with a syndicate of banks led by BNP Paribas in the amount of US$46,855,822.64, without guarantees. As of September 30, 2014 it has been fully used, leaving a principal balance of US$17,598,802.82.
- ✓ Financial Loan Agreement for Extension Projects on Line 5 to Maipú and Extension of Line 1 to Los Dominicos, with a syndicate of international banks headed by BNP Paribas, in the amount of US$260,000,000. As of September 30, 2014, there is an amount to be used of US$17,421,404.67 and a principal balance left of US$154,463,285.71.
- ✓ 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 September 30, 2014, it has been fully used, leaving a principal balance of US$65,000,000.00.

  Such agreement establishes that as of September 30, of each year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of MCh$700. As of September 30, 2014, this debt/equity ratio is 1.00 times, equity reaches MCh$1,725, calculated as set forth in the relevant loan agreement.

- ✓ 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$60,000,000.00 As of September 30, 2014, it has been fully used, leaving a principal balance of US$60,000,000.00.

- ✓ 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 September 30, 2014 it has been fully used, leaving a principal balance of US$30,000,000.00

  Such agreement establishes that as of September 30, of each year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of MCh$700. As of June 30, 2014 this debt/equity ratio is 1.00 times, equity amounts to MCh$1.725 calculated as set forth in the relevant loan agreement.

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

  Such agreement establishes that as of September 30, of each year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of MCh$700. As of September 30, 2014 this debt/equity ratio is 1.00 times, equity amounts to MCh$1,725 calculated as set forth in the relevant loan agreement.

Bonds

The detail of bonds is the following:

The Company’s domestic and foreign liabilities as of September 30, 2014

											Current			Non-current			
											Maturity		Total current	Maturity			Total non-current
Series	Debtor Tax ID Number	Name	Country	Tax ID Number Bank	RTB Bank and payer	Country	Currency	Nominal Rate	Effective Rate	Amortization	Up to 90 days	90 days to 1 year	09-30-2014	1 to 3 years	3 to 5 years	Over 5 years	09-30-2014
											ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
A	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.6%	6.3%	biannual	1,691,762	2,757,071	4,448,833	11,842,331	10,150,568	62,462,915	84,455,814
B	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.6%	5.9%	biannual	1,916,640	845,880	2,762,520	5,498,226	5,075,284	33,412,145	43,985,655
C	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.5%	5.5%	biannual	1,611,202	2,644,819	4,256,021	9,667,210	9,667,208	67,581,992	86,916,410
D	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.1%	biannual	1,611,202	2,681,734	4,292,936	9,667,210	8,056,007	74,977,943	92,701,160
E	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	4.9%	biannual	2,515,064	1,127,841	3,642,905	6,767,047	4,511,364	57,053,464	68,331,875
F	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.0%	biannual	765,321	1,291,358	2,056,679	4,591,925	3,061,283	38,522,642	46,175,850
G	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	4.5%	3.1%	biannual	-	133,852	133,852	6,767,047	4,511,364	64,582,722	75,861,133
H	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.3%	4.5%	biannual	-	217,083	217,083	14,500,812	9,506,123	-	24,006,935
I	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.7%	4.8%	biannual	-	675,584	675,584	-	12,523,416	55,690,539	68,213,955
J	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.5%	4.5%	biannual	1,589,459	-	1,589,459	-	3,222,399	93,046,920	96,269,319
K	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	3.8%	4.0%	biannual	-	207,528	207,528	-	-	121,635,642	121,635,642
L	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	3.9%	3.8%	biannual	526,126	-	526,126	-	-	35,929,543	35,929,543
	61.219.000-3	Metro S.A.	Chile		Deutsche Bank	EEUU	Dólares	4.8%	4.9%	biannual	-	2,253,317	2,253,317	-	-	295,176,810	295,176,810
							Total				**12,226,776**	**14,836,067**	**27,062,843**	**69,301,808**	**70,285,016**	**1,000,073,277**	**1,139,660,101**

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

											Current			Non-current			
											Maturity		Total current	Maturity			Total non-current
Series	Debtor Tax ID Number	Name	Country	Tax ID Number Bank	RTB Bank and payer	Country	Currency	Nominal Rate	Effective Rate	Amortization	Up to 90 days	90 days to 1 year	12-31-2013	1 to 3 years	3 to 5 years	Over 5 years	12-31-2013
											ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
A	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.6%	6.3%	biannual	3,958,997	1,631,670	5,590,667	9,790,017	9,790,038	64,879,282	84,459,337
B	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.6%	5.9%	biannual	815,835	1,236,437	2,052,272	5,710,843	5,710,842	31,659,132	43,080,817
C	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.5%	5.5%	biannual	3,809,181	1,553,971	5,363,152	9,323,826	7,769,854	69,839,888	86,933,568
D	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.1%	biannual	3,886,947	1,553,971	5,440,918	9,323,826	6,215,884	77,230,007	92,769,717
E	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	4.9%	biannual	-	1,540,319	1,540,319	6,526,678	4,351,119	56,286,834	67,164,631
F	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.0%	biannual	1,108,164	-	1,108,164	4,428,817	2,952,545	38,735,666	46,117,028
G	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	4.5%	3.1%	biannual	855,269	-	855,269	4,351,119	4,351,119	64,915,769	73,618,007
H	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.3%	4.5%	biannual	457,312	-	457,312	9,323,824	9,323,824	4,469,303	23,116,951
I	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.7%	4.8%	biannual	1,423,204	-	1,423,204	-	6,039,289	59,702,070	65,741,359
J	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.5%	4.5%	biannual	-	495,632	495,632	-	-	92,830,206	92,830,206
K	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	3.8%	4.0%	biannual	1,326,037	-	1,326,037	-	-	117,178,891	117,178,891
L	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	3.9%	3.8%	biannual	-	174,085	174,085	-	-	34,640,655	34,640,655
							Total				**17,640,946**	**8,186,085**	**25,827,031**	**58,778,950**	**56,504,514**	**712,367,703**	**827,651,167**

