METRO DE SANTIAGO

2014 ANNUAL REPORT

INDICE

1

2

3

4

5

6

7

8


METRO
DE SANTIAGO

1. OUR COMPANY

1.1 Corporate Identification Information

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

Incorporation Documentation

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

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

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

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

Addresses

Corporate Headquarters: Avda. Libertador Bernardo O'Higgins Nº 1414
City: Santiago, Chile
District: Santiago
Phone No.: +56 22 937 3000 – +56 22 937 2000
Website: www.metro.cl
E-mail Address: comunicaciones@metro.cl

Repair and Maintenance Shops

Neptuno: Avda. Dorsal Nº 6252
District: Lo Prado
Phone No.: +56 22 937 2490

Lo Ovalle: Callejón Lo Ovalle Nº 192
District: San Miguel
Phone No. +56 22 937 2975

San Eugenio: San Eugenio Nº 997
District: Ñuñoa
Phone No.: + 56 22 937 2979

Puente Alto: La Balanza Nº 1018
District: Puente Alto
Phone No.: +56 22 937 7357

1.2 History

In 2014, Metro commemorated 46 years of history, during which it has become the backbone of the capital city's public transit system. More than 60% of all public transit rides in Santiago involve the Metro, clearly illustrating how significant the underground train system is to Santiago's transit system.

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

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

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

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

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

1978: Line 2 from the Los Heroes to Franklin Stations was built, resulting in an additional six stations on December 21st that same year, for a total of 25 extra kilometers on the network, up to Lo Ovalle Station.

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

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

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

1989: In January, Act 18,772 was enacted, whereby Dirección General de Metro, so far under the purview of the Ministry of Public Works, became a public limited company, whose shareholders were Corporacion de Fomento de la Producción (Corfo) (Chilean economic development agency) and the State, represented by the Ministry of Finance.

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

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

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

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

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

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

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

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

2004: On March 31st, the westbound expansion of Line 5 was opened, adding two new stations, Cumming and Quinta Normal.

The underground crossing of the Mapocho River completed on September 8th became a new landmark, in order to commission two new stations named Patronato and Cerro Blanco on northbound track of Line 2.

On December 22nd, the El Parrón and La Cisterna stations on Line 2's southbound track began operations. This expansion process also involved intermodal or hub stations that improved the connectivity between the underground train and other means of transportation, mainly buses. Nowadays, these facilities are also available at the Vespucio Norte, Pajaritos, La Cisterna, Lo Ovalle and Bellavista de La Florida stations.

2005: On November 25th, the Cementerios and Einstein stations were commissioned on Line 2's northbound track. Meanwhile, on November 30th, the first section of Line 4 was opened. It comprised an underground stretch between the Tobalaba and Grecia stations and an elevated railway between Vicente Valdés and Plaza de Puente Alto.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2014: During 2014, the most challenging project in the history of Metro, i.e., construction of Lines 6 and 3, continued its progress: bidding processes were completed for the construction of tunnels, shafts and drives, as well as most of the main system components. Almost 13 km of tunnels and two km of drives were excavated, and 93% of the 55 shafts were completed.

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

1.3 Metro's Strategic Priorities

Ten corporate strategic projects were scheduled for 2014 in order to bridge gaps between actual and expected performance levels, thus achieving Metro S.A.'s strategic objectives for each of its strategic pillars: Customers, Growth, Efficiency, Sustainability, and People. These projects focused primarily on improving riders' experience, developing expansion projects in our network, and managing our workforce.

CUSTOMERS	GROWTH	EFFICIENCY	SUSTAINABILITY	PEOPLE
Service Strategy Implementation (PHASE II)	Maximizing current network transport capacity	Implementing development plan for non-fare and points of sales businesses	Implementing an environmental mitigation plan	Improvement of Premises
Implementing customer communication strategy	Developing Project P63	Upgrade of NS74 trains		Study on Culture Metro's DNA
Standardization of MetroSafety + (PHASE II)				

1.3.1 Mission Vission and Values

Mission

The company's mission statement is as follows:

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

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

Guarantee: We are responsible for ensuring the supply of transportation services; we provide bus services if Metro rail services are not available.

Sustainable: Economically, socially, and environmentally.

Efficient: Lowest operating and financial costs possible; world-class.

Backbone: Connectivity.

Reliability: Includes a pledge of service, riding time (punctuality), incidents, timely communication and transparency.

Safety & Security: Safety & security.

Services: Includes commercial outlets, cultural events, and intermodal transfer services.

Vision

Our company's vision is summarized as follows:

To be a state-owned company respected by citizens for its service, efficiency, and safety.

To be a company capable of attracting very good talent and managing it on the basis of merit.

Values

Our values are based on five core principles developed by Metro personnel. These values help us emphasize decisions and actions adopted by everyone who works in the company; they are supplementary and reflect what Metro's personnel are and aspire to become. These values are:

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

1.4. Industrial Sector

The company operates in the passenger mass transit market in the Metropolitan Region and services users looking for a quick and safe ride. At present, more than 60% of public transit trips in Santiago involve Metro.

In addition, as of July 2013, Metro took full responsibility for the prepaid Bip! Card reloading services performed in the system, adding street-level reloading stations to the underground card-loading network.

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

1.5. Activities and Business

1.5.1. Corporate Objective

The corporate objective is defined as follows:
"The objective of Empresa de Transporte de Pasajeros S.A. is to carry out all activities pertaining to passenger transit service on metropolitan railways or other supplementary electric means and those connected to such lines of business, thereby entitling Metro to perform any action or operation related to its social purpose."

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

- **Transportation:** Passenger transit on Lines 1, 2, 4, 4A and 5 of Metro's network.
- **Non-fare Related Business**: Non-fare business accounted for 20% of the company's total income in 2014.

The operation of non-fare related business lines has triggered a number of positive outcomes for the community, having a positive social impact on areas such as inclusion, added value services, and a sense of belonging surrounding the company's brand.

Metro S.A.'s non-fare businesses are:

- **Leasing of retail space:** Makes retail and store space profitable throughout Metro's network.
- **Advertising:** This business makes use of Metro's infrastructure and its various venues and trains as advertising support. JCDecaux and SubTV are responsible for managing and marketing static and dynamic advertising, respectively.
- **Telecommunications:** Technology-related business, i.e., antennas providing indoor and outdoor coverage throughout Metro's network, fiber optics in our network piping, and free Wi-Fi hotspots for our users.
- **Services and ATMs:** These make space inside Metro's network profitable by placing vending machines, ATMs, pay phones and mobile phone recharge kiosks at Metro facilities in order to provide our customers with more services.
- **Land Leases:** Provide the company a profit from the residual land owned by Metro.
- **Intermodal Operations:** Manages and makes a profit out of intermodal connections within Metro's network.
- **International Consulting:** This line of business was developed as a result of expertise the company has gained over 40 years of service. Currently, Metro has a customer portfolio consisting of public and private entities located in Lima, Panamá, Buenos Aires and Río de Janeiro, among others.

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

Points of Sale manage the Bip! Card reloading network, both in the brick and mortar and remote channels, and is responsible for innovation development at the various points of sale with a view to maximizing the street-level network in order to provide our users with a more convenient service.

Likewise, Points of Sales are responsible for manufacturing and selling the Bip! Card in its various formats and the Tarjeta Nacional Escolar (Student Discount Card).

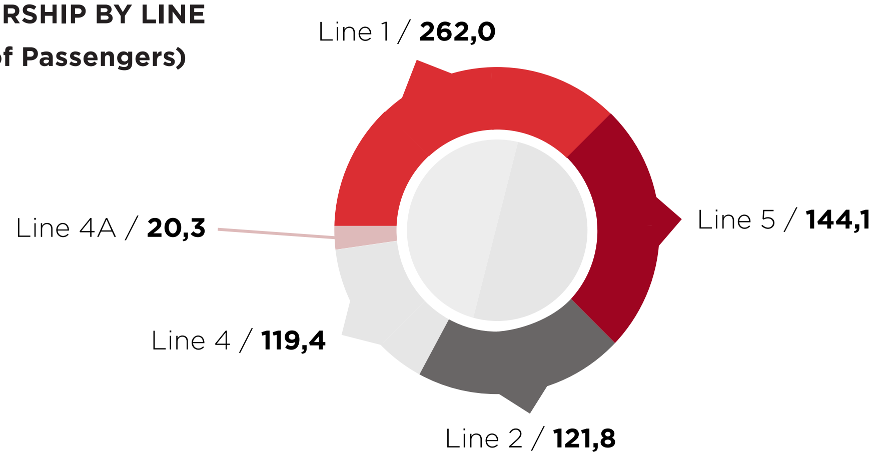
1.5.2 Network Operations

Ridership

In 2014, network ridership totaled 667.6 million rides, representing a 0.12% increase when compared to 2013. The underground train continues to be the backbone of the capital city's mass transit system.

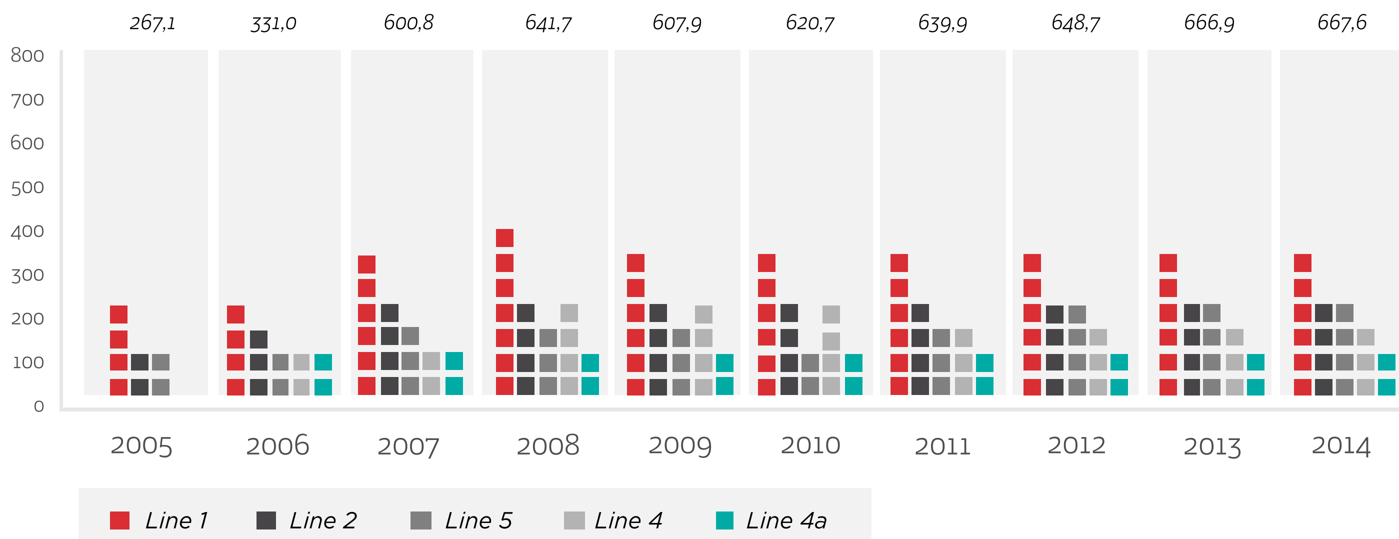
2014 ridership breakdown as follows: Line 1, 39.2%; Line 2, 18.3%; Line 4, 17.9%; Line 4A, 3.0%; and Line 5, 21.6%. Mean ridership per working day in 2014 amounted to 2,268 rides.

2014 RIDERSHIP BY LINE
(Millions of Passengers)



Upon implementation of Transantiago (Mass Public Transit System) in 2007, Metro ridership underwent an 81% increase. As of 2009, the total number of rides provided by the company increased an additional 9.7%

ANNUAL METRO S.A. RIDERSHIP
(Milllions of Rides)



Transport Offering

As far as kilometers are concerned, in 2014 more than 140 million car/kilometers were recorded on the network.

Meanwhile, the train breakdown index per million cars/kilometer of trains, with an impact greater than five minutes (all hours), amounted to 0.7 (breakdowns/MMCkm), which accounts for a 36% improvement compared to the previous year.

1.5.3 Suppliers

The table below illustrates the most important suppliers in 2014:

VENDORS	NOTE
Faiveley Transport Chile Ltda.	Spare Parts for Corrective and Preventive Maintenance of Trains AS02, NS93, NS74
Alstom Chile S.A.	Spare Parts for Corrective and Preventive Maintenance of Trains AS02, NS93, AS04
Thyssenkrupp Elevadores S.A.	Spare Parts for Vertical Transport Equipment at Stations such as: elevators, escalators, stair lifts and platforms
Lucchini Rs S.P.A.	Supply of Undercarriage Wheels for Trains AS02
Grupos Diferenciales S.A	Spare Parts for Maintaining Differentials of Trains NS93 and NS74
Mersen Chile Ltda.	Electric Spare Parts (fuses and brushes) for Trains NS93 and NS74
Chilectra S.A.	Supply of Services and Materials for Metro’s Electric Power Supply
Archivert S.A.	Supply of Bearer BIP! Cards
Salinas Y Fabres S.A.	Spare Parts for Maintaining Differential Bridges and Train Bogies for Trains NS93
Skf Chilena S.A.I.C.	Supply of Bearings for Mechanical Maintenance of Trains NS74 and NS93

1.5.4 Customers

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

1.5.5 Trademarks and Patents

As of December 31st 2014, the company owns the following trademarks registered under various classes, with the National Industrial Property Institute of Chile:.

a) “Metro,” “Metrobús,” “Metropolitano,” “Subterráneo,” “Metro a Metro,” “El Ferrocarril Metropolitano,” “Metrovisión,” “Metropublicidad,” “Metroclub,” “Club Metro”; “Metromático,” “Metro Channel,” “Metro News,” “Metro Noticias,” “Metro Center,” “Viapass,” “Fullpass,” “Transpass,” “Metro Express,” “El Metro te cuida, Cuida el Metro,” “Metro Full Card,” “Metro Card,” “Metro Pass,” “Metromarket,” “Metro Estación Universidad de Chile,” “Metroligero,” “MetroChile,” “Metro Chile,” “Metro-Chile,” “Red Metro,” “Metro Red,” “Metrin,” “Metropolitana,” “Metro de Santiago”; “Cuentos en el Metro,” “Cuentos Metro,” “Cuentos Urbanos,” “Cuentos Urbanos de Metro,” “Cuentos Urbanos en el Metro,” “Metro Cuentos Urbanos,” “Metrocuentos,” “Metrourbano,” “Multired,” “Multitrans,” “Bici Metro,” “Metro Bici,” “Te llevo bajo la piel,” “Metroboutique,” “Metro, pasa por ti,” “Red de Clientes Metro”, ”Te-Guio.”

b) Labels: eight labels registered under various classes.

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

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

Patents for invention

In 2014, Metro continued to process its patent applications in Europe and Venezuela for invention patents related to Tarjeta Multivía ("A Security and Control Device that records loading and electronic charging of fares on a contactless Card with a predefined amount in a Passenger Transit System").

Patent applications submitted in other countries for the same invention were granted in the United States, (Registration No. 7,229,016, June 12th, 2007); Mexico (Registration No. 253570, January 18th, 2008); Peru (Registration No. 5070, August 22th, 2008); Argentina (Registration No. AR048314B1, June 14th, 2010); and, finally, in Ecuador toward the end of 2011 (Registration No. PI-11-2072, on September 30th, 2011).

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

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

1.5.6 Property and Equipment

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

1. Corporate Building and SEAT: The company's main office is located on an 11,250-m2 plot with close to 33,781 m2 of built building floor area on the corner of Lord Cochrane Street and 1414 Alameda Ave., right above La Moneda Metro Station, in the District of Santiago.

2. Workshops and Car Yards for Train Maintenance and Storage: The following facilities make up the total surface area of 488,539 m^2.:

L1 Neptuno Workshop: Located on #6252 Dorsal Ave., Lo Prado, with a total surface area of 220,455m^2.

L2 Lo Ovalle Workshop: Located on #1001 Lo Ovalle Ave., San Miguel District, with a total surface area of 54,038 m^2.
L4 Intermediate train yards: Located on #3652 Américo Vespucio Sur Ave., Peñalolén District, with a total surface area of 59,486 m^2.

L4 Puente Alto Workshop: Located on Nemesio Vicuña Ave., Puente Alto District, with a total surface area of 104,000 m^2.

L5 San Eugenio Workshop: Located on #1290 Vicuña Mackenna Ave., Ñuñoa District, with a total surface area of 50,560 m^2.

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

L3 North Terminal Workshop: Located on the corner of Américo Vespucio Ave. and Autopista Los Libertadores (Ruta CH 57), Quilicura District, with a total surface area of 133,806 m^2.

L6 Suiza Workshop: Located on the corner of Pdte. Salvador Allende Ave. S/N, Cerrillos District, with a total surface area of 47,886 m^2

Metro's network covers 103 kilometers, and consists of 108 stations, four workshops, seven cultural areas and facilities. It also has six types of trains, the difference being the kind of rolling undercarriage (rubber-tired or steel-on-steel) and the assembly date. Metro has a total fleet of 1,093 cars, all of which operate in the Metropolitan Region.

1.5.7. Insurance

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

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

1.5.8. Contracts

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

Contract with JCDecaux for leasing advertising space at Metro stations and on trains.

Contract with Banco Santander Chile for checking accounts and other banking services.

