



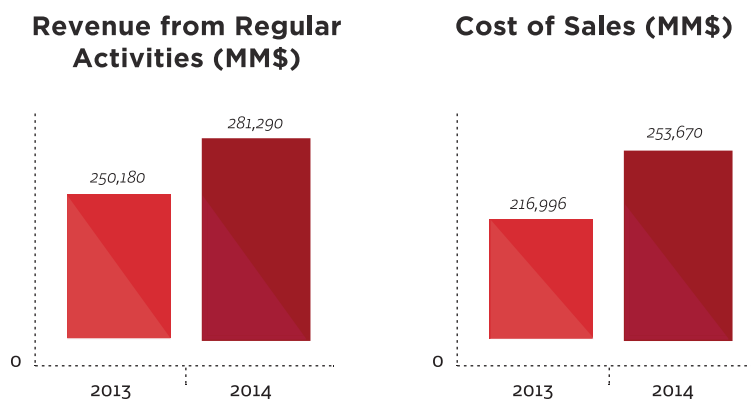
7. FINANCIAL MANAGEMENT


Summary of Company Results

In 2014, Metro remained within the small group of global metros able to finance their own operations, in addition to a portion of their own investment plans, as explained below:

- Income from Regular Activities as of December 2014 totaled MM\$ 281,290, up 12.4% from 2013, primarily due to greater revenues from transportation, which amounted to MM\$ 223,723, 8.6% greater than the previous year and due to a fare increase resulting from AC installment and, to a lesser extent, because of a 774,000 increase in ridership when compared to the previous year (the number of rides increased from 666.9 million in 2013 to 667.6 million in 2014).

- Furthermore, Metro booked a 30.5% increase in non-fare revenues primarily due to increased revenues at Points of Sale. In 2014, Metro was responsible for 100% of the collection activities for the City of Santiago's Public Transportation System, whereas in 2013 it took over this task in September. This figure also grew due to an increase in Store, Commercial Site and Intermodal Terminal Leases, as well as other income.





Cost of sales amounted to MM\$ 253,670, up 16.9% from 2013, due to greater expenses in Energy, Maintenance and Points of Sales. Note that energy expenses increased because of a new electric power supply agreement signed by Metro, effective as of April 2014, stipulating that energy be sold at the marginal cost (market price) and not at the nodal price, as provided under the previous contract. Maintenance cost hikes are related to station cleaning, rolling stock maintenance and the new track maintenance contract. Furthermore, points-of-sale related costs also increased due to Metro's take over of all POSs.

As a result of the above, Metro's 2014 gross earnings amounted to MM\$ 27,619.

Administrative expenses totaled MM\$ 22,441, 11% less than 2013, primarily due to a drop in personnel spending and overhead.

2014 EBITDA amounted to MM\$ 79,546, which was 2% less than the 2013 figure.

Interest expense on financial debt was booked for a sum of MM\$ 50,137, which is similar to the 2013 figure. However, indexation unit results came in at a loss of MM\$ 46,824, due to a 5.7% increase in the UF during the year.

In 2014, the company recorded a MM\$ 57,761 loss for foreign exchange translation due to a 15.7% increase in the dollar value during the year (from \$524.61 per dollar at 31 December 2013 to \$606.75 per dollar at 31 December 2014).

As a result of the above, at 31 December 2014 the company recorded a loss of MM\$ 131,141, which was greater than the MM\$ 73,319 in losses recorded for 2013.

At 31 December 2014, the company's total assets amounted to MM\$ 3,519,027, i.e., a 12.3% increase over the previous year.

7.1 Financial Statement Reporting

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