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

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

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

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

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

On February 4, 2014, the Company placed bonds in the international market for US$500,000,000,00 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.

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 MCh$700 and an interest coverage ratio greater than 1.0. Those covenants are calculated and determined using the financial statements prepared as of December 31 of each calendar year and filed with the SVS. International bond is not subject to related restrictions or covenants.

Derivative transactions

The detail of derivative transactions is the following:

Financial liabilities as of September 30, 2014

									Current			Non-current			
									Maturity		Total current	Maturity			Total non-current
Tax ID Number	Name	Country	Tax ID Number	Name	Country	Currency	Nominal	Amortization	Up to 90 days	90 days to 1 year	09-30-2014	1 to 3 years	3 to 5 years	Over 5 years	09-30-2014
							Rate	Type	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	1.97%	biannual	17,692	-	17,692	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.40%	biannual	1,850	-	1,850	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.35%	biannual	7,200	-	7,200	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	biannual	6,080	-	6,080	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.63%	biannual	54,323	-	54,323	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.59%	biannual	69,144	-	69,144	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.63%	biannual	81,196	-	81,196	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.41%	biannual	11,716	-	11,716	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	biannual	3,695	-	3,695	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	biannual	2,895	-	2,895	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.40%	biannual	4,937	-	4,937	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.40%	biannual	1,761	-	1,761	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.09%	biannual	31,729	-	31,729	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.08%	biannual	13,854	-	13,854	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.32%	biannual	1,038	-	1,038	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.42%	biannual	6,013	-	6,013	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.38%	biannual	-	431	431	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	biannual	6,989	-	6,989	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.75%	biannual	-	20,354	20,354	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.27%	biannual	28,451	-	28,451	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	3.10%	Upon maturity	-	77,054	77,054	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.91%	Upon maturity	-	14,889	14,889	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.97%	biannual	-	12,501	12,501	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	1.93%	biannual	113,042	-	113,042	-	-	-	-
						Total			**463,605**	**125,229**	**588,834**	-	-	**-**	-

Financial liabilities as of December 31, 2013

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

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

This caption comprises the following:

Current	09-30-2014 ThCh$	12-31-2013 ThCh$
Real estate taxes	7,263,145	8,832,099
Deferred income	1,325,798	481,096
Guarantees received	169,975	163,691
Total	**8,758,918**	**9,476,886**

Non-current	09-30-2014 ThCh$	12-31-2013 ThCh$
Deferred income (*)	3,469,108	3,495,776
Total	**3,469,108**	**3,495,776**

(*)Corresponds to long-term operational leases.

14. Balances and transactions with related parties

Trade and other receivables:

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

Trade and other payables:

Corresponds to capital contributions received from the Government of Chile for network expansion projects. As of September 30, 2014, contributions pending capitalization reached ThCh$141,788,861 and ThCh$21,788,861 as of December 31, 2013.

Transactions:

During 2014, the Company received contributions from the Ministry of Public Works for ThCh$120,000,000. Contributions pending capitalization reached ThCh$141,788,861 as of September 30, 2014 comprising contributions received during 2014 of ThCh$120,000,000 and contributions of ThCh$21,788,861 received in prior years.

As of September 2013, the Company received contributions from the Ministry of Public Works of ThCh$189,200,000, from which ThCh$99,200,000 were capitalized through the issuance and placement of 2,684,709,066 new shares. Accordingly, contributions pending capitalization reached ThCh$97,653,136 comprising contributions received as of such date of $ThCh$90,000,000 and contributions of ThCh$7,653,136 received in prior years.

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

Directors' income is detailed as follows:

Director's income	Accumulated		Quarterly variance	
	09-30-2014	09-30-2013	07-01-2014 09-30-2014	07-01-2013 09-30-2013
	ThCh$	ThCh$	ThCh$	ThCh$
Travel expenses and allowance (mileage)	4,890	-	4,890	-
Fixed income	86,439	82,591	28,951	28,179
Fees	26,475	22,692	8,236	8,659
Other fees	18,793	17,071	6,462	6,166
Total	136,597	122,354	48,539	43,004

Board of Directors expenses

During 2014, travel expenses and allowance (mileage) reached ThCh$4,890, whereas in the same period of 2013, there were no such expenses.

Remunerations of the General Manager and Other Managers:

During 2014 the compensation paid to the General Manager amounted to ThCh$141,211 (ThCh$144.228 in the same period of 2013) and compensation paid to Other Managers amounted to ThCh$948,460 (ThCh$1,146,918 in the same period of 2013).