Contract with Banco del Estado de Chile for Metro's Financial Investment Portfolio Management.

Contract for network hardware maintenance, user support and network administration with Integración de Tecnologías ITQ Ltda. and an ERP SAP Financial and Accounting Support contract with Novis S.A., among others.

Contracts with cleaning and maintenance service providers for workshops, trains, stations, tracks and buildings, and other services: Servicios Industriales GVL Comao Ltda; Alstom Chile S.A.; CAF Chile S.A.; Balfour Beatty Chile S.A.; Siemens S.A.; Sometec S.A.; Bitelco Diebold Chile Ltda.; Garage INC S.A.; Thyssenkrup Elevadores S.A.; Inversiones Cosenza Ltda.; ISS Servicios Integrales Ltda.; and Proyectos y Productos Profesionales Ltda.

Contracts with catering service providers, security guards, telephone operators, auditing and other general services: Central Restaurantes Ltda., Eulen Seguridad S.A., Securitas S.A., Esert Servicios Integrales de Seguridad Ltda., Securitas S.A.; GTD Telesat S.A., Entel PCS Telecomunicaciones S.A., Ernst & Young Servicios profesionales de Auditoría, Dimacofi S.A., among others.

Contracts with underground-level Sales Channel operators: EME Servicios Generales Ltda., Consorcio GSI SPA, and Ingeniería en Electrónica Computación y Medicina S.A.

Contracts with street-level Sales Channel operators: Transbank S.A., Soc.de Recaudación y Pagos de Servicios Ltda. (Servipag), and BancoEstado Centro de Servicios S.A.

1.6. Financial Activities

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

1.7. Strategic Analysis: Risk Factors

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

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

It must be noted that the fare paid by riders is different from the fare that Metro receives per transported passenger. Although in December 2014 customers paid a fare of $700 during peak hours, $640 during intermediate hours and $590 during off-peak hours, on average the company received a technical fare of $349.25 per passenger that month.

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

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

At December 31st, 2014, 65% of Metro's financial debt was denominated in UF (inflation adjusted units) and the remaining 35% in US dollars. The latter exposes the company to exchange-rate risk, which results in a "natural hedge" for long-term operation cash flow because of the polynomial used to update the technical fare in the event of dollar and euro fluctuations, among other variables.

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

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

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

There is very little credit risk arising from accounts receivables or commercial debtors, in connection with income from retail space leases, advertising or invoices due, since this income only represents 20% of the company's regular income. The remaining 80% comes from the technical fare, and there is very limited delinquency related to this type of debtors.

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

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

Every year Metro holds a Special Shareholders' Meeting in order to capitalize on capital and Fiscal contributions linked to its expansion projects. Additionally, the company keeps a watchful eye on its capital structure by means of debt and equity indexes.

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

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

Likewise, it must be noted that in March 2014, the company entered into a power supply agreement with Enorchile S.A., effective as of April 1st, 2015, thereby securing the current network's power supply for a three-year period (until March 31st, 2017).

1.8. Investment Plans

1.8.1. Investment and Financing Policies

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

In 2014, infrastructure and equipment improvements and renewals were financed by operations and capital contributions. Regarding network expansions, however, generally speaking Metro S.A. finances imported equipment and parts through borrowed funds, which are paid back through increases in Metro S.A.'s technical fare, whereas domestically-obtained components—consisting of infrastructure, civil works and other expenses, in addition to entry import duties and tariffs placed on imported goods—have been financed by Fiscal contributions, which are subsequently capitalized.

1.8.2. Metro's Development Plan

Construction of New Lines 6 & 3

The most challenging project undertaken by Metro since founded was still underway in 2014. Investments in Line 6 and Line 3, scheduled for completion in 2017 and 2018, respectively, involve a financing structure consisting of partner contributions (two thirds of the total investment was furnished by the State and Corfo) and Metro contributions (one third of the total investment).

This is a high-level project involving the best international practices in areas such as: platform doors, overhead electric-power cabling, automated train control system, cameras on-board cars, air conditioning, and passenger information systems.

The tender process for tunnels, shafts and drives, in addition to most system components, concluded in 2014. To-date, 93% of the nearly 13 km of tunnels, two kilometers of drives and 55 shafts already laid and dug, is complete.

At year-end, 86% of the budget was tendered and contracted out, and a 29% financial advance on the 2.758-million dollar investment had been issued.

1.8.3. Operation-Related Projects

In 2014, the following improvements were made to Metro's current network:

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

By the end of 2014, 12 trains had been successfully modified, in addition to the 14 new trains added to the fleet during the September 2012 to October 2013 period—bringing the amount of Line 1 fleet cars with AC up to 60%. The company expects to have all Line 1 trains equipped with AC by the end of 2015.

Once the above mentioned is complete, the same improvements will be applied to nearly 60% of Lines 2 & 5 cars.

Overhauling NS74 Trains
In December 2013, Metro signed a detail-engineering contract for changes to trains in 2014. In addition to the latter, construction began on a plant located at the Neptune workshop where project-related activities will be carried out. The plant will begin operations in March 2015. In 2016, Lines 2 and 5 will be the first to use the overhauled trains, the 35th of which will enter into service toward the end of 2018.

Universal Access Project

In 2014, elevators were installed at seven stations along Lines 1 and 2, to wit, Manuel Montt, Salvador, Universidad Católica, Las Rejas, Rondizzoni, San Miguel, and Ciudad del Niño. The engineering studies on the seven stations involved in the second stage of the project will be complete in 2015. The following stations are included in the second stage: Toesca, La Moneda, República, Neptuno, Parque O´Higgins, El Llano, and Lo Ovalle.

Moreover, during the first half of 2014 a pilot project was launched on the NFC Audible Information System at the Santa Lucía station (providing support for blind and vision-impaired passengers). This system will be installed at an additional ten stations in 2015, to wit: Los Héroes Line 1, Pedro de Valdivia, Las Rejas, Salvador, Los Héroes Line 2, El Parrón, Plaza Puente Alto, Simón Bolívar, Plaza Maipú, and Plaza de Armas.

Installation of Automated Train Control System

Several activities carried out in 2014 made it possible to move forward on this project. Once available, this system will provide benefits related to transportation supply and electric-power consumption, among others.


Punto de carga bip!
Smart Card Reload Center
1
2
3
4
5
6
7
8
CAJAS

2. CORPORATE GOVERNANCE

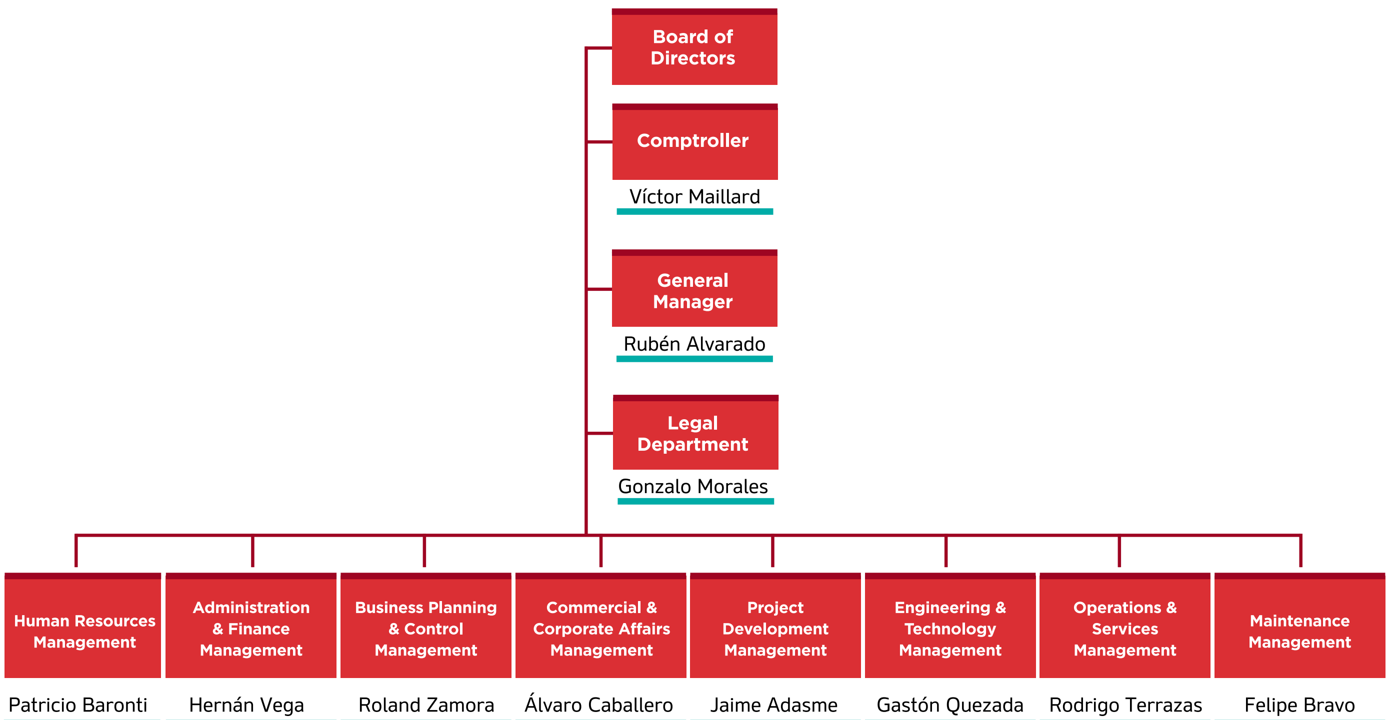
2.1 Organization Description

Metro de Santiago's administration is managed by a Board of Directors comprised of a chairman, vice chairman and five board members. Twenty-three regular board meetings were held in 2014.

Metro's General Manager and the Office of Comptroller (an advisory body) are under the Board of Director's purview.

At year-end 2014, the General Manager was in charge of managing the Company through the following eight Corporate Managements: Human Resources; Administration and Finance; Business Planning and Control; Commercial and Corporate Affairs; Project Development; Engineering and Technology; Operations and Services; and Maintenance; in addition to receiving direct support from the Legal Department.

2.2 Organization Chart



2.3 Board of Directors

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

Advisor to the Board

Comptroller	**Víctor Maillard González**	Auditor & Accountant	5.013.160-2

Changes to the Board

At the 23rd Regular Shareholders' Meeting held on April 24th, 2014, shareholders appointed the following board members: Aldo González Tissinetti, Carlos Mladinic Alonso, Juan Carlos Muñoz Abogabir, Claudio Soto Gamboa, Vicente Pardo Díaz, Paulina Soriano Fuenzalida, and Karen Poniachik Pollak. At the 837th Board of Directors' Meeting held on April 24, 2014 and the 839th Board of Directors' Meeting held on May 7, 2014, board members agreed to appoint Aldo González Tissinetti as Chairman of the Board and Paulina Soriano Fuenzalida as Vice Chair, respectively.

At the 837th Board of Directors' Meeting held on November 15, 2014, the Board acknowledged and accepted the resignation of Aldo González Tissinetti as the company's Chairman of the Board, and appointed Rodrigo Azócar Hidalgo as a Member and Chairman of Metro's Board.

Advisory Services Outsourced to Auditing Firms

During the January 1st, 2014—December 31st, 2014 period, the following auditing firms were paid for services rendered:

(in thousand of pesos)

COMPANY NAME	SERVICE	FEES
Ernst & Young Servicios Profesionales de Auditoría y Asesorías Limitada	2013 Financial Statement Auditing Services (70%)	**84,926**
	144 A Comfort Letter Financial Consulting Services	**119,589**
	Human Resources Support Services (young professional studies)	**1,377**
	English Translation of 2013 Financial Statements	**2,330**
	General Study on Compensation, Human Resources (1st Semester 2014)	**962**
	TOTAL	**209,185**
Deloitte Auditores y Consultores Limitada	Services related to Electric Power Supply Negotiation Process	**40,002**
	Business Administration Advisory Services	**11,868**
	SAP GRC Access Control 10.0 Implementation	**12,913**
	Services related to Complaints Platform Maintenance Support	**2,383**
	Service Quality Survey	**7,329**
	TOTAL	**74,496**
Jeria, Martínez y Asociados Limitada	PROPYME Green Seal	**4,313**
	Points of Sale Financial Statements Auditing (2nd Semester 2013)	**9,530**
	Points of Sale Financial Statements Auditing (1st Semester 2014)	**7,207**
	TOTAL	**21,049**
KPMG Auditores Consultores Limitada	Labor, Social Welfare, and HR Tax Advisory Services	**3,081**
	Services related to Negotiating Procedures for Metro S.A. Wellbeing Fund	**3,997**
	Comfort Letter 144 A Financial Advisory Services	**52.834**
	TOTAL	**59,911**

Regarding other advisory services, neither the Board of Directors nor Board Committees hired other services directly in 2014.

Directors' Committees

There are three Directors' Committees, as follows:

- **Project Management Committee:** this committee is in charge of reviewing the status of new expansion and line projects.

- **Operating Committee:** this committee addresses the company's strategic and managerial aspects pertaining to business development, encompassing operational and service-related topics, planning and control, engineering and technology, human resources and commercial affairs.

- **Audit and Finance Committee:** This committee looks out for the company's financial resources, ensuring they are managed efficiently and in keeping with established procedures. In addition to the latter, this committee is apprised of the company's generally accepted accounting principles and possible changes thereto. It supervises internal auditing and issues opinions regarding the independent auditing of the company's financial statements.

The abovementioned is merely an example and does not entail a complete description of all functions performed by the committees, which address sundry issues affecting the company as they develop. In 2014, the board committees were made up as follows:

2014 Board Committees

Project Management (# of Meetings: 12)	Operating (# of Meetings: 12)	Auditing & Finance (# of Meetings: 11)
Vicente Pardo Díaz (Chairman)	Juan Carlos Muñoz Abogabir (Chairman)	Carlos Mladinic Alonso (Chairman)
Rodrigo Azócar Hidalgo	Rodrigo Azócar Hidalgo	Rodrigo Azócar Hidalgo
Carlos Mladinic Alonso	Vicente Pardo Díaz	Claudio Soto Gamboa
Juan Carlos Muñoz Abogabir	Karen Poniachik Pollak	Paulina Soriano Fuenzalida
Paulina Soriano Fuenzalida		
Claudio Soto Gamboa		

Acting Secretary of Board of Directors and Board Committees: Cristian Ruiz Santibáñez.

2013 Board Committees

Project Management (# of Meetings: 12)	Operating (# of Meetings: 12)	Auditing & Finance (# of Meetings: 12)
José Luis Domínguez (Chairman)	Domingo Arteaga Echeverría (Chairman)	Bernardo Fontaine Talavera (Chairman)
Fernando Cañas Berkowitz	Fernando Cañas Berkowitz	José Luis Domínguez Covarrubias
Bernardo Fontaine Talavera	Luis de Grange Concha	Francisco Silva Donoso
Clemente Pérez Errázuriz	Clemente Pérez Errázuriz	Domingo Arteaga Echeverría
Domingo Arteaga Echeverría	José Luis Domínguez Covarrubias	Fernando Cañas Berkowitz
Luis de Grange Concha	Francisco Silva Donoso	

Acting Secretary of Board of Directors and Board Committees: Jaime Pilowsky Greene

2.4 2014 Senior Executives

POSITION	NAME	PROFESSION	I.D. #	DATE APPOINTED
General Manager	Rubén Alvarado Vigar	Chemical Engineer	7.846.224-8	09/29/2014
Administration & Finance Manager	Hernán Vega Molina	Commercial Engineer	6.373.587-6	03/01/1997
Project Development Manager	Jaime Adasme Araya	Construction Engineer	7.535.688-9	06/01/2012
Operations and Service Manager	Rodrigo Terrazas Michell	Electronics Engineer	9.516.705-5	09/23/2013
Human Resources Manager	Patricio Baronti Correa	Psychologist	12.636.901-8	12/01/2014
Commercial and Corporate Affairs Manager	Álvaro Caballero Rey	Transportation Engineer	9.492.942-3	08/01/2000
Maintenance Manager	Felipe Bravo Busta	Industrial Engineer	10.567.676-K	11/22/2014
Engineering & Technology Manager	Gastón Quezada Rissetti	Computer Engineer	8.857.131-2	06/01/2011
Planning and Administrative Control Manager	Roland Zamora Vega	Industrial Engineer	9.395.145-k	07/05/2011
Legal Counsel	Gonzalo Morales Moreno	Attorney at Law	8.866.936-3	01/01/2008
Comptroller	Víctor Maillard González	Auditor/Accountant	5.013.160-2	05/26/2003

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

Changes to Managerial Team

At the 840th Board Meeting held on Monday, May 12th, 2014, the Board of Directors accepted the voluntary resignation of Ramón Cañas Cambiaso as the company's General Manager, made effective as of May 31st, 2014.

At the 841st Board Meeting held on May 26, 2014, the Board of Directors approved the appointment of Hernán Vega Molina, former Administration and Finance Manager, as the company's General Manager.

At 852nd Board Meeting held on September 15th, 2014, the Board of Directors appointed Rubén Alvarado Vigar as General Manager. Mr. Vigar accepted the appointment and took office on September 29th, 2014.

On November 22th, 2014, Felipe Bravo Busta joined the company as Maintenance Manager, and on December 1st, 2014, Patricio Baronti Correa took over as Human Resources Manager.

