April 25, 2013

IN THE FIRST QUARTER OF 2013, E.CL REPORTED NET INCOME OF US$16.6 MILLION AND EBITDA OF US$66.8 MILLION, A 67% INCREASE COMPARED TO THE FOURTH QUARTER OF 2012.

THE INCREASE IN EBITDA IS EXPLAINED BY THE RECOVERY OF THE EMEL CONTRACT MARGIN DUE TO LOWER FUEL COSTS AND AN INCREASE IN THE PPA TARIFF APPLICABLE SINCE MARCH. THIS OFFSET A 3% DECREASE IN PHYSICAL SALES, TYPICALLY OBSERVED IN THE FIRST QUARTER OF EACH YEAR. BEGINNING 2013, CTH IS BEING 100% CONSOLIDATED INTO E.CL'S FINANCIAL STATEMENTS, WHEREAS PREVIOUSLY IT HAD BEEN CONSOLIDATED AT 60%, IN PROPORTION TO E.CL'S EQUITY INTEREST IN THE COMPANY.

- **Operating revenues** amounted to US$285.8 million, a 7% decrease compared to the same quarter of 2012, due mainly to lower average realized monomic tariffs for both regulated and unregulated clients.

- **Operating income** reached US$31 million in the first quarter.

- **First quarter EBITDA** was US$66.8 million, with an EBITDA margin of 23%. While this represented a 24% decrease compared to the same quarter of the previous year, it accounted for a 67% improvement when compared to the immediately preceding quarter.

- **Net income** amounted to US$16.6 million in the first quarter, a decrease compared to the first quarter of 2012, but an improvement with respect to the last quarter of 2012 despite non-recurring income reported in 4Q12.

- **Inversiones Hornitos ("CTH") began to be 100% consolidated in E.CL's financial statements** per the new IFRS 10 norm, effective in Chile beginning January 1, 2013. According to this norm, our management considers that E.CL has control over its 60%-owned subsidiary, CTH; hence, the previously applied proportional consolidation has been replaced with full consolidation. To permit the consistent comparison of financial statements, we have adjusted previous period figures as if CTH had been fully consolidated.

Financial Highlights
(in US$ millions)

US$ millions	1Q12	1Q13	Var %
Total operating revenues	305.7	285.1	*-7%*
Operating income	54.3	31.0	*-43%*
EBITDA	88.0	66.8	*-24%*
EBITDA margin	28.8%	23.4%	*-19%*
Non recurring earning	-	-	*n.a.*
EBITDA without non recurring earnings	88.0	66.8	*-24%*
Total non-operating results	(4.7)	(8.2)	*75%*
Net income after tax	42.0	17.9	*-57%*
Net income attributed to controlling shareholders	40.1	16.6	*-59%*
Net income attributed to minority shareholders	1.9	1.2	*-35%*
Earnings per share	0.04	0.02	*-57%*
Total energy sales (GWh)	2,339	2,406	*3%*
Total net generation (GWh)	2,084	2,096	*1%*
Energy purchases on the spot market (GWh)	378	369	*-2%*

E.CL is engaged in the generation, transmission and supply of electricity and the distribution and transportation of natural gas in the north of Chile. E.CL is the fourth largest electricity generation company in Chile and the largest electricity generation company in the SING, Chile's second largest power grid. As of December 31, 2012, E.CL accounted for 47% of the SING's installed capacity. E.CL primarily supplies electricity to large mining and industrial customers. In January 2012, E.CL began supplying the entire electricity needs of EMEL, the sole electricity distribution group in the SING. E.CL is currently 52.77% indirectly owned by GDF Suez. The remaining 47.23% of E.CL's shares are publicly traded on the Santiago stock exchange following Codelco's sale of its 40% shareholding interest on January 28, 2011. For more information, please refer to www.e-cl.cl.

HIGHLIGHTS:

- **1Q2013**

  - **Dividend payments:** The Annual Ordinary Shareholders' Meeting held on April 23, 2013, approved a dividend payment on account of 100% of 2012's net income in the amount of US$ 0.0533351281 per share. The total amount is US$56,178,411.82 and will be paid on May 16, 2013.