15. Trade and other payables

This caption comprises the following:

Concept	09-30-2014 ThCh$	12-31-2013 ThCh$
Debt from purchases or services received	41,054,113	32,552,983
Accounts payable - Transantiago	8,231,956	9,924,840
Retentions	1,387,929	1,837,149
Other accounts payable	407,000	296,786
Total	**51,080,998**	**44,611,758**

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 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	09-30-2014 ThCh$	12-31-2013 ThCh$
Accrued vacations	4,247,466	3,209,736
Employee benefit obligations	1,665,282	1,770,132
Productivity bonus	3,304,381	4,678,974
Total	**9,217,129**	**9,658,842**

Non-current

Concept	09-30-2014 ThCh$	12-31-2013 ThCh$
Provision for dismissal	14,156,505	12,983,723
Provision for mortality	77,314	78,641
Provision for resignations	948,307	940,879
Advance of severance indemnity payments	(1,738,910)	(1,601,497)
Total	**13,443,216**	**12,401,746**

Movement in the provision for severance indemnity payments

Concept	ThCh$
Liabilities as of 01-01-2014	12,401,746
Service interest	529,086
Benefits paid	(325,784)
Actuarial (profit) loss	838,168
Liabilities as of 09-30-2014	**13,443,216**

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

Sensitivity analysis

Concept	Low	Medium	High	Low	High
Discount rates	4.400%	4.895%	5.395%	0.54%	-0.57%
Increases in salaries	3.530%	4.030%	4.530%	-0.12%	0.13%
Employee turnover	1.088%	1.450%	1.813%	-0.01%	0.01%
Mortality rate	-25.00%	RV-2009	25.00%	0.25%	-0.25%

Projection of the actuarial calculation for the following year.

The projected calculation for the following year amounts to ThCh$14,132,550.

Estimate of expected cash flows for the following year.

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

Actuarial revaluation of obligations:

The company revalued of its obligations as of September 30, 2014, determining that there is no profit due to demographical parameters (ThCh$184,875 in 2013), a loss due to the update of financial parameters of ThCh$579,871 (ThCh$529,538 in 2013) and a loss due to experience of ThCh$258,298 (ThCh$46,828 in 2013).

Concept / profit (loss)	09-30-2014 ThCh$	12-31-2013 ThCh$
Revaluation of demographical parameters	-	184,875
Revaluation of financial parameters	(579,871)	(529,538)
Revaluation due to experience	(258,298)	(46,828)
Total deviation for the period	(838,169)	(391,491)
Summary		
Due to assumptions	(579,871)	(344,663)
Due to experience	(258,298)	(46,828)
Total deviation for the period	(838,169)	(391,491)

General considerations

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

Frozen indemnity

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

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

Legal indemnity

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

Actuarial assumptions

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

1. Mortality

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

2. Workforce rotation

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

Reason	Rate %
Dismissal	1.26
Resignation	0.12
Other reasons	0.07

3. Discount rate

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

Period	Rate %
12-31-2012	2.7400
12-31-2013	2.4700
09-30-2014	1.8400

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$616,607,405 as of September 2014, ThCh$505,486,914 as of December 2013 and ThCh$448,718,108 as of September 2013, determined in accordance with current legal provisions, therefore no income tax provision has been recognized as of these dates.

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

Temporary difference	Tax assets		Tax liabilities	
	09-30-2014 ThCh$	12-31-2013 ThCh$	09-30-2014 ThCh$	12-31-2013 ThCh$
Allowance for doubtful accounts	287,767	185,427	-	-
Anticipated income	1,294,624	795,374	-	-
Accrued vacations	1,146,816	641,947	-	-
Severance indemnity payments	1,647,381	898,066	-	-
Allowance for law suits	340,011	237,430	-	-
Allowance for maintenance	600,683	276,603	-	-
Provision for employee benefits	449,626	354,026	-	-
Allowance for spare parts	611,277	452,798	-	-
Irrecoverable value-added tax on loan for extensions	-	-	88,067,335	59,200,236
Capitalized expenses	-	-	25,296,943	15,347,016
Property, plant and equipment	102,992,520	55,455,567	-	-
Tax loss	166,483,999	101,097,383	-	-
Other events	2,295,267	500,150	-	-
Subtotal	**278,149,971**	**160,894,771**	**113,364,278**	**74,547,252**
Net deferred tax assets	164,785,693	86,347,519	-	-
Reduction of deferred tax assets (1)	(164,785,693)	(86,347,519)	-	-
Deferred tax, net	-	-	-	-

19. Provisions, contingencies and guarantees

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

The detailed information for claims and lawsuit is as follows:

Other short-term provisions	09-30-2014 ThCh$	12-31-2013 ThCh$
Civil - compensation for damages	286,800	258,800
Civil- legal invalidity	700,000	700,000
Civil -others	50,000	4,000
Work related	200,500	203,150
Other (resources - presentations- etc.)	22,000	21,200
Total	**1,259,300**	**1,187,150**

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

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

Movements of provisions are detailed as follows:

Concept	Amount ThCh$
Balance as of 01-01-2013	1,095,003
Accrued provisions	582,200
Reversal of provisions	(490,053)
Balance as of 12-31-2013	1,187,150
Accrued provisions	514,736
Reversal of provisions	(442,586)
Balance 09.30.2014	1,259,300