2.4.1. Board Compensation

The following table contains a 2013-2014 comparison of compensation paid to board members for services rendered, in thousands of Chilean pesos:

2014 Compensation and Allowances

The following corresponds to allowances and board member compensation for attending each board meeting.

2014 COMPENSATION & ALLOWANCES			
2014 Board Members	**Fixed Compensation**	**Fee**	**Total**
Rodrigo Azócar Hidalgo	12,080	0	12,080
Aldo González Tissinetti	51,981	0	51,981
Paulina Soriano Fuenzalida	3,627	5,499	9,126
Juan Carlos Muñoz Abogabir	2,440	3,804	6,244
Vicente Pardo Díaz	2,440	3,804	6,244
Karen Poniachik Pollak	2,440	3,804	6,244
Carlos Mladinic Alonso	2,440	3,804	6,244
Claudio Soto Gamboa	2,440	3,824	6,244
Fernando Cañas Berkowitz	28,650	0	28,650
José Domínguez Covarrubias	1,731	2,473	4,204
Francisco Silva Donoso	1,154	1,648	2,802
Domingo Arteaga Echeverría	1,154	1,234	2,388
Clemente Pérez Errázuriz	1,154	1,649	2,803
Bernardo Fontaine Talavera	1,154	1,649	2,803
Luis De Grange Concha	1,154	1,649	2,803
TOTAL	**116,039**	**34,821**	**150,860**

2013 Compensation and Allowances

2013 COMPENSATION & ALLOWANCES			
2013 Board Members	Fixed Compensation	Fee	Total
Fernando Cañas Berkowitz	88,477	0	88,477
José Domínguez Covarrubias	5,077	7,252	12,329
Carlos Zepeda Hernández	1,122	800	1,922
Domingo Arteaga Echeverría	3,384	4,427	7,811
Clemente Pérez Errázuriz	3,384	4,835	8,219
Bernardo Fontaine Talavera	3,384	4,835	8,219
Luis De Grange Concha	3,384	4,835	8,219
Orlando Chacra Corvillón	843	1,204	2,047
Francisco Silva Donoso	1,420	2,028	3,448
TOTAL	**110,475**	**30,216**	**140,691**

2014 Meeting Attendance

The following corresponds to a single, monthly payment for attending "Board Committee" meetings.

2014 COMMITTEE ATTENDANCE	
2014 Board Members	**Other Fees**
Paulina Soriano Fuenzalida	2,881
Juan Carlos Muñoz Abogabir	2,881
Vicente Pardo Díaz	2,881
Karen Poniachik Pollak	2,881
Carlos Mladinic Alonso	2,881
Claudio Soto Gamboa	2,881
José Domínguez Covarrubias	1,401
Francisco Silva Donoso	1,401
Domingo Arteaga Echeverría	1,050
Clemente Pérez Errázuriz	1,401
Bernardo Fontaine Talavera	1,401
Luis De Grange Concha	1,401
TOTAL	**25,341**

2013 Meeting Attendance

2013 COMMITTEE ATTENDANCE	
2013 Board Members	**Other Fees**
José Domínguez Covarrubias	4,110
Carlos Zepeda Hernández	680
Domingo Arteaga Echeverría	3,763
Clemente Pérez Errázuriz	3,769
Bernardo Fontaine Talavera	3,769
Luis De Grange Concha	4,109
Orlando Chacra Corvillón	1,024
Francisco Silva Donoso	1,724
TOTAL	**22,948**

Travel, Per Diems and other Stipends

In 2014, the company disbursed a total of M$4,476 Chilean pesos in travel expenses for board member Aldo González Tissinetti and zero travel expenses in 2013.

Board member Aldo González Tissinetti received M$1,576 Chilean pesos in per diem in 2014. There were no per diem expenses recorded in 2013.

Senior Executives

The General Manager's 2014 compensation amounted to M$ 180,749 Chilean pesos (M$ 183,677 Chilean pesos in 2013) while compensation received by other managers (senior executives) totaled M$ 1,191,435 Chilean pesos (M$ 1,125,266 Chilean pesos in 2013).

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

2.4.2. Summary of Shareholder and Board Committee Remarks and Proposals

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


NERUDA
MISTRAL
UNIVERSIDAD DE CHILE
Salida

3. OWNERSHIP AND SHARE

3.1 Ownwership

Two shareholders, to wit, CORFO, the majority shareholder, and the Chilean State, represented by the Ministry of Finance, own the Company. Metro does not have any joint action agreements.

Regarding capital increases, at the 31st Special Shareholders' Meeting held on August 28, 2014, the following was agreed:

> To increase subscribed and paid capital through the capitalization of fiscal contributions in the amount of M$ 52,200,000, par value, by issuing 1,498,277,842 Series A shares to be subscribed and paid by Corfo no later than December 31st, 2014.

On November 19th, 2014 Corfo paid the fiscal contributions subscribed on August 28th, 2014.

At the 32nd Special Shareholders' Meeting held on December 23rd, 2014, the following was agreed:

> To increase subscribed and paid capital in the amount of M$ 154,490,793, par value, by issuing 4,675,871,458 Series A shares subscribed and paid by the State and Corfo, calculated in proportion to their interests and share in the company.

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

Bearing in mind the above mentioned capital increases, as of December 31st, 2014, the company's capital stock consisted of a total of 38,012,527,629 Series

A and 19,163,677,063 Series B, par value, registered shares, 35,878,695,886 of which are held by Corporación de Fomento de la Producción and 21,297,508,806 are held by the Chilean State.

As of December 31st, 2013, the company's capital stock consisted of a total of 31,838,378,329 Series A and 19,163,677,063 Series B, par value, registered shares, 31,446,308,704 of which are held by Corporación de Fomento de la Producción and 19,555,746,688 are held by the Chilean State.

As of December 31st, 2014, shareholders' company ownership was broken down as follows:

SHAREHOLDERS	NO. OF SHARES (MILLIONS)			%
	Series "A"	Series "B"	Total	Share
Corporación de Fomento de la Producción	23,775.2	12,103.5	35,878.7	62.75%
State, represented by the Ministry of Finance	14,237.3	7,060.2	21,297.5	37.25%
TOTAL	**38,012.5**	**19,163.7**	**57,176.2**	**100.00%**

3.2 Dividends Policy

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

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

At the 23rd Regular Shareholders' Meeting held on April 24th, 2014, shareholders agreed to not distribute company profits or issue dividends. Note that Metro has not issued dividends over the last three years

4. SUBSIDIARIES, RELATED COMPANIES AND INVESTMENTS IN OTHER COMPANIES

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

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

- **Company Identification and Type:** Transporte Suburbano de Pasajeros S.A., also hereinafter referred to as "Transub S.A.," is an unlimited duration, stock corporation, domiciled in the City of Santiago.

- **Subscribed and Paid Capital:** the company's subscribed and paid capital amounts to $ 30,000,000 (thirty million pesos), divided up into one series of thirty thousand, nonpar-value registered shares.

- **Corporate Purpose and Scheduled Activities:** the company's was founded in order to meet the urban transportation needs of passengers and earn a profit from its assets through complementary activities and services.

- **Board Members and General Manager:** the following members sit on the company's Board of Directors: Hernán Vega Molina, Ignacio Tapia Hortuvia and Roland Zamora Vega on behalf of Metro S.A.; and Darío Farren Spencer and Cecilia Araya Catalán, on behalf of EFE.

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

Board of Director and General Management Positions:

- **Chairman**: Hernán Vega Molina
- **Vice Chair**: Darío Farren Spencer
- **Interim General Manager**: Augusto Lucero Alday

- **Share Percentage:** Metro S.A. holds a 66.66% ownership share in its subsidiary.

- **Parent Company Board Members and Managers:** Hernán Vega Molina is Metro S.A.'s Corporate Administration and Finance Manager; Ignacio Tapia Hortuvia is the Assistant Finance Manager; Roland Zamora Vega is the Corporate Business Planning and Control Manager; and Augusto Lucero Alday is Metro S.A.'s Senior Legal Advisor.

- **Commercial Relations with the Subsidiary:** There have never been any commercial relations between the parent company and its subsidiary.

- **Acts and Contracts Entered into with the Subsidiary:** There haven't been any acts or contracts entered into with the subsidiary.

- **Percentage of Investment in Assets:** the company's investment in the subsidiary amounts to 0% of Metro S.A.'s assets (the subsidiary has a negative net worth and is therefore valued at $1 on Metro S.A.'s books).

- **Ownership Relationship between Subsidiaries and Related Companies:** Metro S.A. does not have any other subsidiaries or related companies.

There is a direct ownership relationship between Metro S.A. and Transub S.A., in which Metro S.A. is the direct owner, as illustrated below:

METRO DE SANTIAGO

66,66%

TRANSUB S.A.

5. PERSONNEL

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

5.1 Staffing

YEAR (AS OF DECEMBER)	2014	2013	2012	2011
Managers and Section Heads	207	198	145	148
Analysts	457	496	360	294
Administrative Staff	378	214	295	315
Maintenance Personnel	510	458	503	496
Train Traffic Personnel	1,218	1,232	1,207	1,133
Station Personnel	860	932	891	880
COMPANY'S TOTAL STAFFING	**3,630**	**3,530**	**3,401**	**3,266**

5.2 Training

Metro de Santiago's formal training programs are aimed at two large groups, to wit, **Corporate Training Programs and Operations Training Programs**

Corporate Training Programs consist of annual Training Plans for each management group. These plans entail activities aimed at closing the various functional and skill gaps, which are identified by way of a survey on training needs. In 2014, a total of 3,343 individuals received training during 255 training activities held that year, for a total of 119,977 man-hours of training provided to Metro's corporate management groups.

Operation Training Programs, however, are broken down into two main categories, to wit, job post training (drivers, private security guards, station heads, and supervisors) and refresher training courses aimed at maintaining user know-how or providing them with skills required by the company to meet its goals. In 2014, 1,433 operating workers took part in a refresher course provided to 533 Station Heads, Intermodal Inspectors and Service Supervisors. These refresher courses consist of teaching workers and furthering their know how on matters such as the Subcontracting Law, our Emergency Manual on Trains, Tunnels, Tracks and Stations, operational emergency leadership issues, effective communications, analysis of incidents occurring at our stations, all with a view to compile best practices and strengthening procedures.

Additionally, a refresher course was held for drivers because of the poor results of an on-line gap assessment conducted as part of the EDUMETRO training platform. The assessment was performed with a view to determine key, operation-wide aspects such as signage, maneuvering zone, breakdown area, etc., starting with the NS-74 technology, followed by other technological solutions used on our trains. Moreover, 900 drivers took part in another refresher course on the updated material contained in our Train, Tunnel, Tracks and Station Emergencies Manual.

In addition to the aforementioned, during the first half of 2014 the Service School (for internal and external operational staff) completed its second stage of implementation, providing training to 1,257 participants. This program is aimed at training personnel in customer service skills, such as empathy or assertiveness, in addition to ensuring that Metro's Service Strategy operational practices are correctly implemented.

In 2014, the company continued enforcing the induction process as part of Metro's Corporate Integration program, which aims to better educate new Metro workers in matters pertaining to corporate culture and mission. The revised program format is based on a participation- and experience-based methodology that seeks to create ties among participants and foster a greater sense of belonging within the organization. Twenty Corporate Integration cycles were held in 2014 for a total of 272 new workers.

5.3. Labor Relations

The company decided to continue implementing the Preventive Health Program in 2014 as part of the Quality of Life program, with a view to fostering self-care and healthy lifestyles. Some of the activities carried out under this program were: a vaccination campaign; a program for at-risk individuals that provides medical and nutritional counseling to workers with cardiovascular risk factors; cost-free preventive testing for workers; and the second annual Health Fair. In addition to the above, the company has an Employee Assistance Program aimed at drug and alcohol use prevention and control. We also updated our Drug and Alcohol Use Policy and held a training session on this matter for 43 new managerial and supervisory hires.

Metro also has a Wellbeing Fund, which is a company benefit available to all workers with open-ended contracts. In order to access these benefits workers must pay a monthly fee (and the company matches workers' contribution by five to one). Membership benefits include reimbursement for medical and dental services, medical and low-interest loans, and a variety of different discounts at dental care facilities, drug stores, eye care stores, clinics and hospitals. 2014 Wellbeing Fund membership amounted to 3,455.

With a view to encouraging the participation of workers and their family members in company events and a healthy lifestyle through recreational, sports and educational activities, Metro founded the Recreation and Sports Program. The most outstanding activities sponsored through the program in 2014 were: The Women's, Men's, and Senior Citizen's Quality of Life Cup with 434 participants; a Bowling Tournament for 122 workers; and the Fitness Program which includes classes at Metro's gym, MetroRunners training sessions, and active pause classes with an annual attendance of 245 individuals for 1,141 hours yearly.

The most noteworthy recreational activities held in 2014 for our workers and their families were as follows: Winter and Summer Vacation program for workers' children serving 182 children in 2014; the Child's Day Festivities with a turnout of 786 individuals; the My Family Visits the Metro Day for which 228 individuals came out; the Christmas Party with a grand total of 2,200 guests including workers and their families; the Mt. San Cristóbal Family Hike, the Family Bike-Along, and a theatre cycle with two showings.

Furthermore, the company sponsored the 2nd Annual Children's Drawing Contest entitled "The Metro of the Future", in which 56 children participated and the 12 winning drawings were used in the 2015 Metro Calendar given out as a gift to each worker.

In 2013, the company launched Más Cerca de Ti (Closer to you), a program aimed at providing workers with greater and closer support. Under this initiative the company provides assistance to workers facing difficult situations affecting their and their families' quality of life, marking its presence in important times. In addition to the above, there were several talks given on program benefits and meetings with supervisors.

Finally, as of December 2014, 85% of Metro employees are unionized. The labor organizations represented in the company constitute an important outlet for worker involvement, and the company works closely with workers on a handful of joint initiatives aimed a reinforcing Metro's productivity and worker wellbeing.


Desplázate a lo largo del andén

6. ESSENTIAL FACTS

For the period covering January 1st to December 31st, 2014

1) On February 4th, 2014, Empresa de Transporte de Pasajeros Metro S.A. issued bonds in the amount of US$500,000,000 and placed them on the international market pursuant to Rule 144A and Regulation S of the US Securities and Exchange Act.

2) By way of Publication No. 137 dated March 24th, the company reported that at the Board meeting held on March 24th, the Board of Directors agreed to call a Regular Shareholders' Meeting for April 24th, 2014 at 10:00 am at corporate headquarters.

3) By way of Publication No. 208 dated April 24th, the company reported that the 23rd Regular Shareholders' Meeting held on April 24th adopted the following agreements:

- The 2013 Fiscal Year Annual Report, Consolidated Financial Statements, Independent Auditors' Report, and Board expenses as stated in the Annual Report were approved.
- The Regular Shareholders' Meeting agreed that neither profits nor dividends would be distributed.
- The dividend policy was agreed to.
- KPMG Auditores Consultores Ltda. was appointed as the independent auditing firm for fiscal years 2014, 2015 and 2016.
- Credit rating agencies were appointed in reference to the local emission of Metro S.A. bonds. Appointments are for a period of a year, renewable for two yearlong periods per each agency appointed, to wit, Feller Rate Clasificadora de Riesgo Ltda. and Fitch Chile Clasificadora de Riesgo Ltda.

- The Estrategia newspaper was designated as the official gazette for summons issued by the Shareholders' Meeting.
- Board member compensation was defined.
- Aldo González Tissinetti, Carlos Mladinic Alonso, Juan Carlos Muñoz Abogabir, Vicente Pardo Díaz, Claudio Soto Gamboa, Karen Poniachik Pollak and Paulina Soriano Fuenzalida were elected members of Metro's Board of Directors.

4) By way of Publication No. 210 dated April 24th, the company reported that pursuant to an agreement adopted by the Board of Directors at a special board meeting held today, the Board of Directors accepted the appointment of Aldo González Tissinetti as Chairman of the Board.

5) By way of Publication No. 251 dated May 13th, the company reported that at the board meeting held on May 12th, the Board of Directors accepted the voluntary resignation of Ramón Cañas Cambiaso as General Manager, effective as of May 31st, 2014.

6) By way of Publication No. 280 dated May 27th, the company reported that at the board meeting held on May 26th, the Board of Directors accepted the appointment of Hernán Vega Molina, (commercial engineer, currently Administration and Finance Manager) as General Manager of the company.

7) By way of Publication No. 347 dated July 15th, the company reported that at the board meeting held on July 14th, the Board of Directors agreed to call a Special Shareholders' Meeting, scheduled for August 6th, 2014 at 11:00 am at corporate headquarters, in order to issue a statement regarding the capitalization of fiscal contributions in the amount of M$ 52,200,000.

8) By way of Publication No. 392 dated August 12th, the company reported that at the board meeting held on August 11th, the Board of Directors agreed to call a second Special Shareholders' meeting for August 28th, 2014 at 10:00 am at corporate headquarters, in order to issue a statement on the capitalization of fiscal contributions in the amount of M$ 52,200,000.

9) By way of Publication No. 472 dated September 17th, the company reported that at the board meeting held on September 15th, the Board of Directors agreed to appoint Rubén Rodrigo Alvarado Vigar (chemical engineer, I.D. No. 7.846.224–8) as the Company's General Manager, who duly accepted the appointment and agreed to take office as of September 29th, 2014.