  - **Codelco arbitration:** On March 26, 2013, E.CL's board of directors became aware of an arbitration proceeding initiated by Codelco against E.CL referred to a PPA signed on November 6, 2009, whereby Codelco asks the arbitration tribunal to order E.CL to re-calculate the tariffs charged from January 1, 2010 through September 30, 2012. According to Codelco this would presumably result in a US$42.8 million plus interest credit in its favor. E.CL is convinced that the proceeding has no grounds and that it will consequently be rejected.

  - **CTA and CTH plant outages:** On January 8, 2013, E.CL posted material public information with the SVS *(Superintendencia de Valores y Seguros)* indicating that on January 5 it became aware of water leakages at the civil works of the cooling systems of its CTA and CTH plants. To avoid further damage and to begin repair works, both units were taken out of service. The economic impact and potential responsibility of contractors are under evaluation.

    On January 25, 2013, E.CL posted updated material information informing about CTH's return to service given the completion of provisional repair works in the unit's cooling system. It also informed about the expected return to service of CTA, which was in effect synchronized on January 28, 2013. Both units have been operating normally since then.

INDUSTRY OVERVIEW

The company operates on the SING Grid (Sistema Interconectado del Norte Grande or '*Northern Grid*'), Chile's second largest power grid, which serves the country's north and a major portion of its mining industry. Given local conditions, it is a thermoelectric system, with generation based on coal, natural gas, LNG, and diesel and fuel oil.

During the 1Q13 the SING's monthly marginal costs averaged US$77.9/MWh, slightly above US$76.6/MWh recorded in the first quarter of the year before, due to the 20-day unavailability of CTA and CTH. The 1Q13 average stood slightly below the 4Q12's US$78.4/MWh average, which reflected increased demand and lower availability of cost-efficient generation in part due to the CTH outage. In January 2013, marginal costs averaged US$99.2/MWh, a 53% increase compared to the same month of the prior year. In February, marginal costs were US$68.8/MWh, representing a 22% reduction compared to the same month in 2012 and a 31% decrease compared to January. Finally, in March, marginal costs averaged US$64.7/MWh, a 16.6% drop from the same month the year before and a 6% drop from the previous month. Please note that the marginal costs provided above do not include the adjustments for the RM 39 mechanism.

The following table provides a breakdown of generation in the SING by fuel type:

Generation by Fuel Type (in GWh)

Fuel Type	1Q 2012 GWh	1Q 2012 % of total	2Q 2012 GWh	2Q 2012 % of total	3Q 2012 GWh	3Q 2012 % of total	4Q 2012 GWh	4Q 2012 % of total	1Q 2013 GWh	1Q 2013 % of total
Hydro	25	*1%*	19	*0%*	18	*0%*	20	*0%*	21	*0%*
Coal	3,538	*86%*	3,285	*78%*	3,443	*83%*	3,634	*84%*	3,497	*82%*
Argentine Gas (AES Gener)	-	-	-	-	-	-	-	-	-	-
LNG	486	*12%*	683	*16%*	627	*15%*	489	*11%*	451	*11%*
Diesel / Fuel oil	76	*2%*	204	*5%*	38	*1%*	146	*3%*	251	*6%*
Solar/ cogeneration	-		-		-		25	*1%*	28	*1%*
Total gross generation SING	**4,124**	***100%***	**4,190**	***100%***	**4,127**	***100%***	**4,314**	***100%***	**4,248**	***100%***

Source: CDEC-SING

The SING's electricity production broken down by company is as follows:

Generation by Company (in GWh)

Company	1Q 2012 GWh	1Q 2012 % of total	2Q 2012 GWh	2Q 2012 % of total	3Q 2012 GWh	3Q 2012 % of total	4Q 2012 GWh	4Q 2012 % of total	1Q 2013 GWh	1Q 2013 % of total
AES Gener (Arg. Gas)	-	-	-	-	-	-	-	-	-	-
Norgener / Angamos	1,357	*33%*	1,178	*28%*	1,358	*33%*	1,609	*37%*	1,524	*36%*
Celta	248	*6%*	103	*2%*	269	*7%*	232	*5%*	265	*6%*
GasAtacama	247	*6%*	250	*6%*	140	*3%*	139	*3%*	156	*4%*
E.CL (with 100% of CTH)	2,261	*55%*	2,642	*63%*	2,349	*57%*	2,298	*53%*	2,260	*53%*
Other	11	*0%*	16	*0%*	10	*0%*	37	*1%*	42	*1%*
Total gross generation SING	**4,124**	***100%***	**4,190**	***100%***	**4,127**	***100%***	**4,314**	***100%***	**4,248**	***100%***

Source: CDEC-SING

During the first quarter of 2013, E.CL reported a slight decrease in electricity generation, although it remained as the industry leader, accounting for 55% of the system's generation. In the first quarter, E.CL reported planned outages for plant maintenance and works related to environmental CAPEX, as well as a 20-day outage of CTA and CTH in January to correct the water leakages detected in its cooling system pipes.