Direct guarantees

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

Type of guarantee	No. Of guarantee	Issuing Entity	Currency	Amount	Date of Issue	Date of Maturity	Status	Parity ThCh$
Note	23461	Bco. Santander	UF	1,000	09-24-2014	10-02-2015	Vigente	24,168
Note	23462	Bco. Santander	UF	5,000	09-24-2014	10-02-2015	Vigente	120,840
Note	23471	Bco. Santander	UF	5,000	09-24-2014	10-02-2015	Vigente	120,840
Note	23470	Bco. Santander	UF	5,000	09-24-2014	10-02-2015	Vigente	120,840
Note	23469	Bco. Santander	UF	5,000	09-24-2014	10-02-2015	Vigente	120,840
Note	23468	Bco. Santander	UF	5,000	09-24-2014	10-02-2015	Vigente	120,840
Note	23467	Bco. Santander	UF	5,000	09-24-2014	10-02-2015	Vigente	120,840
Note	23466	Bco. Santander	UF	5,000	09-24-2014	10-02-2015	Vigente	120,840
Note	23465	Bco. Santander	UF	5,000	09-24-2014	10-02-2015	Vigente	120,840
Note	23464	Bco. Santander	UF	5,000	09-24-2014	10-02-2015	Vigente	120,840
Note	23463	Bco. Santander	UF	5,000	09-24-2014	10-02-2015	Vigente	120,840
Note	287557	Bco. Santander	UF	820	11-07-2013	02-17-2015	Vigente	19,818
Note	292112	Bco. Santander	UF	150	01-03-2014	12-31-2015	Vigente	3,625
Note	485245	Bco. Santander	Ch$	136,000,000	08-05-2014	03-31-2015	Vigente	136,000
Note	485246	Bco. Santander	Ch$	136,000,000	08-05-2014	03-31-2016	Vigente	136,000
Note	486643	Bco. Santander	Ch$	136,000,000	08-27-2014	06-30-2017	Vigente	136,000
Note	96584	Bco. BBVA	US$	1,000,000	06-10-2014	06-30-2017	Vigente	599,220
Stand By	SBLC10187	Multibank	US$	24,930	05-20-2014	08-15-2015	Vigente	14,939

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

20. Changes in equity

2014 capital increase

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

- ✓ Increase the issued and subscribed and fully-paid capital of the Company by capitalizing government contributions of ThCh$52,200,000 at 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.

2013 capital increase

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

- ✓ Increase the subscribed and fully-paid capital stock of the Company by capitalizing government contributions in an aggregate amount of ThCh$125,753,136 nominal value, through the issuance of 3,508,737,054 Series A common shares, which the Government and CORFO will subscribe prorated to their equity interest ownership.
- ✓ On August 26, 2013, CORFO paid the government contribution subscribed on June 25, 2013.

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

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

a. Capital

The capital of the Company as of September 30, 2014, is represented by 33,336,656,171 and 19,163,677,063 Series A and B registered shares without par value, respectively, with 32,944,586,546 shares corresponding to CORFO and 19,555,746,688 shares corresponding to the Government of Chile.

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

Shareholders are detailed as follows:

Shareholders	09-30-2014			12-31-2013		
	Number of shares and percentages					
	Subscribed shares	Paid shares	% ownership	Subscribed shares	Paid shares	% ownership
Corporación de fomento de la producción	32,944,586,546	31,446,308,704	62.75%	31,446,308,704	31,446,308,704	61.66%
Ministry of FInance	19,555,746,688	19,555,746,688	37.25%	19,555,746,688	19,555,746,688	38.34%
Total	**52,500,333,234**	**51,002,055,392**	**-**	**51,002,055,392**	**51,002,055,392**	**-**
Corporación de Fomento de la Producción						
Series A	20,841,115,240	19,342,837,398	-	19,342,837,398	19,342,837,398	-
Series B	12,103,471,306	12,103,471,306	-	12,103,471,306	12,103,471,306	-
Total	**32,944,586,546**	**31,446,308,704**	**-**	**31,446,308,704**	**31,446,308,704**	**-**
Ministry of FInance						
Series A	12,495,540,931	12,495,540,931	-	12,495,540,931	12,495,540,931	-
Series B	7,060,205,757	7,060,205,757	-	7,060,205,757	7,060,205,757	-
Total	**19,555,746,688**	**19,555,746,688**	**-**	**19,555,746,688**	**19,555,746,688**	**-**

b. Distribution of net income and dividends

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

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

c. Non-controlling Interests

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

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

d. Other reserves

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

Other reserves	09-30-2014 ThCh$	12-31-2013 ThCh$
Price-level adjustment of paid-in capital	30,336,377	30,336,377
Revaluation surplus	3,042,584	3,042,584
Total	**33,378,961**	**33,378,961**

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

21. Income and expenses

Revenue:

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

Revenue	Accumulated		Quarter	
	01-01-2014 09-30-2014 ThCh$	01-01-2013 09-30-2013 ThCh$	01-07-2014 09-30-2014 ThCh$	01-07-2013 09-30-2013 ThCh$
Revenues from passenger transportation services	163,965,353	151,465,930	57,182,049	51,016,533
Sales channel income	27,599,918	16,036,763	8,943,864	7,917,468
Lease of commercial stores, spaces and advertising	8,791,677	8,877,559	2,986,944	2,893,340
Lease in intermodal terminals	1,467,575	1,361,268	490,901	437,596
Other income	4,582,032	3,848,921	1,598,881	1,278,667
Total	**206,406,555**	**181,590,441**	**71,202,639**	**63,543,604**