10) By way of Publication No. 531 dated October 13th, the company reported that the Administration decided to proceed with the early termination of contract No. PL6-0602-02-12 "Construction of Civil Works, Shafts, Drives and Tunnels on Metro de Santiago's Line 6, Sections 1 & 2," entered into by and between Metro, the construction company Constructora Metro 6 Ltda. and the companies Salini S.P.A. and Impregilo S.P.A. as joint co-debtors. The latter is in keeping with authorization granted by the Board of Directors under agreement No. 3422/853. The contract was issued for an amount of UF 3,942,975.091, and the grounds for early termination were contractual non-compliance by said company.

11) By way of Publication No. 565 dated October 14th, the material fact issued under Publication GG No. 531 was complemented, reporting on the early termination of contract No. PL6-0602-02-12 dated October 03, 2014 and, that on that same date, the performance bonds issued by the contractor were called in.

Furthermore, with a view to ensuring compliance with the proposed Line 6 start up date, the company reported that execution of all postponed works shall be taken over by the contractors currently in charge of executing works on Lines 6 and 3.

12) By way of Publication 604, dated November 11th, the company informed that on that same date, the Board of Directors resolved to call a Special Shareholders' Meeting on December 23rd, 2014 at 11:00 am at corporate headquarters in order to issue a statement on the capitalization of fiscal contributions in the amount of $ 154,490,793,000.

13) By way of Publication No. 15-14e, dated November 15th, the company reported that at the Special Board Meeting held on that same date, the Board of Directors accepted the resignation of Aldo González Tissinetti, as Chairman of the Board, and accepted the appointment of Rodrigo Azócar Hidalgo as Board Member and Chairman of the Board.

14) By way of Publication No. 690 dated December 18th, the company reported that Metro S.A. entered into the following credit contracts:

- Commercial Bank Facility Agreement with international syndicate bank headed up by Sumitomo Mitsui Banking Corporation as the agent bank, for a sum of up to US$ 250,000,000, earmarked for financing part of the civil works, supplies and other expenses related to carrying out Metro S.A.'s expansion projects. The contract was signed for a 12-year term effective as of the date it was entered into, with a five-year grace period, and does not involve any pledges.

- ECA Multisource Facility Agreement with an international syndicate bank headed up by BNP Paribas S.A. as the agent bank, for a sum of up to US$ 550,000,000, earmarked as part of the external financing for equipment, rolling stock and other expenses related to the execution of Metro S.A.'s expansion projects. The contract was signed for a 14-year term effective as of the date it was entered into, with a five-year grace period, and does not involve any pledges


METRO

7. FINANCIAL MANAGEMENT

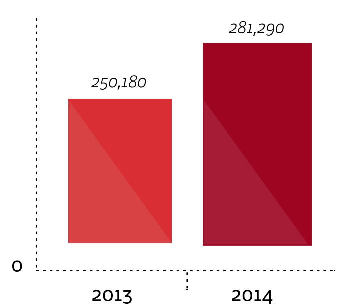
Summary of Company Results

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:

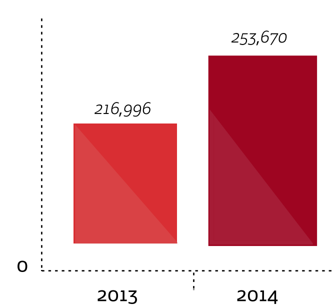
- Income from Regular Activities as of December 2014 totaled MM$ 281,290, up 12.4% from 2013, primarily due to greater revenues from transportation, which amounted to MM$ 223,723, 8.6% greater than the previous year and due to a fare increase resulting from AC installment and, to a lesser extent, because 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.

Revenue from Regular Activities (MM$)



Cost of Sales (MM$)



- 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.

8. FINANCIAL INFORMS
EMPRESA DE TRANSPORTE DE PASAJEROS METRO S.A. AND SUBSIDIARY CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2014 and 2013

Contents:

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

INDEX

8.1 Independent Auditor's report

KPMG

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

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

Independent Auditor's Report

The Directors and Shareholders
Empresa de Transporte de Pasajeros Metro S.A.:

Report on the financial statements

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

Management's responsibility for the consolidated financial statements

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

Auditor's responsibility

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

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

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

KPMG

Opinion

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

Other matters

The accompanying consolidated financial statements of Empresa de Transporte de Pasajeros Metro S.A. and its subsidiary as of December 31, 2013, and for the year then ended were audited by other auditors, whose report thereon dated March 10, 2014, expressed an unmodified opinion on those financial statements. The report of the other auditors contained an emphasis of matter paragraph on the basis of the calculation of the proportional amount of the value-added tax fiscal credit in accordance with an administrative resolution issued by the Chilean Internal Revenue Service (SII) in September 2004, and the appeal filed by Empresa de Transporte de Pasajeros Metro S.A. against the verdict.

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

Héctor del Campo R.

KPMG Ltda.

Santiago, March 9, 2015

CONSOLIDATED CLASSIFIED STATEMENTS OF FINANCIAL POSITION

For the years ended December 31, 2014 and 2013 (in thousands of Chilean pesos)

ASSETS	NOTE	12/31/2014	12/31/2013
CURRENT ASSETS			
Cash and cash Equivalents	4	222,297,210	129,279,100
Other current financial assets	10	97,949,131	69,151,222
Other current non-f inancial assets	11	3,815,743	3,473,614
Trade and other receivables, current	5	10,281,620	10,427,899
Inventories	6	12,141,802	7,291,617
Current tax assets		1,379,896	895,783
Total current assets		**347,865,402**	**220,519,235**
NON-CURRENT ASSETS			
Other non-current f inancial assets	10	10,968,457	7,516,430
Other non-current non-f inancial assets	11	40,163,467	66,797,766
Trade receivables, non-current		1,202,697	901,982
Intangible assets other than goodw ill	7	4,943,762	3,331,246
Property, plant and equipment	8	3,100,792,871	2,822,197,875
Investment property	9	13,090,499	13,308,911
Total non-current assets		3,171,161,753	2,914,054,210
TOTAL ASSETS		**3,519,027,155**	**3,134,573,445**

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

CONSOLIDATED CLASSIFIED STATEMENTS OF FINANCIAL POSITION (continued)

For the years ended December 31, 2014 and 2013 (in thousands of Chilean pesos)

LIABILITIES AND EQUITY	NOTE	12/31/2014	12/31/2013
LIABILITIES			
CURRENT LIABILITIES			
Other current financial liabilities	12	93,417,666	116,368,024
Trade and other payables	15	56,612,308	44,611,758
Other short-term provisions	19	286,000	1,187,150
Provision for employee benef its, current	17	10,417,076	9,658,842
Other current non-f inancial liabilities	13	27,570,371	9,476,886
Total current liabilities		188,303,421	181,302,660
NON-CURRENT LIABILITIES			
Other non-current f inancial liabilities	12	1,411,815,210	1,094,268,127
Accounts payable due to related entities, non-current	14	4,837,328	21,788,861
Provision for employee benef its, non-current	17	13,722,607	12,401,746
Other non-current non-f inancial liabilities	13	3,482,216	3,495,776
Total non-current liabilities		1,433,857,361	1,131,954,510
Total liabilities		1,622,160,782	1,313,257,170
EQUITY			
Share capital	20	2,207,691,640	2,001,000,847
Retained earnings (accumulated def icit)	20	(344,193,583)	(213,052,888)
Other reserves	20	33,378,961	33,378,961
Equity attributable to ow ners of the parent		1,896,877,018	1,821,326,920
Non-controlling interest	20	(10,645)	(10,645)
Total equity		1,896,866,373	1,821,316,275
Total liabilities and equity		3,519,027,155	3,134,573,445

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME BY FUNCTION

For the years ended December 31, 2014 and 2013 (in thousands of Chilean pesos)

STATEMENT OF INCOME		ACCUMULATED	
PROFIT (LOSS)	**NOTE**	01-01-2014 12-31-2014	01-01-2013 12-31-2013
Revenue	21	281,289,836	250,180,455
Cost of sales	21	(253,670,471)	(216,996,387)
Gross prof it		27,619,365	33,184,068
Other income, by function	21	8,909,108	2,238,150
Administrative expenses	21	(22,440,598)	(25,210,187)
Other expenses, by function	21	(8,532,040)	(1,197,031)
Other prof it (loss)	21	8,773,403	2,991,289
Finance income	21	10,343,068	9,036,050
Finance costs	21	(50,137,114)	(50,031,846)
Foreign currency translation dif ference	21	(57,761,318)	(27,113,161)
Prof it (loss) on index-adjusted units	21	(46,824,131)	(16,825,205)
Prof it (loss) before tax		(130,050,257)	(72,927,873)
Prof it (loss) f rom continuing operations		(130,050,257)	(72,927,873)
Prof it (loss)		(130,050,257)	(72,927,873)
PROFIT (LOSS) ATTRIBUTABLE TO			
Ow ners of the parent		(130,050,257)	(72,927,873)
Non-controlling interest - -		-	-
Prof it (loss)		(130,050,257)	(72,927,873)
STATEMENT OF COMPREHENSIVE INCOME			
Prof it (loss)			
Other comprehensive income	21	(1,090,438)	(391,491)
Total comprehensive income		(131,140,695)	(73,319,364)
Comprehensive income attributable to:			
Ow ners of the parent		(131,140,695)	(73,319,364)
Non-controlling interests - -		-	-
Total comprehensive income		(131,140,695)	(73,319,364)

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2014 and 2013 (in thousands of Chilean pesos)

CONCEPT	SHARE	OTHER RESERVES				Retained earnings (accumulated def icit)	Equity attributable to ow ners of the parent	Non-controlling interest	Total net equity
		Other reserves, miscellaneous	Revaluation surplus	Reserve for gain (losses) on def ined benef it plans	Total other reserves				
Opening balance as of 1/1/2014	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
Prof it (loss)	-	-	-	-	-	(130,050,257)	(130,050,257)	-	(130,050,257)
Other comprehensive income	-	-	-	(1,090,438)	(1,090,438)	-	(1,090,438)	-	(1,090,438)
Comprehensive income	-	-	-	-	-	-	(131,140,695)	-	(131,140,695)
Issue of equity	206,690,793	-	-	-	-	-	206,690,793	-	206,690,793
Increase (decrease) on transfers and other changes	-	-	-	1,090,438	1,090,438	(1,090,438)	-	-	-
Closing balance as of 12/31/2014	2,207,691,640	30,336,377	3,042,584	-	33,378,961	(344,193,583)	1,896,877,018	(10,645)	1,896,866,373
Opening balance as of 1/1/2013	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
Prof it (loss)	-	-	-	-	-	(72,927,873)	(72,927,873)	-	(72,927,873)
Other comprehensive income	-	-	-	(391,491)	(391,491)		(391,491)	-	(391,491)
Comprehensive income	-	-	-	-	-	-	(73,319,364)	-	(73,319,364)
Issue of equity	224,953,136	-	-	-	-	-	224,953,136	-	224,953,136
Increase (decrease) on transfers and other changes	-	-	(1,578,110)	391,491	(1,186,619)	1,186,619	-	-	-
Closing balance as of 12/31/2013	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

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2014 and 2013 (in thousands of Chilean pesos)

STATEMENTS OF CASH FLOW S – DIRECT METHOD	01-01-2014 12-31-2014	01-01-2013 12-31-2013
STATEMENT OF CASH FLOWS		
Cash flows from (used in) operating activities:		
Receipts f rom sales of goods and the rendering of services	280,067,048	247,287,337
Other receipts f rom operating activities	27,314,886	5,268,082
Payments to suppliers for goods and services	(131,091,331)	(105,273,278)
Payments to and on behalf of employees	(67,337,616)	(59,885,371)
Other payments for operating activities	(7,108,540)	(6,069,482)
Net cash f low s generated f rom operating activities	**101,844,447**	**81,327,288**
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(299,589,332)	(181,236,319)
Acquisition of intangible assets	(1,167,870)	(82,447)
Other payments made to acquire other entities' equity or debt securities	(27,737,260)	(37,864,628)
Interest paid	(6,799,744)	-
Net cash f low s used in investing activities	**(335,294,206)**	**(219,183,394)**
Cash flows from (used in) financing activities:		
Proceeds f rom share issuance	184,901,932	219,200,000
Loans f rom related entities	4,837,328	19,888,861
Loan payments	(96,542,668)	(52,042,864)
Interest paid	(50,603,401)	(50,124,782)
Other cash inf low s (outf low s)	267,495,466	(6,648,843)
Net cash f low s generated f rom f inancing activities:	**310,088,657**	**130,272,372**
Net increase (decrease) in cash and cash equivalents before the ef fect of changes in exchange rate	76,638,898	(7,583,734)
Effects of changes in exchange rate on cash and cash equivalents	16,379,212	4,828,353
Net increase (decrease) in cash and cash equivalents	93,018,110	(2,755,381)
Cash and cash equivalents at the beginning of year	129,279,100	132,034,481
Cash and cash equivalents at the end of year	**222,297,210**	**129,279,100**

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

8.2 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For The Years Ended December 31, 2014 And 2013 (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 (SVS).

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The main accounting policies adopted in the preparation of these consolidated financial statements, as required by IAS 1, have been designed in accordance with International Financial Reporting Standards (hereinafter "IFRS") in effect as of December 31, 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 December 31, 2014 and 2013, and the comprehensive income statements, statements of changes in equity and statements of cash flows as of December 31, 2014 and 2013, which have been prepared according to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (hereinafter the "IASB") and specific instructions issued by the SVS, through Ordinary Official Letter No. 6158 dated March 5, 2012, the Company was authorized by the SVS to exceptionally apply Public Sector International Public Sector Accounting Standard (hereinafter "IPSAS") 21, instead of IAS 36. Note 2.8 provides more details regarding this exception.

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

These consolidated financial statements were approved by the Board on March 9, 2015, authorizing their publication by management.

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

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

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

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

2.2. Basis de 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 includes the financial statements of the parent company and its subsidiary which includes all assets, liabilities, income, expenses and cash flows of the subsidiary, once the adjustments and eliminations for intra-group transactions have been made.

The value of the non-controlling interest of the consolidated subsidiary is presented under shareholders' equity, in non-controlling interests, in the consolidated statement of financial position and in income (loss) attributable to non-controlling interest in the consolidated 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 Name	Ownership interest 12-31-2014 - 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 in foreign currency and adjustment units

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

Exchange rate differences affecting financial assets measured at fair value are included in gains or losses.

2.3.3. Foreign currency translations

Assets and liabilities in foreign currency and those negotiated in Unidades de Fomento (index-adjusted units, or UF), are presented at the following exchange

Date	Ch$/US$	Ch$/EUR	CH$/UF
12/31/2014	606,75	738,05	24,627,10
12/31/2013	524,61	724,30	23,309,56
12/31/2012	479,96	634,45	22,840,75

Ch$: Chilean Pesos
US$: US Dollar
EUR : Euro
UF: Unidades de Fomento (Index-adjusted units.)

2.4. Property, plant and equipment

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

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

Costs include expenditure directly attributable to the acquisition of assets and the capitalized

interest incurred during the construction and development period.

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

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

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

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

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

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

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

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

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

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

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

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

2.5. Investment property

Relates to real state (land and buildings) held by the Company to obtain economic benefits derived from their rental or to obtain capital appreciation from holding on to them.

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

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

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

INVESTMENT PROPERTY	USEFUL LIFE
Commercial premises	57 years on average
Other buildings	88 years on average

2.6. Intangible assets other than goodwill

2.6.1. Easements

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

2.6.2. Software

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

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

2.7. Finance income and finance costs

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

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

2.8. Losses due to impairment of non-financial assets

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

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

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

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

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

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

2.9. Financial assets

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

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

2.9.1. Financial assets at fair value through profit or loss

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

Assets in this category are classified as current assets.

2.9.2. Loans and accounts receivable

Loans and accounts receivables are non-derivative financial assets, with fixed or determinable payments, that are not traded in the local financial market. They are included in current assets, except for those maturing in excess of 12 months as of the date of the statement of financial position, which are classified as non-current assets.

Loans and accounts receivable include trade and other accounts receivable. These items are initially recorded at fair value plus any directly attributable transaction costs.

These are subsequently valued at amortized cost, using the effective interest 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.

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

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

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

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

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

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

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

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

2.10. Inventories

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

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

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

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

2.12. Cash and cash equivalents

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

2.13. Share capital

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

2.14. Trade and other payables

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

2.15. Loans and other financial liabilities

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

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

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

2.16. Income tax and deferred taxes

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

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

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

The Attributed regime is applicable to individual entrepreneurs, single-owner limited liability companies, communities and partnerships when formed exclusively by natural persons domiciled or residents in Chile. The Partially Integrated regime is applicable to the remaining taxpayers, such as openly and closely held shareholders' corporations, joint stock companies or partnerships whose owners are not solely natural persons domiciled or residents in Chile.

The tax system to which the Company, by default, shall be subject to as of January 1, 2017, is the partially integrated system. Likewise, the Company may opt for a change in the tax system to use a system other than the default system within the last three months of the 2016 calendar year, upon approval by the shareholders at an Extraordinary Shareholders' Meeting with a quorum of at least two thirds of voting-right shares issued, and it will become effective through submission of the declaration signed by the Company, and the minute, drafted as public deed, entered by the company. The Company shall be subject to the tax system that was assigned to it, during at least five consecutive business years. After this period it is able to change the tax system, and should be subject to such new system for at least five consecutive years.

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

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

2.17. Employee benefits

2.17.1. Accrued vacations

The Company recognizes accrued vacation expenses using the accrual method.

2.17.2. Severance indemnity payment provisions

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

The liability recognized is the present value of that obligation plus/minus adjustments on actuarial profits or losses and discounted debt service. The present value of the obligation is determined by discounting estimated outgoing cash flows, at a market interest rate for long-term debt instruments that approximates the term of the termination benefits obligation up to their expiration date.

2.17.3. Incentive bonuses

The Company has an annual incentive bonus plan for compliance with objectives,

based on the individual conditions of each employment contract. These incentives consist of a percentage of the applicable monthly salary and are accrued on the basis of the estimated amount to be paid.

2.18. Provisions

The Company recognizes provisions when:

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

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

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

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

2.20. Revenue and expenses recognition

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 basis.

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

d) 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 clarif ies the requirements for the of fsetting of f inancial assets and liabilities w ith the purpose of eliminating the inconsistencies of the application of thE current of fsetting 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, allow ing that investment entities measure their investments at fair value through prof it or loss in accordance w ith IFRS, Financial Instruments, instead of consolidating them.	Annual periods beginning on or after January 1, 2014.
IFRIC 21: Levies This interpretation of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets " provides guidance on w hen to recognize a liability for a levy imposed by a government, other than income tax, in its f inancial statements.	Annual periods beginning on or after January 1, 2014.
Amendment to IAS 36: Impairment of assets This amendment clarif ies 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 includes in the Standard the criteria that should be met to avoid the suspension of hedge accounting, in the event that the hedging instrument is novated.	Annual periods beginning on or after January 1, 2014.
IAS 19: Employee Benef its The amendment to IAS 19, issued in November 2013, applies to contributions from employees or third-parties to def ined benef it plans. The objective is to simplify the accounting for contributions that are independent of the number of years of employee service.	Annual periods beginning on or after July 1, 2014. Early adoption is permitted
Improvements to IFRSs Corresponds to a number of improvements, although not urgent, amending the follow ing standards: IFRS2, IFRS3, IFRS8, IFRS13, IAS16, IAS24, IAS38 and IAS40	Annual periods beginning on or after July 1, 2014.
IFRS 3: Business Combinations "Annual Improvements 2010–2012 cycle", issued in December 2013, clarif ies 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 accordingly, eliminates the reference to IAS 37, Provisions, Contingent Liabilities and Contingent Assets , and other IFRS w hich potentially have bases of measurement other than fair vale. The reference to IFRS 9, Financial Instruments, is maintained; how ever, IFRS 9 is modif ied to clarify that contingent consideration that is a f inancial asset or f inancial liability can only be measured at fair value, w ith changes in fair value being presented in either prof it 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 2011-2013 cycle", issued in December 2013, clarif ies that judgment is required to determine w hether 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 w hether 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	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 on the amounts reported in these financial statements.

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

Standard, interpretations and amendments	Mandatory application date
IFRS 9: Financial instruments: Classif ication and Measurement This corresponds to the IASB f irst stage project to replace IAS 39, Financial Instruments: Recognition and Measurement". It amends the classif ication and measurement of f inancial assets and liabilities and includes the treatment and classif ication of f inancial liabilities.	Annual periods beginning on or after January 1, 2018.
Amendment of IAS 16 and IAS 38: Acceptable methods of depreciation and amortization. The amendment to IAS 16 prohibits the use of revenue-based depreciation. In the case of IAS 38, the amendment introduces assumption that the revenue-based amortisation method is inappropriate for intangible assets.	Annual periods beginning on or after January 1, 2016.
IFRS 14: Regulatory Deferral Accounts This provisional standard is aimed at improving the comparability of f inancial reporting of entities w ith rate-regulated activities. Many countries have industries that are subject to price regulation (e.g. gas, w ater and electricity), w hich can have a signif icant impact on an entity's revenue recognition (timing and amount). This standard allow s that f irst-time adopters of IFRS continue to recognise amounts related to rate regulation in accordance w ith their previous GAAP requirements when they adopt IFRS. How ever, these are show n separately. Entities that already present f inancial statements under IFRS should not implement this standard. Its application is ef fective starting f rom 1 January 2016. Earlier adoption is permitted.	Annual periods beginning on or after January 1, 2016. Early adoption is permitted
IFRS 15: Revenues f rom contract w ith customers This standard is applicable to all contracts w ith customers except for leases related financial instruments and insurance contracts. It w ill 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.
Amendment to IFRS 11: Joint Arrangements The amendment to IFRS 11 issued in May 2014, applies to the acquisition of an interest in a joint operation that constitutes a business. The amendment clarif ies that acquirers of these parties must apply all the accounting principles in IFRS 3 Business Combinations and other standards that do not conf lict w ith the guidance in IFRS 11 Joint Arrangements. The amendment is applicable starting f rom January 1, 2016. Earlier adoption is permitted.	Annual periods beginning on or after January 1, 2016. Early adoption is permitted.
Amendment to IAS 16 Property, Plant and Equipment and IAS 41: Agriculture.	Annual periods beginning on or after January 1, 2016.
Amendment to IFRS 10 and IAS 28: Sales or contributions of assets.	Annual periods beginning on or after January 1, 2016.
Improvements to IFRSs Corresponds to a number of improvements, although not urgent, amending the follow ing standards: IFRS 5, IFRS 7, IAS 19, IAS 34	Annual periods beginning on or after January 1, 2016.
Amendment to IAS 27 Separate Financial Statements: Equity Method in Separate Financial Statements	Annual periods beginning on or after January 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 a liability for the agreed upon obligations for severance payments using an actuarial methodology that considers factors such as the discount rate, effective turnover and other factors inherent to the Company. Any change in these factors and assumptions, shall have an impact on the carrying amount of the severance obligation.

The Company determines the discount rate at the end of each year considering the market conditions as of the valuation date. This interest rate is used to determine the present value of estimated future cash outflows foreseen to be required to settle the severance obligation.

When determining interest rates, the Company considers representative rates of financial instruments that are denominated in the currency in which the obligation is expressed and which have expiry terms that are close to the payment terms of such obligation.

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

3.2. Useful life of property, plant and equipment

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

Likewise, residual values are determined based on technical aspects that might vary in accordance with the specific conditions of each asset.

3.3. Litigation and other contingencies

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

3.4. Measurements and/or valuations at fair value

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

To measure fair value the following must be determined:

a) the concrete asset or liability to be measured.

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

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

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

Market value hierarchies for items at fair value:

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

Level 1, corresponds to methodologies using market units (without adjustment) in active markets and considering the same assets and liabilities valued.
Level 2, corresponds to methodologies using market trading data, not included in Level 1, which are observable for the assets and liabilities valued, whether directly (prices) or indirectly (derived from prices).
Level 3, corresponds to methodologies using valuation techniques, which include data on the assets and liabilities valued, which are not supported on observable market data.

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

The Company hierarchically classifies its measurement of fair value under level 2, as established in 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 recognized as other gains (losses).

Fair value measurement for assets and liabilities

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

The characteristics include the following elements, for example:

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

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

On the basis of the previous methodologies, inputs and definitions the Company has determined the following market levels for the financial instruments portfolio that it holds as of December 31, 2014:

Financial assets and liabilities at fair value, classified by hierarchy through prof it or loss	12/31/2014		
	Level 1 ThCh$	Level 2 ThCh$	Level 3 ThCh$
Financial assets			
Cross currency sw ap	-	9,595,348	-
Financial liabilities			
Cross currency sw ap	-	599,335	-

Financial assets and financial liabilities at fair value, classified by hierarchy through prof it or loss	12/31/2013		
	Level 1 ThCh$	Level 2 ThCh$	Level 3 ThCh$
Financial assets			
Cross currency sw ap	-	6,404,827	-
Financial liabilities			
Cross currency sw ap	-	5,407,987	-

4. CASH AND CASH EQUIVALENTS

Balances of cash and cash equivalents are detailed as follows:

Concept	Currency	Balance as of 12/31/2014 ThCh$	Balance as of 12/31/2013 ThCh$
Cash	CLP	30,920	24,636
On hand	USD	2,713	3,190
	EUR	59,246	724
In banks	CLP	1,780,571	1,927,131
	USD	30,283	36,330
Total cash		**1,903,733**	**1,992,011**
Term deposits	CLP	149,973,689	78,263,970
	USD	70,311,467	34,761,481
Total term deposits		**220,285,156**	**113,025,451**
Repurchase agreements	CLP	108,321	9,260,383
Total Repurchase agreements		**108,321**	**9,260,383**
Promissory notes Central Bank	CLP	-	5,001,255
Total promissory notes Central Bank		-	**5,001,255**
Total cash and cash equivalents		**222,297,210**	**129,279,100**
Subtotal by currency	CLP	151,893,501	94,477,375
	USD	70,344,463	34,801,001
	EUR	59,246	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 12/31/2014 ThCh$
Term deposits	Ch$	149,598,390	3.40%	22	149,598,390	375,299	149,973,689
Term deposits	USD	115,871.28	0.21%	32	70,304,902	6,565	70,311,467
Total					**219,903,292**	**381,864**	**220,285,156**

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$
Term deposits	Ch$	78,073,833	4.63%	40	78,073,833	190,137	78,263,970
Term deposits	USD	66,238.08	0.34%	17	34,749,159	12,322	34,761,481
Total					**112,822,992**	**202,459**	**113,025,451**

Repurchase agreements

Code	Date		Counterparty	Currency of origin	Suscription A valuer ThCh$%	nnual atev	Final alue ThCh$	Instrument identification	Carrying amounts 12-31-2014 ThCh$
	Beginning	End							
CRV	29-09-2014	05-01-2015	BCI CORREDOR DE BOLSA S.A.	CLP	108.300	3,36	108.371	PAGARE NR	108.321
Total					**108.300**		**108.371**		**108.321**

Code	Date		Counterparty	Currency of origin	Suscription value ThCh$	Annual rate %	Final value ThCh$	Instrument identification	Carrying amounts 12-31-2013 ThCh$
	Beginning	End							
CRV	12/26/2013	1/2/2014	BCI Corredor de Bolsa	Ch$	1,800,000	4.44%	1,801,554	ADJ P NOTE	1,801,110
CRV	12/27/2013	1/2/2014	BCI Corredor de Bolsa	Ch$	1,450,000	4.80%	1,451,160	ADJ P NOTE	1,450,773
CRV	12/30/2013	1/3/2014	BCI Corredor de Bolsa	Ch$	4,000,000	5.04%	4,002,240	ADJ P NOTE	4,000,560
CRV	11/6/2013	1/14/2014	ITAU Corredor de bolsa	Ch$	1,000,000	4.85%	1,009,292	NON-ADJ P NOTE	1,007,407
CRV	12/27/2013	1/2/2014	BCI Corredor de Bolsa	Ch$	1,000,000	4.80%	1,000,800	ADJ P 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 Central Bank	Ch$	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 December 31, 2014 and 2013, this caption comprises the following:

Trade and other receivables, gross	Balance at	
	12/31/2014 Current ThCh$	12/31/2013 Current ThCh$
Trade and other receivables, gross	**11,447,770**	**11,355,034**
Trade receivables, gross	5,897,784	4,759,813
Sales channel accounts receivable, gross	4,132,497	5,258,068
Other account receivable, gross	1,417,489	1,337,153

Trade and other receivables, net	Balance at	
	12/31/2014 Current ThCh$	12/31/2013 Current ThCh$
Trade and other receivables, net	**10,281,620**	**10,427,899**
Trade receivables, net	4,731,634	3,832,678
Sales channel accounts receivable, net	4,132,497	5,258,068
Other account receivable, net	1,417,489	1,337,153

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

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

Trade receivables, net	Balance At	
	12/31/2014 Current ThCh$	12/31/2013 Current ThCh$
Maturity up to 3 months	2,910,760	2,500,164
Maturity f rom 3 months to 1 year	803,453	973,483
Maturity more than 1 year	1,017,421	359,031
Total	**4,731,634**	**3,832,678**

Sales channel accounts receivable, net	Balance At	
	12/31/2014 Current ThCh$	12/31/2013 Current ThCh$
Maturity up to 3 months	4,131,933	5,256,774
Maturity f rom 3 months to 1 year	564	1,294
Total	**4,132,497**	**5,258,068**

Other account receivable, net	Balance At	
	12/31/2014 Current ThCh$	12/31/2013 Current ThCh$
Maturity up to 3 months	365,784	1,256,181
Maturity f rom 3 months to 1 year	1,051,705	80,972
Total	**1,417,489**	**1,337,153**

Movements in the allowance for impairment provision 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	239,015
Balance as of December 31, 2014	**1,166,150**

The Company establishes a 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 writeoffs, for a better control of this item.

6. INVENTORIES

This caption comprises the following:

Inventory types	12/31/2014 ThCh$	12/31/2013 ThCh$
Inventories and stock	2,055,628	1,659,083
Spare parts and maintenance accessories	9,469,618	5,385,272
Imports in transit and others	616,556	247,262
Total	**12,141,802**	**7,291,617**

As of December 31, 2014 and 2013, inventory consumption was charged to the statement of comprehensive income under the cost of sales line item, in the amount of ThCh$8,923,242 and ThCh$6,999,287, respectively.

As of December 2014, inventory write-offs amounted to ThCh$221,275. 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 class of assets.

There are no inventory items pledged or subject to any lien during 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 within the statement of comprehensive income that include amortization of intangible assets with finite useful lives are in the cost of sales and administrative expenses line items.

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

a) Intangible assets other than goodwill for 2014 and 2013 are detailed as follows:

Inventory types	12/31/2014			12/31/2013		
	Gross intangible ThCh$	Accumulated amortization ThCh$	Net intangible ThCh$	Gross intangible ThCh$	Accumulated amortization ThCh$	Net intangible ThCh$
Licenses and Software	4,957,152	(2,835,146)	2,122,006	4,566,853	(2,184,917)	2,381,936
Easements	2,821,756	-	2,821,756	949,310	-	949,310
Total	**7,778,908**	**(2,835,146)**	**4,943,762**	**5,516,163**	**(2,184,917)**	**3,331,246**

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

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

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 1/1/2013	2,373,702	581,002	2,954,704
Additions	510,966	368,308	879,274
Amortization	(502,732)	-	(502,732)
Closing balance as of 12/31/2013	2,381,936	949,310	3,331,246
Average remaining useful life	3 years	Perpetual	

8. PROPERTY, PLANT AND EQUIPMENT

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

Property, plant and equipment, by type	12/31/2014 ThCh$	12/31/2014 ThCh$
Classes of property, plant and equipment, net		
Property, plant and equipment, net	3,100,792,871	2,822,197,875
Work in progress, net	499,973,601	203,211,577
Land, net	102,758,816	83,397,592
Civil w orks, net	1,423,522,329	1,431,439,815
Buildings, net	73,400,991	73,383,899
Rolling stock, net	708,194,331	719,209,832
Electrical equipment, net	255,131,761	272,965,702
Machinery and equipment, net	16,135,279	14,011,576
Other, net	21,675,763	24,577,882
Classes of property, plant and equipment, gross		
Property, plant and equipment, gross	3,499,116,361	3,149,850,297
Work in progress, gross	499,973,601	203,211,577
Land, gross	102,758,816	83,397,592
Civil w orks, gross	1,528,077,753	1,517,834,953
Buildings, gross	84,375,666	82,613,905
Rolling stock, gross	859,526,107	843,060,738
Electrical equipment, gross	375,395,664	371,719,300
Machinery and equipment, gross	27,332,991	23,434,350
Other, gross	21,675,763	24,577,882
Classes of accumulated depreciation and impairment of property, plant and equipment		
Accumulated depreciation and impairment of property, plant and equipment	398,323,490	327,652,422
Accumulated depreciation of civil w orks	104,555,424	86,395,138
Accumulated depreciation of buildings	10,974,675	9,230,006
Accumulated depreciation of rolling stocks	151,331,776	123,850,906
Accumulated depreciation of electrical equipment	120,263,903	98,753,598
Accumulated depreciation of machinery and equipment	11,197,712	9,422,774

b) The detail of movements in property, plant and equipment for 2014 and 2013 are as follows:

	2014 movement	Work in progress	Land	Civil Works	Buildings	Rollig Stock	Electrical equipment	Machinery & equipment	Other	Property, plsnt and equipment, net
	Opening balance as of 1/1/2014	203,211,577	83,397,592	1,431,439,815	73,383,899	719,209,832	272,965,702	14,011,576	24,577,882	2,822,197,875
Movements	Additions	320,184,939	19,361,224	4,211,751	181,660	9,908,016	211,961	1,507,676	(2,902,119)	352,665,108
	Transfers	(23,422,915)	-	6,031,049	1,663,220	9,365,432	3,514,974	2,478,027	-	(370,213)
	Derecognition or disposals	-	-	-	(47,101)	(109,534)	(40,882)	(1,504)	-	(199,021)
	Depreciation expense	-	-	(18,160,286)	(1,780,687)	(30,179,415)	(21,519,994)	(1,860,496)	-	(73,500,878)
	Total movement	296,762,024	19,361,224	(7,917,486)	17,092	(11,015,501)	(17,833,941)	2,123,703	(2,902,119)	278,594,996
	Closing balance as of 12/31/2014	499,973,601	102,758,816	1,423,522,329	73,400,991	708,194,331	255,131,761	16,135,279	21,675,763	3,100,792,871

	2013 movement	Work in progress	Land	Civil Works	Buildings	Rollig Stock	Electrical equipment	Machinery & equipment	Other	Property, plsnt and equipment, net
	Opening balance as of 1/1/2013	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 disposals	(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 12/31/2014	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

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

Concepts	Useful life estimated in years
Road	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) Pledge on rolling stock contract

To guarantee the financial loan contract signed on January 23, 2004, granted by a syndicate of banks, whose bank agent is BNP Paribas, a pledge with no recourse agreement was entered into for 236 NS93 model cars, whose net carrying amount is MCh$204,237,303 as of December 31, 2014.

f) Investment projects (unaudited)

As of December 31, 2014, the estimated balances necessary to carry out the authorized projects that form part of the Company's expansion plan amount to, approximately,

MCh$1,088,988, detailed as follows by type of investment: MCh$571,558 for civil works,

MCh$282,195 for systems and equipment, and MCh$ 235,235 for rolling stock, up to 2018.

g) Spare parts and accessories

As of December 31, 2014, parts and accessories and maintenance materials amounted to ThCh$19,947,898 (ThCh$23,220,925 as of December 31, 2013). These amounts include spare parts that have remained idle for over four years, which resulted in an allowance for obsolescence of ThCh$2,263,990 as of December 31, 2014 and 2013.

h) 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$16,961,749 as of December 31, 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.

i) Financing costs

During 2014, costs of capitalized interests of property, plant and equipment amounts to ThCh$12,846,995, while in 2013, no costs of capitalized interests were recorded.