Other income other than revenue

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

Other income	Accumulated		Quarter	
	01-01-2014 09-30-2014 ThCh$	01-01-2013 09-30-2013 ThCh$	01-07-2014 09-30-2014 ThCh$	01-07-2013 09-30-2013 ThCh$
Income from fines and indemnities	6,097,294	565,251	3,657,449	250,180
Welfare revenue	248,398	239,061	81,357	92,802
Sale of proposals	53,712	89,790	20,215	5,600
Other income	1,059,104	240,692	63,798	141,063
Total	**7,458,508**	**1,134,794**	**3,822,819**	**489,645**

Expenses by nature

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

Expenses by nature	Accumulated		Quarter	
	01-01-2014 09-30-2014 ThCh$	01-01-2013 09-30-2013 ThCh$	01-07-2014 09-30-2014 ThCh$	01-07-2013 09-30-2013 ThCh$
Personnel expenses	46,891,284	45,015,451	16,073,044	14,628,085
Maintenance and operating expenses	36,239,339	28,619,814	13,133,634	9,857,053
Purchase of energy	34,252,197	22,346,754	12,563,467	7,173,308
General expenses and others	33,221,615	26,938,357	11,861,089	9,243,447
Depreciation and amortization	55,300,261	55,066,547	18,437,662	18,441,459
Total	**205,904,696**	**177,986,923**	**72,068,896**	**59,343,352**

Personnel expenses

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

Personnel expenses	Accumulated		Quarter	
	01-01-2014 09-30-2014 ThCh$	01-01-2013 09-30-2013 ThCh$	01-07-2014 09-30-2014 ThCh$	01-07-2013 09-30-2013 ThCh$
Wages and salaries	31,772,945	29,718,290	11,125,111	10,157,265
Other benefits	12,225,729	12,726,597	3,992,871	3,890,161
Expenses on social and collective benefits	1,553,185	1,395,654	550,733	200,723
Social security contribution	1,339,425	1,174,910	404,329	379,936
Total	**46,891,284**	**45,015,451**	**16,073,044**	**14,628,085**

Maintenance and operating expenses

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

Maintenance and operating expenses	Accumulated		Quarter	
	01-01-2014 09-30-2014 ThCh$	01-01-2013 09-30-2013 ThCh$	01-07-2014 09-30-2014 ThCh$	01-07-2013 09-30-2013 ThCh$
Maintenance of rolling stock, stations and others	26,256,519	21,315,155	9,563,022	7,581,310
Spare parts	7,773,040	5,631,981	3,001,782	1,646,222
Repair, leases and others	2,209,780	1,672,678	568,830	629,521
Total	**36,239,339**	**28,619,814**	**13,133,634**	**9,857,053**

Depreciation and amortization

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

Depreciation and amortization	Accumulated		Quarter	
	01-01-2014 09-30-2014 ThCh$	01-01-2013 09-30-2013 ThCh$	01-07-2014 09-30-2014 ThCh$	01-07-2013 09-30-2013 ThCh$
Depreciation	54,835,820	54,720,077	18,282,872	18,324,280
Amortization	464,441	346,470	154,790	117,179
Total	**55,300,261**	**55,066,547**	**18,437,662**	**18,441,459**

General and other expenses

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

General expenses and others	Accumulated		Quarter	
	01-01-2014 09-30-2014 ThCh$	01-01-2013 09-30-2013 ThCh$	01-07-2014 09-30-2014 ThCh$	01-07-2013 09-30-2013 ThCh$
Service contracts	12,803,843	9,902,607	4,513,363	3,448,502
Complementary transportation expenses	-	3,837,275	-	(659,837)
Property taxes	1,033,506	758,353	344,502	252,501
Corporate image expenses	1,236,374	754,920	377,814	241,185
Sales channel operator expenses	14,390,779	9,188,248	5,148,211	4,679,725
Insurance, materials and others	3,757,113	2,496,954	1,477,199	1,281,371
Total	**33,221,615**	**26,938,357**	**11,861,089**	**9,243,447**

Financial result and exchange differences

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

Financial result	Accumulated		Quarter	
	01-01-2014 09-30-2014 ThCh$	01-01-2013 09-30-2013 ThCh$	01-07-2014 09-30-2014 ThCh$	01-07-2013 09-30-2013 ThCh$
Finance income				
Interest on cash and other cash equivalents	5,334,457	3,865,329	1,823,570	1,401,029
Finance income from swaps	2,341,039	2,313,457	822,892	754,969
Other finance income	121,770	118,446	48,606	52,471
Subtotal	7,797,266	6,297,232	2,695,068	2,208,469
Financial expenses				
Interest and expenses on bank loans	(6,653,794)	(7,551,658)	(2,182,512)	(2,322,706)
Interest and expenses on bonds	(30,206,940)	(29,455,676)	(10,121,499)	(9,820,265)
Other financial expenses	(499,186)	(474,290)	(125,191)	(91,839)
Subtotal	**(37,359,920)**	**(37,481,624)**	**(12,429,202)**	**(12,234,810)**
Profit (loss) Financial Result	(29,562,654)	(31,184,392)	(9,734,134)	(10,026,341)

Foreign currency translation and index-adjusted unit differences	Accumulated		Quarter	
	01-01-2014 09-30-2014 ThCh$	01-01-2013 09-30-2013 ThCh$	01-07-2014 09-30-2014 ThCh$	01-07-2013 09-30-2013 ThCh$
Foreign currency translation difference				
Profit (loss) on foreign currency translation (foreign loans and investments)	(51,470,152)	(15,437,294)	(36,976,926)	1,699,445
Total foreign currency translation difference	**(51,470,152)**	**(15,437,294)**	**(36,976,926)**	**1,699,445**
Index-adjusted unit				
Profit (loss) on index-adjusted unit (bonds)	(30,340,338)	(8,982,694)	(4,813,576)	(8,511,343)
Total index-adjusted unit	**(30,340,338)**	**(8,982,694)**	**(4,813,576)**	**(8,511,343)**

Other profit (losses)

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

Other profit (loss)	Accumulated		Quarter	
	01-01-2014 09-30-2014 ThCh$	01-01-2013 09-30-2013 ThCh$	01-07-2014 09-30-2014 ThCh$	01-07-2013 09-30-2013 ThCh$
Net present value swaps US$	12,441,475	9,879,947	1,503,166	1,306,195
Net present value swaps UF	(4,782,476)	(8,431,354)	4,333,776	(2,854,075)
Total	**7,658,999**	**1,448,593**	**5,836,942**	**(1,547,880)**

Other comprehensive income

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

Other comprehensive income (loss)	Accumulated		Quarter	
	01-01-2014 09-30-2014 ThCh$	01-01-2013 09-30-2013 ThCh$	01-07-2014 09-30-2014 ThCh$	01-07-2013 09-30-2013 ThCh$
Actuarial profit (loss) on defined benefit plans	(838,169)	(271,017)	(289,571)	(156,452)
Total	**(838,169)**	**(271,017)**	**(289,571)**	**(156,452)**

22. Third-party guarantees

Guarantees received as of period closing are detailed as follows:

Grantor	Guarantee amount ThCh$	Operation Originating	Relationship
Alstom Chile S.A.	188,064,861	Service contract	Supplier
Alstom Transport S.A.	50,665,597	Service contract	Supplier
Alstom Transporte, S.A.	29,563,781	Supply contract	Supplier
Ascensores Otis Chile Ltda.	4,779,917	Service contract	Supplier
Arcadis Chile S.A.	1,052,407	Service contract	Supplier
Ara Worleyparsons S.A.	1,124,911	Work contract	Supplier
Abengoa Chile S.A.	58,108,283	Service contract	Supplier
Acciona Infraestructura S.A.	1,894,307	Seriousness/offer	Supplier
Balfour Beatty Chile S.A.	3,962,111	Service contract	Supplier
Bravo Energy Chile	1,807,521	Service contract	Supplier
Consorcio Constructor Linea 3	11,517,334	Supply contract	Supplier
Constructora Con Pax S.A.	8,891,911	Service contract	Supplier
Consorcio Acciona -Brotec Icafa	13,186,297	Work contract	Supplier
Consorcio El-Ossa S.A.	19,066,845	Work contract	Supplier
CAF Chile S.A.	131,198,172	Service contract	Supplier
Clas. Ingenieria Electrica E I	3,345,075	Service contract	Supplier
Cons.Constr.Piq.yTuneles Lin	3,059,645	Work contract	Supplier
Const.y Auxiliar de Ferrocarriles	64,934,841	Service contract	Supplier
ETF	21,736,024	Service contract	Supplier
Eme Serv. Generales LTDA.	1,208,401	Service contract	Supplier
Empresa Constructora Metro 6 L	95,275,980	Work contract	Supplier
Eulen Seguridad S.A.	1,208,377	Service contract	Supplier
Faiveley Transport Far East Li	5,774,201	Supply Puertas And.	Supplier
Ferrovial Agroman Chile S.A.	13,956,942	Seriousness/offer	Supplier
GPMG Ingeniería y Construcción	2,139,084	Work contract	Supplier
Idom Ingenieria y Consultoria	1,663,145	Service contract	Supplier
Inabensa S.A.	3,595,320	Service contract	Supplier
Indra Sistemas Chile S.A.	32,626,730	Service contract	Supplier
ISS Servicios Integrales LIMIT	5,578,698	Service contract	Supplier
Ingen. Maquinaria y Construcción	4,056,061	Work contract	Supplier
Ingenieria y Desarrollo Tecnologico	1,437,329	Service contract	Supplier
Ingenieria Siga- Poch Limitada	1,419,313	Service contract	Supplier
JC Decaux Chile S.A.	1,208,401	Service contract	Supplier
Sait France SAS	1,060,247	Work contract	Supplier
SGS Chile Ltda. Soc.de Contro	3,598,101	Service contract	Supplier
Soc.de Mant.e Instalac.Tecnicas	2,875,637	Service contract	Supplier
Obrascon Huarte Lain S.A Agenc.	34,055,975	Work contract	Supplier
Servicios de Aseo y Jardines M	2,099,250	Service contract	Supplier
Systra	2,021,084	Service contract	Supplier
Sice Agencia Chile	7,057,458	Service contract	Supplier
Siemens S.A.	100,785,225	Service contract	Supplier
Thyssenkrupp Elevadores S.A.	2,513,316	Service contract	Supplier
Thales Comunications & Segurity	2,605,729	Service contract	Supplier
Thales Canada Inc.	16,227,216	Service contract	Supplier
Other	28,452,769	Work service contract	Supplier
Total	992,459,829		

23. Risk management

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

23.1 Description of the market in which the company operates

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

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

✓ Rates

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

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

The fare paid by the public is different than the one received by the Company per transported passenger. In September 2014, customers paid Ch$700 at peak hours, Ch$640 at valley hours and Ch$590 at low hours, while, on average the Company received a technical tariff of Ch$344.28 per passenger on that month.