9. INVESTMENT PROPERTY

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

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

Total investment property as of December 31, 2014, amount to ThCh$13,090,499 and to ThCh$13.308.911 as of December 31, 2013.

Investment property	Commercial Stores	Land	Buildings	Total
Balance as of 01/01/2016	3,779,983	607,816	8,921,112	13,308,911
Closing Balance	3,779,983	607,816	8,921,112	13,308,911
Depreciation for the period	(118,002)	-	(100,410)	(218,412)
balance as of 12/31/2014	**3,661,981**	**607,816**	**8,820,702**	**13,090,499**

Investment property	Commercial Stores	Land	Buildings	Total
Adittions	3,866,971	607,816	9,021,522	13,496,309
Depreciation for the period	31,014	-	-	31,014
Closing balances	3,897,985	607,816	9,021,522	13,527,323
Depreciation for the period	(118,002)	-	(100,410)	(218,412)
Balance as of 12/31/201	**3,779,983**	**607, 816**	**8,921,112**	**13,308,911**

As established by IAS 40, the fair value of investment property measured at costs has to be disclosed. For this reason, we have realized this calculation by means of internal valuations based on discounted future cash flow projections. It is estimated that fair value as of December 31, 2014 is ThCh$101,509,041 (ThCh$84,091,443 as of December 31, 2013).

The fair value of investment property has been classified as a Level 3 fair value, based on the inputs for the valuation technique used (see Note 3.4).

Concept	12/31/2014 ThCh$	12/31/2014 ThCh$
Commercial Stores	**63,594,398**	**63,594,398**
Land	**30,625,245**	**30,625,245**
Buildings	**7,289,398**	**7,289,398**
Total	**101,509,041**	**101,509,041**

Operating income and expenses of investment property as of December 2014 and 2013 are detailed as follows:

Income and expenses from investment property	Accumulated	
	12/31/2014 ThCh$	12/31/2013 ThCh$
Commercial stores	4,307,179	3,834,757
Land	2,034,475	1,754,770
Buildings	578,863	547,894
Total amount due to rental income	6,920,517	6,137,421
Commercial stores	(125,529)	(111,470)
Land	(20,712)	(37,330)
Buildings	(99,548)	(87,963)
Total amount due to rental income	(245,789)	(236,763)

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

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

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

10. OTHER FINANCIAL ASSETS, CURRENT AND NON-CURRENT

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

Concept	12/31/2014		12/31/2013	
	Currents ThCh$	Non currents ThCh$	Currents ThCh$	Non currents ThCh$
Financial investment, over 3 months	97,159,783	-	68,347,854	-
Derivative transactions	754,828	8,840,520	776,236	5,628,591
Financial lease	34,520	1,731,470	27,132	1,526,916
Promissory notes receivables	-	393,388	-	359,408
Other accounts receivable	-	3,079		- 1,515
Total	97,949,131	10,968,457	69,151,222	7,516,430

Financial investments, over 3 months
Term deposits

Type of investment	Currency	Capital currency of origin	Annual average rate	Annual maturity days	Capital In domestic cuurency ThCh$	Accrued interest in domestic currency ThCh$	Carrying amounts 12/31/2014
Term deposits	**Ch$**	43.500.000	3,50%	125	43.500.000	176.611	43.676.611
Term deposits	**US$**	88.113,46	0,27%	70	53.462.840	20.332	53.483.172
Total					96.962.840	196.943	97.159.783

Type of investment	Currency	Capital currency of origin	Annual average rate	Annual maturity days	Capital In domestic cuurency ThCh$	Accrued interest in domestic currency ThCh$	Carrying amounts 12/31/2013
Term deposits	**Ch$**	51.673.427	5,04%	133	51.673.427	619.725	52.293.152
Term deposits	**US$**	27.569,59	0,43%	113	14.463.284	15.646	14.478.930
Total					66.136.711	635.371	66.772.082

Reverse repurchase agreements

Code	Date		Counterparty	Currency of originn	Subscription Value ThCh$	Annual Rate %	Final Value Thch$	ID. of instruments	Carrying amounts 12/31/2013
	Beginning	End							
CRV	9/11/2013	1/23/2014	Banco Estado	Us$	1,520,400	5.28%	1,576,173	Debt Securities	1,575,772
Total					1,520,400		1,576,173		1,575,772

Derivative transactions
Financial assets as of December 31, 2014

									Current			Non-current			
									Maturity		Total current	Maturity			Total non-current 12/31/2014
Tax ID Number	Name	Country	Tax ID Number	Name	Country	Currency	Rate nominal	Amortization type	Up to 90 days	90 days to 1 year		1 to 3 years	3 to 5 years	Over 5 years	
									ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0,52640%	semestral	-	1.789	1.789	46.952	-	-	46.952
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0,52640%	semestral	-	147	147	(1.914)	-	-	(1.914)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0,53070%	semestral	-	635	635	10.023	-	-	10.023
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0,52650%	semestral	-	271	271	(6.982)	-	-	(6.982)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0,53040%	semestral	158	-	158	(1.501)	-	-	(1.501)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0,52790%	semestral	-	3.661	3.661	(7.464)	(3.735)	-	(11.199)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0,52470%	semestral	-	5.953	5.953	(47.080)	(23.543)	-	(70.623)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0,52640%	semestral	-	6.110	6.110	100.966	-	-	100.966
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0,52640%	semestral	-	958	958	14.361	-	-	14.361
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0,52650%	semestral	-	155	155	(7.843)	-	-	(7.843)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0,52620%	semestral	-	148	148	(4.494)	-	-	(4.494)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0,52640%	semestral	-	394	394	(3.079)	-	-	(3.079)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0,52620%	semestral	-	85	85	(1.993)	-	-	(1.993)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0,53040%	semestral	-	3.140	3.140	62.151	-	-	62.151
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0,52110%	semestral	-	1.331	1.331	29.489	-	-	29.489
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0,52620%	semestral	-	52	52	(967)	-	-	(967)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0,52640%	semestral	-	476	476	(3.776)	-	-	(3.776)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0,52940%	semestral	584	-	584	7.634	-	-	7.634
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0,52650%	semestral	-	312	312	(8.023)	-	-	(8.023)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0,52990%	semestral	11.019	-	11.019	28.680	14.340	-	43.020
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0,52870%	semestral	-	1.520	1.520	(18.416)	-	-	(18.416)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0,52700%	vencimiento	49.859	-	49.859	-	-	(110.557)	(110.557)
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	USD	0,52700%	vencimiento	17.823	-	17.823	-	-	1404330	1.404.330
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	USD	0,52990%	semestral	10.870	-	10.870	597.400	149.352	-	746.752
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	USD	0,52640%	semestral	-	13.288	13.288	1.631.617	-	-	1.631.617
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	Francia	USD	4,19000%	semestral	624.090	-	624.090	2.497.296	832.430	1.664.866	4.994.592
					Total				**714.403**	**40.425**	**754.828**	**4.913.037**	**968.844**	**2.958.639**	**8.840.520**

Financial assets as of December 31, 2013

									Current			Non-current			
									Maturity		Total current	Maturity			Total non-current 12/31/2014
Tax ID Number	Name	Country	Tax ID Number	Name	Country	Currency	Rate nominal	Amortization type	Up to 90 days	90 days to 1 year		1 to 3 years	3 to 5 years	Over 5 years	
									ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52640%	semestral	-	1,789	1,789	46,952	-	-	46,952
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52640%	semestral	-	147	147	(1,914)	-	-	(1,914)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.53070%	semestral	-	635	635	10,023	-	-	10,023
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52650%	semestral	-	271	271	(6,982)	-	-	(6,982)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.53040%	semestral	158	-	158	(1,501)	-	-	(1,501)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52790%	semestral	-	3,661	3,661	(7,464)	(3,735)	-	(11,199)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52470%	semestral	-	5,953	5,953	(47,080)	(23,543)	-	(70,623)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52640%	semestral	-	6,110	6,110	100,966	-	-	100,966
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52640%	semestral	-	958	958	14,361	-	-	14,361
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52650%	semestral	-	155	155	(7,843)	-	-	(7,843)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52620%	semestral	-	148	148	(4,494)	-	-	(4,494)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52640%	semestral	-	394	394	(3,079)	-	-	(3,079)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52620%	semestral	-	85	85	(1,993)	-	-	(1,993)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.53040%	semestral	-	3,140	3,140	62,151	-	-	62,151
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52110%	semestral	-	1,331	1,331	29,489	-	-	29,489
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52620%	semestral	-	52	52	(967)	-	-	(967)
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	USD	0.52640%	semestral	-	476	476	(3,776)	-	-	(3,776)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52940%	semestral	584	-	584	7,634	-	-	7,634
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52650%	semestral	-	312	312	(8,023)	-	-	(8,023)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52990%	semestral	11,019	-	11,019	28,680	14,340	-	43,020
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52870%	semestral	-	1,520	1,520	(18,416)	-	-	(18,416)
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	USD	0.52700%	vencimiento	49,859	-	49,859	-	-	(110,557)	(110,557)
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	USD	0.52700%	vencimiento	17,823	-	17,823	-	-	1,404,330	1,404,330
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	USD	0.52990%	semestral	10,870	-	10,870	597,400	149,352	-	746,752
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	USD	0.52640%	semestral	-	13,288	13,288	1,631,617	-	-	1,631,617
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	Francia	USD	4.19000%	semestral	624,090	-	624,090	2,497,296	832,430	1,664,866	4,994,592
					Total				**714,403**	**40,425**	**754,828**	**4,913,037**	**968,844**	**2,958,639**	**8,840,520**

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 was recognized in accounts receivable at the time of adoption of IFRS.

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

Metro S.A issues an annual invoice to Chilectra S.A., during the first 15 days of July, which shall be paid 30 days after that invoice is received. The payments that the tenant makes are divided into two parts, one that represents the financial burden and another which reduces the existing debt. The total financial burden is distributed among the 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 (*)	12/31/2014			12/31/2013		
	Gross amount ThCh$	Interest ThCh$	Current Amount ThCh$	Gross Amount ThCh$	Interest ThCh$	Current Amount ThCh$
Up to 1 year	191,926	157,406	34,520	165,942	138,810	27,132
From 1 to 5 years	959,630	727,810	231,820	829,719	647,503	182,216
More than 5 years	2,495,037	995,387	1,499,650	2,323,210	978,510	1,344,700
Total	3,646,593	1,880,603	1,765,990	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 assetsv	12/31/2014 ThCh$	12/31/2013 ThCh$
Prepaid expenses	153,097	147,869
Advances to suppliers and personnel	3,662,646	3,325,745
Total	**3,815,743**	**3,473,614**

Other non-current non-financial assetsv	12/31/2014 ThCh$	12/31/2013 ThCh$
Funds allocated to pay for expropriations of new lines	30,281,468	44,609,507
VAT credit (*)	8,810,894	21,345,681
Advance payments	1,071,105	842,578
Total	**40,163,467**	**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	12/31/2014		12/31/2013	
	Current ThCh$	Non-current ThCh$	Current ThCh$	Non-current ThCh$
Interest-bearing loans	57,214,250	246,292,296	89,847,634	261,902,332
Bonds payable	35,604,081	1,157,383,417 2	5,827,031	827,651,167
Derivative transactions	599,335	-	693,359	4,714,628
Megaproject contract retentions	-	8,139,497	-	-
Total	**93,417,666**	**1,411,815,210**	**116,368,024**	**1,094,268,127**

Interest-bearing loans

Biannual and equivalent interest-bearing loans as of December 31, 2014

								Current			Non-current			
								Maturity		Total Current	Maturity			Total Non-current
Tax. ID. No.	Name	Country	Tax. ID. No.	Name	Country	Currency	Effective Rate	Up to 90 days ThCh$	90 days to 1 year ThCh$	12/31/2014 ThCh$	1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	12/31/2014 ThCh$
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US$	2.00%	7,130,605	47,295,705	54,426,310	138,236,107	24,094,562	523,626	162,854,295
61.219.000-3	Metro S.A.	Chile	O-E	Natexis Bank	France	US$	1.00%	572,215	1,830,029	2,402,244	7,717,230	5,144,820	15,522,364	28,384,414
61.219.000-3	Metro S.A.	Chile	O-E	Natexis Bank	France	Euros	0.52%	8,006	50,706	58,712	174,152	116,101	155,834	446,087
61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Société Générale	France	US$	2.00%	117,132	-	117,132	18,202,500	-	-	18,202,500
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Banco Bilbao Vizcaya Argentaria	Chile	US$	1.97%	-	209,852	209,852	36,405,000	-	-	36,405,000
						Total		**7,827,958**	**49,386,292**	**57,214,250**	**200,734,989**	**29,355,483**	**16,201,824**	**246,292,296**

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$	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$	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$	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$	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 December 31, 2014, it has been fully used, leaving a principal balance of US$51,020,725.03.

- Loan from Natixis Bank (financial protocol of the French Government to the Chilean government) in the amount of 1,573,093.76. As of December 31, 2014, it has been fully used, leaving a principal balance of 683,065.96.

- Financial Loan Agreement for the Metro Line 4 Project, with a syndicate of banks led by BN Paribas, in the amount of US$150,000,000, which is State guaranteed. As of December 31, 2014, it has been fully used, leaving a principal balance of US$11,764,705.88.

- 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 December 31, 2014, it has been fully used, leaving a principal balance of US$63,917,060.68.

- 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 December 31, 2014 it has been fully used, leaving a principal balance of US$15,084,688.11.

- Buyer Credit Agreement for Extension Projects on Line 5 to Maipú and Extension of Line 1 to Los Dominicos, with a syndicate of international banks headed by BNP Paribas, in the amount of US$260,000,000. As of December 31, 2014, there is an amount to be used of US$17,421,404.67 and a principal balance left of US$141,502,257.84.

- Financial Loan Agreement for Extension Projects on Line 5 to Maipú and Extension of Line 1 to Los Dominicos, with a syndicate of international banks headed by BNP Paribas, in the amount of US$130,000,000.00, without guarantees. As of December 31, 2014, it has been fully used, leaving a principal balance of US$65,000,000.00.

  Such agreement establishes that as of December 31, 2014, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of MCh$700, an EBITDA/revenue equal to or higher than 10%, and a minimum interest coverage ratio of 1.1 times. Note that, as of December

31, 2014, this debt/equity ratio is 0.86 times; equity reaches ThCh$1,897 EBITDA/Revenue is 28.26%, and the interest coverage ratio is 1.93 times, 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 December 31, 2014, it has been fully used, leaving a principal balance of US$60,000,000.00.

  Such agreement establishes that, as of December 31, 2014, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of MCh$700, and EBITDA/Operating income of no less than 10% and a minimum interest coverage ratio of 1.1 times.

  It should be noted that, as of December 31, 2014, this debt/equity ratio is 0.86 times; equity reaches ThCh$1,897; EBITDA/Operating income is 28.28%, and the interest coverage ratio is 193 times, calculated as set forth in the relevant loan agreement.

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

  Such agreement establishes that as of December 31, of each year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of MCh$700, an EBITDA/Operating Income of no less than 10% and a minimum interest coverage ratio of 1,1 times. It should be noted that as of December 31, 2014, this debt/equity ratio is 0.86 times; equity reaches ThCh$1,897; EBITDA/Operating Income is 28.28%, and the interest coverage ratio is 1.93 times, 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 December 31, 2014 it has been fully used, leaving a principal balance of US$60,000,000.00.

  Such agreement establishes that as of December 31, of each year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of MCh$700, an EBITDA/Operating Income of no less than 10% and a minimum interest coverage ratio of 1,1 times. It should be noted that as of December 31, 2014, this debt/equity ratio is 0.86 times; equity reaches ThCh$1,897; EBITDA/Operating Income is 28.28%, and the interest coverage ratio is 1.93 times, calculated as set forth in the relevant loan agreement.

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

  Such agreement establishes that as of December 31, of each year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of MCh$700. It should be noted that, as of December 31, 2014, this debt/equity ratio is 0.86 times, and equity reaches ThCh$1,897, calculated as set forth in the relevant loan agreement.