As from July 1, 2013 starts the new contract between the Ministry of Transportation and Telecommunication of Chile and Metro S.A. to provide additional issuance, after-sales, trading services and charging of the public passenger transport system of Santiago.

✓ Demand

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

The risk related to the demand of Metro passengers is mainly associated to the country's level of economic activity, level of employment and quality of the ground passenger transportation service (buses). In fact, the demand for passenger transportation is derived from the rest of the economic activities. During the period from January to September 2014, we noted an increase of 6.1 million trips, in comparison to the same date in 2013, explained mainly by an increase in affluence during March and September, of 8.2% and 4.7%, respectively, due to a higher amount of working days in those months and the less amounts of holidays during the same period during 2013.

23.2 Financial risks

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

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

✓ Market risk

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

To reduce the Company's exposure to financial debt denominated in US dollars and to interest rate changes, the Company has a financial risks economic hedge policy. In the framework of this policy, the Company performed derivative transactions (Cross Currency Swap ("CCS")) in the amount of MUS$156 as of September 30, 2014 (balance of MUS$179 as of December 31, 2013), which do not meet the hedge accounting criteria.

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

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

✓ Interest rate risk

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

In order to mitigate the risks of interest rate fluctuation, the Company has entered into derivative transactions (cross currency swaps) and placed fixed rate bond in dollar and UF.

As of September 2014, the share of the debt at a variable rate has decreased a 5.6% in comparison to as of December 2013, mainly because of the US$ fixed-rate international bond placement, as shown in the following table:

Debt composition	09-30-2014 %	12-31-2013 %
Fixed rate	89.2	83.6
Variable rate	10.8	16.4
Total	100.0	100.0

When we analyze the sensitivity as of September 30, 2014 on the net debt at a variable Libor rate, not hedged by current derivatives, which amounts to MUS$266, we note in the following table, the effect on income in a scenario where the Libor rate is increased by 100 base points, would be an annual increase in finance expenses in the amount of MUS$2.7.

Sensitivity analysis	Equivalent in MUS$	Total %
Total debt (equivalent to MUS$)	**2,459**	**100%**
Debt at LIBOR rate	326	
IRS	96	
CCS	(156)	
Total variable LIBOR rate debt	**266**	**11%**
Total fixed rate debt	**2,193**	**89%**

Variation in financial expenses	Equivalent in MUS$
Impact on financial expenses of a variation of 100 base points in LIBOR	2.7

✓ Exchange rate risk

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

Financial debt structure	09-30-2014 Equivalent in MUS$	%	12-31-2013 Equivalent in MUS$	%
Debt UF	1,582	64%	1,769	78%
Debt US$	877	36%	490	22%
Total financial debt	**2,459**	**100%**	**2,259**	**100%**

The structure of the financial debt as of September 30, 2014, is mainly denominated in UF (64%) and in US dollars (36%).

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 September 30, 2014, in case of a possible 10% depreciation/appreciation of the Chilean peso in respect to the US dollar, leaving all the rest of the parameters constant, we estimate that a loss or profit of ThCh$34,734,256 would be generated.

Sensitivity analysis Effect on profit or loss as of September 2014	10% depreciation ThCh$	10% appreciation ThCh$
Impact on profit or loss of 10% in the Ch$/US$ exchange rate	(34,734,256)	34,734,256

- ✓ 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.

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

	Up to 1 year ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	Total ThCh$
Principal	71,155,786	281,214,055	100,808,250	1,021,416,357	1,474,594,448
Interest	61,869,710	172,089,226	97,523,455	266,777,411	598,259,802
Total	**133,025,496**	**453,303,281**	**198,331,705**	**1,288,193,768**	**2,072,854,250**

- ✓ Financial liability structure

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

Financial liabilities	09-30-2014				
	Up to 1 year ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	Total ThCh$
Bank loans	57,304,327	211,912,247	30,523,234	21,343,080	321,082,888
Bonds	27,062,843	69,301,808	70,285,016	1,000,073,277	1,166,722,944
Derivative transactions	588,834				588,834
Total	**84,956,004**	**281,214,055**	**100,808,250**	**1,021,416,357**	**1,488,394,666**

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

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

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

	Carrying amount ThCh$	Market value ThCh$
Loans	321,082,888	325,142,619
Bonds	1,166,722,944	1,302,036,709

✓ 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**	
	09-30-2014 ThCh$	**12-31-2013 ThCh$**
Trade receivables, gross	5,633,427	4,759,813
Impairment of trade receivables	(1,065,803)	(927,135)
Trade receivables, net	**4,567,624**	**3,832,678**
Sales channel accounts receivable, net	4,857,352	5,258,068
Other account receivable, net	1,784,958	1,337,153
Total trade and other receivables	**11,209,934**	**10,427,899**