- Commercial Bank facility Agreement for Extension Projects on Lines 3 and 6, with a syndicate of international banks headed by Sumitomo Mitsui Banking, in the amount of US$250,000,000.00, without guarantees and signed on December 18, 2014. As of December 31, 2014, it has not been used.

  Such agreement establishes that as of December 31, of each year, the maximum debt/equity ratio must be equal to or less than 1.70 times with minimum equity of MCh$700. Note that, as of December 31, 2014, this debt/equity ratio is 0.86 times, and equity reaches ThCh$1,897, calculated as set forth in the relevant loan agreement.

Bonds

The detail of bonds is as follows:

The Company's domestic and foreign liabilities as of December 31, 2014

											Current			Non-current			
											Maturity		Total Current	Maturity			Total Non-current
Series	Tax. ID. No.	Name	Country	Bank Tax. ID. No.	RTB Bank and payer	Country	Currency	Nominal Rate	Effective Rate	Amortization type	Up to 90 days	90 days to 1 year	12/31/2014	1 to 3 years	3 to 5 years	Over 5 years	12/31/2014
											ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
A	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.6%	6.3%	biannual	4,094,958	1,723,898	5,818,856	12,067,280	10,343,382	63,750,584	86,161,246
B	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5,6%	5,9%	biannual	861,948	1,290,453	2,152,401	6,033,640	5,171,691	32,790,004	43,995,335
C	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.5%	5.5%	biannual	3.942.328	1,641,807	5,584,135	9,850,842	9,850,907	68,874,208	88,575,957
D	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5,5%	5,1%	biannual	4,024,490	1,641,807	5,666,297	9,850,842	8,209,034	76,351,762	94,411,638
E	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5,5%	4,9%	biannual	1,149,265	1,619,417	2,768,682	6,895,589	5,378,559	56,095,799	68,369,947
F	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.0%	biannual	1,950,659	779,858	2,730,517	4,679,150	3,119,433	39,219,882	47,018,465
G	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	4,5%	3,1%	biannual	903,612	-	903,612	6,895,589	4,597,060	65,645,246	77,137,895
H	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4,3%	4,5%	biannual	483,161	-	483,161	14,776,260	9,705,735	-	24,481,995
I	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.7%	4.8%	biannual	1,503,648	-	1,503,648	-	12,761,303	56,770,663	69,531,966
J	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.5%	4.5%	biannual	-	523,646	523,646	-	6,567,220	91,538,255	98,105,475
K	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	3.8%	4.0%	biannual	1,400,990	-	1,400,990	-	-	123,990,008	123,990,008
L	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	3,9%	3,8%	biannual	-	183,925	183,925	-	-	36,616,622	36,616,622
	61.219.000-3	Metro S.A.	Chile		Deutsche Bank	EEUU	Dólares	4.8%	4.9%	biannual	5,884,211	-	5,884,211	-	-	298,986,868	298,986,868
							Total				**26,199,270**	**9,404,811**	**35,604,081**	**71,049,192**	**75,704,324**	**1,010,629,901**	**1,157,383,417**

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

											Current			Non-current			
											Maturity		Total Current	Maturity			Total Non-current
Series	Tax. ID. No.	Name	Country	Bank Tax. ID. No.	RTB Bank and payer	Country	Currency	Nominal Rate	Effective 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$
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**

(*) RTB: Bondholders' Representative.

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.

Note that as of December 31, 2014, this debt/equity ratio is 0.86 times; equity reaches ThCh$1,897; EBITDA/Operating Income is 28.28%, and the interest coverage ratio is 1.93 times, calculated as set forth in the relevant loan agreement.

Derivative transactions

The detail of derivative transactions is as follows:
Financial liabilities as of December 31, 2014

Tax. ID. No.	Name	Country	Bank Tax. ID. No.	RTB Bank and payer	Country	Currency	Nominal Rate	Amortization type	Current – Maturity – Up to 90 days ThCh$	Current – Maturity – 90 days to 1 year ThCh$	Total Current 12/31/2014 ThCh$	Non-current – Maturity – 1 to 3 years ThCh$	Non-current – Maturity – 3 to 5 years ThCh$	Non-current – Maturity – Over 5 years ThCh$	Total Non-current 12/31/2014 ThCh$
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	1,97%	biannual	-	6,490	6,490	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2,40%	biannual	-	679	679	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2,35%	biannual	-	2,751	2,751	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2,39%	biannual	-	1,239	1,239	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2,63%	biannual	695	-	695	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.59%	biannual	-	18,075	18,075	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.63%	biannual	-	29,517	29,517	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.41%	biannual	-	29,786	29,786	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	biannual	-	4,297	4,297	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2,46%	biannual	-	735	735	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2,40%	biannual	-	706	706	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2,40%	biannua	-	1,811	1,811	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2,09%	biannual	-	393	393	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.08%	biannual	-	12,057	12,057	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2,32%	biannual	-	5,176	5,176	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.42%	biannual	-	231	231	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.38%	biannual	-	2,206	2,206	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	biannual	2,568	-	2,568	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.75%	biannual	-	1,424	1,424	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.27%	biannu	56,077	-	56,077	-	-	-	-
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	3,10%	maturity	-	6,551	6,551	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.91%	maturity	284,907	-	284,907	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1,97%	biannual	55,053	-	55,053	-	-	-	-
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	1,93%	biannual		41,468	41,468				
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	1,93%	biannual	34,443	-	34,443	-	-	-	-
						Total			433,743	165,592	599,335	-	-	-	-

Financial liabilities as of December 31, 2013

									Current			Non-current			
									Maturity		Total Current	Maturity			Total Non-current
Tax. ID. No.	Name	Country	Bank Tax. ID. No.	RTB Bank and payer	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%	biannua	-	2,857	2,857	53,147	-	-	53,147
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.40%	biannual	-	727	727	28,124	-	-	28,124
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.09%	biannual	-	19,021	19,021	251,511	-	-	251,511
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.08%	biannual	-	7,349	7,349	115,813	-	-	115,813
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.32%	biannual	-	428	428	16,649	-	-	16,649
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.42%	biannual	-	3,480	3,480	62,679	-	-	62,679
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.38%	biannual	4,052	-	4,052	41,575	-	-	41,575
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	biannual	-	1,955	1,955	107,532	-	-	107,532
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.75%	biannual	70,770		70,770	421,452	140,484	-	561,936
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.27%	biannual	-	9,803	9,803	402,039	-	-	402,039
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	3.10%	maturity	276,034	-	276,034	2,645,691	-	-	2,645,691
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.91%	maturity	53 339	-	53,339	(525,742)	-	-	(525,742)
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.97%	biannual	43 464	-	43,464	(311,379)	(51,896)	-	(363,275)
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	1.93%	biannual	-	65,416	65,416	(1,006,479)	-	-	(1,006,479)
						Total			**448,974**	**244,385**	**693,359**	**4,326,408**	**388,220**	**-**	**4,714,628**

13. OTHER NON-FINANCIAL LIABILITIES, CURRENT AND NON-CURRENT

This caption comprises the following:

Current	12/31/2014 ThCh$	12/31/2013 ThCh$
Real estate taxes	6,694,913	8,832,099
Deferred income	777,477	481,096
Guarantees received	20,097,981	163,691
Total	**27,570,371**	**9,476,886**

Non- Current	12/31/2014 ThCh$	12/31/2013 ThCh$
Deferred income (*)	3,482,216	3,495,776
Total	**3,482,216**	**3,495,776**

(*) Corresponds to long-term operational leases.

14. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Trade and other receivables:

As of December 31, 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 December 31, 2014, contributions pending capitalization reached ThCh$4,837,328 and ThCh$21,788,861 as of December 31, 2013.

Transactions:

2014

The Company received contributions from the Chilean Treasury of ThCh$189,739,260. On August 28, 2014, ThCh$52,200,000 were capitalized through the issuance and placement of 1,498,277,842 new shares.

On December 23, 2014, ThCh$154,90,793 were capitalized through the issuance and placement of 4,675,871,458 new shares.

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

2013

The Company received contributions from the Chilean Treasury of ThCh$239,088,861.

On June 25, 2013, ThCh$99,200,000 were capitalized through the issuance and placement of 2,684,709,066 new shares.

On December 23, 2013, ThCh$125,753,136 were capitalized through the issuance and placement, of 3,508,737,054 new shares.

As of December 31, 2013, contributions pending capitalization reached ThCh$21,788,861, comprising contributions received during 2013 of ThCh$19,888,861 and ThCh$1,900,000 received in prior years.

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

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

Directors' income is detailed as follows:

Directors' income	Accumulated	
	12/31/2014 ThCh$	12/31/2013 ThCh$
Air tickets and per diem	6,052	-
Fixed income	116,039	110,475
Fees	34,821	30,216
Other fees	25,341	22,948
Total	**182,253**	**163,639**

Board of Directors expenses

During 2014, travel expenses reached ThCh$4,476, whereas in the same period of 2013, there were no such expenses.

Per diem expenses during 2014 reached ThCh$1,576, 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$180,749 (ThCh$183,77 in 2013) and compensation paid to Other Managers (chef executives) amounted to ThCh$1,191,435 (ThCh$1,125,266 in 2013).

15. TRADE AND OTHER PAYABLES

This caption comprises the following:

Concept	12/31/2014 ThCh$	12/31/2013 ThCh$
Debt from purchases or services received	46,099,648	32,552,983
Accounts payable -Transantiago	7,888,299	9,924,840
Retentions	2,133,914	1,837,149
Other accounts payable	490,447	296,786
Total	**56,612,308**	**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 byentities with capital stock or debt securities of which are publicly traded or by entities that are in the process of issuing securities to be traded in public markets.

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

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

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

17. PROVISIONS FOR EMPLOYEE BENEFITS

Currents

Concept	12/31/2014 ThCh$	12/31/2013 ThCh$
Accrued vacations	3,486,648	3,209,736
Employee benefit obligations	2,242,326	1,770,132
Productivity bonus	4,688,102	4,678,974
Total	**10,417,076**	**9,658,842**

No Currents

Concept	12/31/2014 ThCh$	12/31/2013 ThCh$
Provision for dismissal	14,481,443	12,983,723
Provision for mortality	75,876	78,641
Provision for resignations	937,964	940,879
Advance of severance indemnity payments	(1,772,676)	(1,601,497)
Total	**13,722,607**	**12,401,746**

Movement in the provision for severance indemnity payments

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

Concept	ThCh$
Liabilities as of 1/1/2013	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

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

2014

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

2013

Concept	IncreaseD	Base	ecrease	Increase ThCh$	Decrease ThCh$
Discount rate (change of 0.5)	6.040%	5.540%	5.040%	12,298,781	12,500,702
Increase in salary (change of 0.5)	4.530%	4.030%	3.530%	12,426,295	12,379,600
Labor rotation (change of 25%)	1.813%	1.450%	1.088%	12,413,108	12,390,571
Mortality rate (change of 25%)	25.00%	RV-2009	-25.00%	12,373,158	12,431,071

Projection of the actuarial calculation for the following year:

The projected calculation for the following year amounts to ThCh$14,386,111.

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 December 31, 2014 and ThCh$58,000 as of December 31, 2013.

Actuarial revaluation of obligations:

The company revalued of its obligations as of December 31, 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$604,538 (ThCh$529,538 in 2013) and a loss due to experience of ThCh$485,900 (ThCh$46,828 in 2013).

Concept	12/31/2014 (ThCh$)	12/31/2013 (ThCh$)
Revaluation of demographical parameters	-	184,875
Revaluation of financial parameters	(604,538)	(529,538)
Revaluation due to experience	(485,900)	(46,828)
Total deviation for the period	(1,090,438)	(391,491)
Summary		
Due to hypotheses	(604,538)	(344,663)
Due to experience	(485,900)	(46,828)
Total deviation for the period	(1,090,438)	(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

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 constantratios 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
12/31/2014	1.6300

4. Termination

The estimated maximum average termination ages are:

Gender	Age
Women	62 age
Men	68 age

18. INCOME TAXES

The Company had a negative first category (corporate) tax base of ThCh$655,225,735 as of December 2014, and ThCh$505,486,914 as of December 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 recognize there deferred tax assets, therefore these have been recognized up to the amount of deferred tax liabilities (1).

Temporary difference	Tax assets		Tax liabilities	
	12/31/2014 (ThCh$)	12/31/2013 (ThCh$)	12/31/2014 (ThCh$)	12/31/2013 (ThCh$)
Allow ance for doubtful accounts	314,861	185,427	-	-
Anticipated income	1,150,117	795,374	-	-
Accrued vacations	941,395	641,947	-	-
Severance indemnity payments	1,724,195	898,066	-	-
Allow ance for law suits	77,220	237,430	-	-
Allow ance for maintenance	489,972	276,603	-	-
Provision for employee benefits	605,428	354,026	-	-
Allow ance for spare parts	611,277	452,798	-	-
Irrecoverable value-added tax on loan for extensions	-	-	30,295,259	59,200,236
Capitalized expenses	-	-	12,280,168	15,347,016
Property, plant and equipment	35,976,674	55,455,567	-	-
Tax loss	176,910,948	101,097,383	-	-
Other events	1,387,982	500,150	-	-
Subtotal	**220,190,069**	**160,894,771**	**42,575,427**	**74,547,252**
Net deferred tax assets	177,614,642	86,347,519	-	-
Reduction of deferred tax assets (1)	(177,614,642)	(86,347,519)	-	-
Deferred tax, net	-	-	-	-

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

19. PROVISIONS, CONTINGENCIES AND GUARANTEES

As of December 31, 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	12/31/2014 (ThCh$)	12/31/2013 (ThCh$)
Civil - compensation for damages	168,800	258,800
Civil- legal invalidity	-	700,000
Civil -others	50,000	4,000
Work related	37,200	203,150
Other (resources - presentations - etc.)	30,000	21,200
Total	**286,000**	**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 areasonable payment schedule.

Movements of provisions are detailed as follows:

Concept	Amount (ThCh$)
Balance as of 1/1/2013	1,095,003
Accrued provisions	582,200
Reversal of provisions	(490,053)
Balance as of 12/31/2013 1	,187,150
Accrued provisions	575,786
Reversal of provisions	(1,476,936)
Balance as of 12/31/2014	286,000

Direct guarantees

The guarantees granted by the Company are in UF, US dollars and pesos, expressed in thousands of Chilean pesos as of December 31, 2014, are detailed as follows.

Type of guarantee	No. of guarantee	Issuing entity	Currency	Amount	Beneficiary	Issue Date	Maturity Date	Status	Parity ThCh$
□□te	23461	Banco Santander	UF	1,000	Subsecretaría de Transportes	09-24-2014	10-02-2015	Effective	24,627
□□te	23462	Banco Santander	UF	5,000	Subsecretaría de Transportes	09-24-2014	10-02-2015	Effective	123,136
□□te	23471	Banco Santander	UF	5,000	Subsecretaría de Transportes	09-24-2014	10-02-2015	Effective	123,136
□□te	23470	Banco Santander	UF	5,000	Subsecretaría de Transportes	09-24-2014	10-02-2015	Effective	123,136
□□te	23469	Banco Santander	UF	5,000	Subsecretaría de Transportes	09-24-2014	10-02-2015	Effective	123,136
□□te	23468	Banco Santander	UF	5,000	Subsecretaría de Transportes	09-24-2014	10-02-2015	Effective	123,136
□□te	23467	Banco Santander	UF	5,000	Subsecretaría de Transportes	09-24-2014	10-02-2015	Effective	123,136
□□te	23466	Banco Santander	UF	5,000	Subsecretaría de Transportes	09-24-2014	10-02-2015	Effective	123,136
□□te	23465	Banco Santander	UF	5,000	Subsecretaría de Transportes	09-24-2014	10-02-2015	Effective	123,136
□□te	23464	Banco Santander	UF	5,000	Subsecretaría de Transportes	09-24-2014	10-02-2015	Effective	123,136
□□te	23463	Banco Santander	UF	5,000	Subsecretaría de Transportes	09-24-2014	10-02-2015	Effective	123,136
□□te	287557	Banco Santander	UF	820	Aguas Andina S.A.	11-07-2013	02-17-2015	Effective	20,194
□□te	292112	Banco Santander	UF	150	Constructora San Francisco	01-03-2014	12-31-2015	Effective	3,694
□□te	485245	Banco BCI	CLP	136,000,000	Junaeb	08-05-2014	03-31-2015	Effective	136,000
□□te	485246	Banco BCI	CLP	136,000,000	Junaeb	08-05-2014	03-31-2016	Effective	136,000
□□te	486643	Banco BCI	CLP	136,000,000	Junaeb	08-05-2014	03-31-2017	Effective	136,000
□□te	96584	Banco BBVA	USD	1,000,000	Enor Chile S.A.	06-10-2014	06-30-2017	Effective	606,750
Stand By	SBLC10187	Multibank	USD	24,930	Metro Panamá	05-20-2014	12-31-2015	Effective	15,126

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 December 23, 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$154,490,793, at nominal value through the issuance of 4,675,871,458 Series A shares subscribed and fully-paid by the Government and Corfo, in proportion to their interests and social participation.

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

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

- Increase the issued and 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

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

As of December 31, 2013, the capital of the Company 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 to the Government

Series A shares correspond to the initial capital and capital increases that are subscribed andw w1paid by the Government and Corfo and cannot be disposed of. Series B shares correspond to capital increases that could allow the incorporation of other shareholders.