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

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

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

Aging of trade receivables, net	Balance as of	
	09-30-2014	12-31-2013
	ThCh$	ThCh$
Less than 3 months	2,609,879	2,500,164
From 3 months to 1 year	1,203,525	973,483
Over 1 year	754,220	359,031
Total	**4,567,624**	**3,832,678**

Aging of sales channel accounts receivable, net	Balance as of	
	09-30-2014	12-31-2013
	ThCh$	ThCh$
Less than 3 months	4,839,430	5,256,774
From 3 months to 1 year	16,646	1,294
Over 1 year	1,276	-
Total	**4,857,352**	**5,258,068**

Aging of other account receivable, net	Balance as of	
	09-30-2014	12-31-2013
	ThCh$	ThCh$
Less than 3 months	480,544	1,256,181
From 3 months to 1 year	1,304,414	80,972
Total	**1,784,958**	**1,337,153**

Financial assets

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

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

Financial assets	09-30-2014			
	Up to 1 year ThCh$	1 to 5 years ThCh$	1 to 5 years ThCh$	Total ThCh$
Cash and cash equivalents				
Cash	1,643,646	-	-	1,643,646
Term deposits	166,594,580	-	-	166,594,580
Reverse repurchase agreements	1,438,385	-	-	1,438,385
Subtotal	**169,676,611**	**-**	**-**	**169,676,611**
Other financial assets				
Financial investments	128,279,781	-	-	128,279,781
Derivative transactions	165,863	7,468,619	850,753	8,485,235
Financial leases	25,569	223,740	1,494,765	1,744,074
Promissory notes receivable	-	381,751	-	381,751
Other accounts receivable	-	2,658		
Subtotal	**128,471,213**	**8,076,768**	**2,345,518**	**138,890,841**
Total	**298,147,824**	**8,076,768**	**2,345,518**	**308,567,452**

Financial assets	12-31-2013			
	Up to 1 year ThCh$	1 to 5 years ThCh$	1 to 5 years ThCh$	Total ThCh$
Cash and cash equivalents				
Cash	1,992,011	-	-	1,992,011
Term deposits	113,025,451	-	-	113,025,451
Reverse repurchase agreements	9,260,353	-	-	9,260,353
Central bank discountable promissory	5,001,255	-	-	5,001,255
Subtotal	**129,279,070**			**129,279,070**
Other financial assets				
Financial investments	68,347,854	-	-	68,347,854
Derivative transactions	776,236	4,329,685	1,298,906	6,404,827
Financial leases	27,132	182,216	1,344,700	1,554,048
Promissory notes receivable	-	359,408	-	359,408
Other accounts receivable	-	1,515	-	
Subtotal	**69,151,222**	**4,872,824**	**2,643,606**	**76,666,137**
Total	**198,430,292**	**4,872,824**	**2,643,606**	**205,945,207**

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

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

23.3 Capital risk management

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

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

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

Concepts	09-30-2014	12-31-2013
Leverage	1.00	0.72
Equity (MCh$)	1,724,724	1,821,316

23.4 Commodities risk

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

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

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

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

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

23.5 Risk due to unforeseen events or force majeure

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

24. Environment

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

Concept	Allocated to expenses		Quarter variation	
	01-01-2014 09-30-2014 ThCh$	01-01-2013 09-30-2013 ThCh$	07-01-2014 09-30-2014 ThCh$	07-01-2013 09-30-2013 ThCh$
Noise and vibrations	10,926	32,712	10,926	1,862
Waste treatment	12,874	10,105	4,650	5,995
Run-off w ater	79,679	76,635	26,872	25,669
Environmental management	5,877	136,497	-	24,529
Monitoring of polluting parameters	8,008	-	-	-
Total	**117,364**	**255,949**	**42,448**	**58,055**

Concept	Allocated to fixed assets		Quarter variation	
	01-01-2014 09-30-2014 ThCh$	01-01-2013 09-30-2013 ThCh$	07-01-2014 09-30-2014 ThCh$	07-01-2013 09-30-2013 ThCh$
Noise and vibrations	161,933	8,709	125,465	3,500
Waste treatment	50,294	-	46,765	-
Environmental management	1,206,075	-	411,248	-
Total	**1,418,302**	**8,709**	**583,478**	**3,500**

An amount of ThCh$414,572 has been committed to these items in the future.

25. Sanctions

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

26. Subsequent events:

During the period between October 1 and November 10, 2014, the following subsequent events occurred:

1. On October 13, through letter No. 531, Management reported the early termination of contract No. PL6-0602-02-12 “Construcción de Obras Civiles, Piques, Galerías y Túneles Tramos 1 y 2 Línea 6 del Metro de Santiago” (Construction of civil works, shafts, galleries and tunnels, sections 1 and 2 Line 6 of Santiago Metro), entered into with Constructora Metro 6 Ltda. and Salini S.P.A. and Impregilo S.P.A., as co-debtors authorized by the Board of Directors through agreement No. 3422/853. The contract amounts to UF 3,942,975.091 and its early termination is caused by a breach of contract.

2. By letter No 565 on October 14, the termination of contract No PL6-0602-02-12 on October 3, 2014 is informed, complimenting essential facts in letter GG No 531, where performance bonds were collected by the contractor.

   Additionally, to meet the deadline of the implementation of Line 6, works that were left unfinished will be commissioned to contractors currently working on lines 6 and 3.