Shareholders are detailed as follows:

Shareholdersv	12/31/2014		12/31/2013	
	Number of shaes and pecentages			
	Subscribed and paid shares	Ownership %	Subscribed and paid shares	Ownership %
Corporación de Fomento de la Producción (Corfo)	35,878,695,886	62.75%	31,446,308,704	61.66%
State Treasury (Fisco)	21,297,508,806	37.25%	19,555,746,688	38.34%
Corporación de Fomento de la Producción (Corfo)	**57,176,204,692**	-	**51,002,055,392**	-
Series A	23,775,224,580	-	19,342,837,398	-
Series B	12,103,471,306	-	12,103,471,306	-
Total	**35,878,695,886**	-	**31,446,308,704**	-
State Treasury (Fisco)				
Series A	14,237,303,049	-	12,495,540,931	-
Series B	7,060,205,757	-	7,060,205,757	-
Total	**21,297,508,806**	-	**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 December 31, 2014 and 2013, these are detailed as follows:

Subsidiaries	Percentage Non-controlling interest		Non-controlling interest Equify		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	12/31/2014 ThCh$	12/31/2013 ThCh$
Price-level adjustment of paid-in capital	30,336,337	30,336,337
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 December 31, 2014 and 2013 are detailed as follows:

Revenue	Accumulated	
	1/1/2014 12/31/2014	1/1/2013 12/31/2013
Revenues from passenger transportation services	223,723,300	206,056,662
Sales channel income	36,771,646	24,908,055
Lease of commercial stores, spaces and advertising	12,341,618	12,196,674
Lease in intermodal terminals	1,960,514	1,832,440
Other income	6,492,758	5,186,624
Total	**281,289, 836**	**250,180,455**

Other income:

Other income for the periods ended December 31, 2014 and 2013 is detailed as follows:

Other income	Accumulated	
	1/1/2014 12/31/2014 ThCh$	1/1/2013 12/31/2013 ThCh$
Income from f ines and indemnities	7,436,242	836,947
Welfare income	334,712	320,177
Sale of proposals	71,314	100,995
Other income	1,066,840	980,031
Total	**8,909,108**	**2,238,150**

Expenses by nature:

Cost of sales, administrative expenses and other expenses by function for the periods ended December 31, 2014 and 2013 are detailed as follows:

Expenses by nature	Accumulated	
	1/1/2014 12/31/2014 ThCh$	1/1/2013 12/31/2013 ThCh$
Purchase of energy	64,204,457	61,144,965
Personnel expenses	48,348,069	38,636,591
Maintenance and operating expenses	44,288,038	30,275,190
Depreciation and amortization	53,435,958	39,798,465
General expenses and others	74,366,587	73,548,394
Total	**284,643,109**	**243,403,605**

Personnel expenses:

Personnel expenses for the periods ended December 31, 2014 and 2013 are detailed as follows:

Personnel expenses	Accumulated	
	1/1/2014 12/31/2014 ThCh$	1/1/2013 12/31/2013 ThCh$
Wages and salaries	42,962,957	40,090,653
Other benef its	17,213,454	17,560,689
Expenses on social and collective benef its	2,187,629	1,857,506
Social security contribution	1,840,417	1,636,117
Total	**64,204,457**	**61,144,965**

Maintenance and operating expenses:

For the periods ended December 31, 2014 and 2013, the breakdown for this line item is detailed as follows:

Maintenance and operating expenses	Accumulated	
	1/1/2014 12/31/2014 ThCh$T	1/1/2013 12/31/2013 hCh$
Maintenance of rolling stock, stations and others	35,826,706	28,014,502
Spare parts	9,026,899	7,037,662
Repair, leases and others	3,494,464	3,584,427
Total	**48,348,069**	**38,636,591**

Depreciation and amortization:

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

Depreciation and amortization	Accumulated	
	1/1/2014 12/31/2014 ThCh$	1/1/2013 12/31/2013
Depreciation	73,716,359	73,045,662
Amortization	650,228	502,732
Total	**74,366,587**	**73,548,394**

General and other expenses:

For the periods ended December 31, 2014 and 2013, general and other expenses are detailed as follows:

General expenses and others	Accumulated	
	1/1/2014 12/31/2014 ThCh$	1/1/2013 12/31/2013 ThCh$
Service contracts	18,515,806	14,899,970
Complementary transportation expenses	-	3,837,275
Property taxes	1,385,831	1,010,873
Corporate image expenses	1,740,789	1,330,443
Sales channel operator expenses	19,938,656	14,164,932
Insurance, materials and others	11,854,876	4,554,972
Total	**53,435,958**	**39,798,465**

Financial result and exchange differences:

The Company's financial result and exchange differences for the periods ended December 31, 2014 and 2013 are detailed as follows:

Financial result	Accumulated	
	1/1/2014 12/31/2014 ThCh$	1/1/2013 12/31/2013 ThCh$
Finance income	7,089,389	5,821,784
Interest on cash and other cash equivalents	3,054,537	3,052,900
Finance income from swaps 3	199,142	161,366
Other finance income	10,343,068	9,036,050
Subtotal		
Financial expenses		
Interest and expenses on bank loans	(8,966,973)	(9,949,389
Interest and expenses on bonds	(40,501,302)	(39,386,565)
Other financial expenses	(668,839)	(695,892)
Prof it (loss) Financial Result	(50,137,114)	(50,031,846)
	(39,794,046)	(40,995,796)

Foreign currency translation and index -adjusted unit difference	Accumulated	
	1/1/2014 12/31/2014 ThCh$	1/1/2013 12/31/2013 ThCh$
Foreign currency translation difference	(57,761,318)	(27,113,161)
Prof it (loss) on foreign currency translation	(57,761,318)	(27,113,161)
(foreign loans and investments)		
Index-adjusted unit	(46,824,131)	(16,825,205)
Prof it (loss) on index-adjusted unit (bonds)		
Total index-adjusted unit	(46,824,131)	(16,825,205)

Other profit (losses):

Other profit (losses) of the Company for the periods ended December 31, 2014 and 2013 is comprised of the following:

Other prof it (loss)	Accumulated	
	1/1/2014 12/31/2014 ThCh$T	1/1/2013 12/31/2013 hCh$
Net present value sw aps US$	22,513,000	18,914,504
Net present value sw aps UF	(13,739,597)	(15,923,215)
Total	**8,773,403**	**2,991,289**

Other comprehensive income:

For the periods ended December 31, 2014 and 2013, other comprehensive income is comprised of the following:

Other comprehensive income	Accumulated	
	1/1/2014 12/31/2014 ThCh$	1/1/2013 12/31/2013 ThCh$
Actuarial prof it (loss) on def ined benef it plans	(1,090,438)	(391,491)
Total	**(1,090,438)**	**(391,491)**

22. THIRD-PARTY GUARANTEES

Guarantees received as of period closing are detailed as follows:casos fortuitos o de fuerza mayor, entre otros.

Grantor	Guarantee amount ThCh$	Operation Originating	Relationship
Alstom Chile S.A.	91,337,076	Service contract	Supplier
Alstom Transport S.A.	50,683,323	Service contract	Supplier
Alstom Transporte, S.A.	29,935,289	Service contract	Supplier
Abengoa Chile S.A.	61,805,668	Service contract	Supplier
Acciona Infraestructura S.A.	1,954,917	Seriousness/offer	Supplier
Balfour Beatty Chile S.A.	3,312,583	Works and services contract	Supplier
Bitelco Diebold Chile	3,097,911	Service contract	Supplier
Consorcio Constructor Linea 3	11,736,110	Supply contract	Supplier
Constructora Con Pax S.A.	7,557,530	Service contract	Supplier
Consorcio Acciona -Brotec Icafa	13,436,775	Works contract	Supplier
Consorcio El-Ossa S.A.	26,078,385	Works contract	Supplier
CAF Chile S.A.	142,654,481	Service contract	Supplier
Clas. Ingenieria Electrica E I	3,257,339	Service contract	Supplier
Cons.Constr.Piq.yTuneles Lin	4,469,607	Works contract	Supplier
Construct.Jose Fernando Canale	4,870,846	Works contract	Supplier
Const.y Auxiliar de Ferrocarriles	80,504,368	Service contract	Supplier
Cruz y Davila Ing-Consultores	2,045,839	Service contract	Supplier
ETF	22,428,074	Service contract	Supplier
Esert Serv.Integrales	2,122,708	Works contract	Supplier
Empresa Constructora Metro 6 L	96,473,250	Service contract	Supplier
Eulen Seguridad S.A.	2,993,523	Supply doors	Supplier
Faiveley Transport Far East Li	5,846,761	Seriousness/offer	Supplier
Ferrovial Agroman Chile S.A.	13,041,939	Works contract	Supplier
GPMG Ingeniería y Construcción	2,241,137	Service contract	Supplier
Inabensa S.A.	3,640,500	Service contract	Supplier
Indra Sistemas Chile S.A.	33,480,469	Service contract	Supplier
ISS Servicios Integrales LIMIT	3,208,213	Works contract	Supplier
Ingen. Maquinaria y Construcción	4,529,789	Service contract	Supplier
SGS Chile Ltda. Soc.de Contro	3,644,590	Works contract	Supplier
Soc.de Mant.e Instalac.Tecnicas	2,853,047	Service contract	Supplier
Obrascon Huarte Lain S.A Agenc.	39,672,909	Supply contract	Supplier
Sice Agencia Chile	13,986,064	Service contract	Supplier
Soler y Palau SA de CV	4,163,771	Service contract	Supplier
Thyssenkrupp Elevadores S.A.	16,631,327	Service contract	Supplier
Thales Comunications & Segurity	2,636,315	Service contract	Supplier
Thales Canada Inc.	16,447,181	Works and services contracts	Supplier
Otros	50,097,264		Supplier
Total	878,876,878		

23. RISK MANAGEMENT POLICIES

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

23.1 Description of the market in which the Company operates

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

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

Rates

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

On December 14, 2012 a new transportation agreement was signed by the Company with the Ministry of Transportation and Telecommunications of Chile to replace the aforementioned Exhibit 1, which established a flat-rate technical tariff of Ch$302.06 per confirmed transported passenger, taking 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 December 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$349.25 per passenger.

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

Demand (unaudited)

To date, the Company is the structuring pillar of the Integrated System of Public Passengers Transportation (Transantiago) and during the period from January to December 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 with the level of economic activity in Chile, level of use and quality of the ground passenger transportation service (buses). In fact, the demand for passenger transportation is derived from the rest of the 64 economic activities. During the period from January to December 2014, we noted an increase of only 774 thousand trips, in comparison to the same date in 2013, which is explained mainly by a decrease in affluence during August and November, of 3.8% and 5.0%, respectively, due to a lower amount of business days, a greater number of holidays, and a decreased level of economic activity in Chile compared with 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 longterm cost structure (CPI, US dollar, euro, price of power and electric energy). This allows for a natural hedge in case of cost variations due to an increase in certain variables that compose the polynomial.

To reduce the Company's exposure to financial debt denominated in US dollars and to interest rate changes, the Company has a financial risks economic hedge policy. In the framework of this policy, the Company performed derivative transactions (cross currency swap ("CCS")) of MUS$138 as of December 31, 2014, and 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 a demand of 7.6 times the placement amount.
Particularly, the Company is exposed to two market risks, which are: interest rate risk and foreign currency 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 December 2014, the share of the debt at a variable rate has decreased a 5.9% 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	12/31/2014 %	12/31/2013 %
Fixed rate	89.5	83.6
Variable rate	10.5	16.4
Total	100.0	100.0

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

Sensitivity analysis	Equivalent in MUS$	Total $
Total debt (equivalent to MUS$)	**2,431**	**100%**
Debt at LIBOR rate	306	
IRS	88	
CCS	(138)	
Total variable LIBOR rate debt	**256**	**11%**
Total fixed rate debt	**2,175**	**89%**

Variation in financial expenses	Equivalent in MUS$
Impact on financial expenses of a variation of 100 basis points in LIBOR	**2,6**

Exchange rate risk and inflation

The Company has obligations with financial institutions and has issued bonds in foreignmarkets, agreed in foreign currencies, to finance the extensions in the Metro network. To minimize exchange currency risks, the Company has contracted cross currency swap (CCS) financial derivatives, which amount to ThUS$138 as of December 31, 2014.

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

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

Financial debt structure	12/31/2014 Eq. in MUS$	%	12/31/2013 Eq. in MUS$	%
Debt UF	1,570	65%	1,769	78%
Debt US$	861	35%	490	22%
Total financial debt	**2,431**	**100%**	**2,259**	**100%**

The structure of the financial debt as of December 31, 2014, is mainly denominated in UF (65%) and in US dollars (35%).

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

When we analyze the sensitivity of the comprehensive income statement as of December 31, 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$34,873,182 would be generated.

Sensitivity analysis **Effect on profit or loss as of December 2014**	**10% depreciation** **ThCh$**	**10% appreciation** **ThCh$**
Impact on prof it or loss of 10% in the Ch$/US$ exchange rate	**(34,873,182)**	**34,873,182**

Liquidity risk

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

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

	Up to 1 year **ThCh$**	**1 to 3 years** **ThCh$**	**3 to 5 years** **ThCh$**	**Over 5 years** **ThCh$**	**Total** **ThCh$**
Capital	72,146,123	271,784,181	105,059,807	1,026,831,725	1,475,821,836
Interest	61,710,836	171,421,130	103,849,986	260,556,580	597,538,532
Total	**133,856,959**	**443,205,311**	**208,909,793**	**1,287,388,305**	**2,073,360,368**

Financial liability structure

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

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

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 December 31, 2014 is detailed as follows:

	Carrying amount ThCh$	Market value ThCh$
Loans	303,506,546	307,469,496
Bonds	1,192,987,498	1,310,412,560

Credit risk

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

Accounts receivables

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

The maximum exposure to credit risk arises from commercial debtors.

Trade and other receivables	Balance as of	
	12/31/2014 ThCh$	12/31/2013 ThCh$
Trade receivables, gross	5,897,784	4,759,813
Impairment of trade receivables	(1,166,150)	(927,135)
Trade receivables, net	**4,731,634**	**3,832,678**
Sales channel accounts receivable, net	4,132,497	5,258,068
Other account receivable, net	1,417,489	1,337,153
Total trade and other receivables	**10,281,620**	**10,427,899**

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

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

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

Aging of trade receivables, net	Balance as of 12/31/2014 ThCh$	Balance as of 12/31/2013 ThCh$
Less than 3 months	2,910,760	2,500,164
From 3 months to 1 year	803,453	973,483
Over 1 years	1,017,421	359,031
Total	**4,731,634**	**3,832,678**

Aging of sales channel accounts receivable, net	Balance as of 12/31/2014 ThCh$	Balance as of 12/31/2013 ThCh$
Less than 3 months	4,131,933	5,256,774
From 3 months to 1 year	564	1,294
Total	**4,132,497**	**5,258,068**

Aging of other account receivable, net	Balance as of 12/31/2014 ThCh$	Balance as of 12/31/2013 ThCh$
Less than 3 months	365,784	1,256,181
From 3 months to 1 year	1,051,705	80,972
Total	**1,417,489**	**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 December 31, 2014 and December 31, 2013, this caption comprises the following.

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

Financial assets	12/31/2013			
	Up to 1 year ThCh$	1 to 5 years ThCh$	Over 5 years ThCh$	Total ThCh$
Cash and cash equivalents	1,992,011	-	-	1,992,011
Cash	113,025,451	-	-	113,025,451
Term deposits	9,260,383	-	-	9,260,383
Reverse repurchase agreements	5,001,255	-	-	5,001,255
Subtotal	**129,279,100**	-	-	**129,279,100**
Other financial assets				
Financial investments	68,347,854	-	-	68,347,854
Derivative transactions	776,236	4,329,685	1,298,906	6,404,827
Finance lease agreements	27,132	182,216	1,344,700	1,554,048
Promissory notes receivables	-	359,408	-	359,408
Other receivables	-	1,515	-	1,515
Subtotal	**69,151,222**	**4,872,824**	**2,643,606**	**76,667,652**
Total	**198,430,322**	**4,872,824**	**2,643,606**	**205,946,752**

The average period of maturity of financial investments as of December 31, 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.Metro S.A. al 31 de diciembre de 2014.

23.3 Capital risk management

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

Through the Extraordinary Shareholders' Meeting the Company year after year capitalizes Government contributions and capital associated to the financing of its expansion projects. The Company follows up on the capital structure through debt and equity ratios, which are detailed below:

Index	12/31/2014	12/31/2013
Leverage	0.86	0.72
Equity (MCh$)	1,896,866	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).

24. ENVIRONMENT

Disbursements related to improvements and/or investments that directly or indirectly affect protection of the environment, for the periods ended as of December 31, 2014 and 2013 are detailed as follows:

Concept	Allocated to expenses	
	12/31/2014 ThCh$	12/31/2013 ThCh$
Noise and vibrations	41,326	34,100
Waste treatment	33,369	38,886
Run-of f w ater	106,984	102,438
Environmental management	7,782	186,181
Monitoring of polluting parameters	8,008	-
Total	**197,469**	**361,605**

Concept	Allocated to expenses	
	12/31/2014 ThCh$	12/31/2013 ThCh$
Noise and vibrations	175,790	8,709
Waste treatment	50,294	45,791
Environmental management	105,856,602	-
Total	**106,082,686**	**54,500**

An amount of ThCh$2,977,973 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 January 1 and March 9, 2015, there have been no subsequent events that would affect the Company's financial situation and results.