A reduction in copper production normally observed in the first quarter of each year explains the decrease in demand and electricity generation in the SING in 1Q13. This compares with the increase in demand recorded in the fourth quarter due to the normal increase in copper production towards the end of each year.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

*The following discussion is based on our unaudited consolidated financial statements for the first quarter of 2013, which have been prepared in U.S. dollars in accordance with IFRS, and which should be read in conjunction with the financial statements and the notes thereto published by the Superintendencia de Valores y Seguros (*www.svs.cl*).*

For the purposes of permitting a comparison on a consistent basis, the numbers corresponding to previous quarters have been adjusted to reflect 100% consolidation of Inversiones Hornitos ("CTH").

Results of Operations

1Q 2013 compared to 1Q 2012 and 4Q 2012

Operating Revenues

Quarterly Information

(In US$ millions, except for volumes and percentages)

	1Q 2012		4Q 2012		1Q 2013		% Variation	
Operating Revenues	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Unregulated customers sales…………………..	226.9	*79%*	229.6	*85%*	222.8	*84%*	***-3%***	***-2%***
Regulated customers sales…………………….	46.8	*16%*	39.1	*14%*	41.4	*16%*	***6%***	***-12%***
Spot market sales………………………………..	14.7	*5%*	3.0	*1%*	2.4	*1%*	***-20%***	***-84%***
Total revenues from energy and capacity sales……………………………	**288.4**	*94%*	**271.7**	*89%*	**266.5**	*93%*	***-2%***	***-8%***
Gas distribution sales…………………………..	1.0	*0%*	0.4	*0%*	0.4	*0%*	***14%***	***-53%***
Other operating revenue……………………….	16.3	*5%*	31.8	*10%*	18.1	*6%*	***-43%***	***11%***
Total operating revenues………………….	**305.7**	*100%*	**303.9**	*100%*	**285.1**	*100%*	***-6%***	***-7%***
Physical Data (in GWh)								
Sales of energy to unregulated customers [1]……	1,805	*77%*	1,997	*81%*	1,930	*80%*	***-3%***	***7%***
Sales of energy regulated customers……	417	*18%*	442	*18%*	444	*18%*	***0%***	***n.a***
Sales of energy to the spot market……………	116	*5%*	42	*2%*	33	*1%*	***-22%***	***-72%***
Total energy sales………………………….	**2,339**	*100%*	**2,481**	*100%*	**2,406**	*100%*	***-3%***	***3%***
Average monomic price unregulated customers(U.S.$/MWh)[2]……	**125.7**		**114.1**		**114.7**		***1%***	***-9%***
Average monomic price regulates customers (U.S.$/MWh)[3]	**112**		**88.3**		**93.1**		***5%***	***-17%***

(1) Includes 100% of CTH sales.

(2) Calculated as the quotient between unregulated and spot revenues from energy and capacity sales and unregulated and spot physical energy sales.

(3) Calculated as the quotient between regulated revenues from energy and capacity sales and regulated physical energy sales.

Electricity sales reached US$266.5 million, a 2% decrease compared to the previous quarter because of the normally observed decrease in physical sales to unregulated clients in the first quarter of each year. The 8% decrease in electricity sales when compared to the first quarter of last year is explained by lower tariffs for both regulated and unregulated clients.

Sales to unregulated clients amounted to US$222.8 million, a 3% decrease compared to the previous quarter mainly due to the decrease in physical sales resulting from the typically lower demand from mining companies such as Chuquicamata, Cerro Colorado, Zaldívar and El Abra in the first quarter of each year. The average realized monomic tariff for unregulated clients remained unchanged. When compared to the first quarter of last year, physical sales increased 7%, but tariffs dropped 17% due to the heavier relative weight of coal in the tariff indexation polynomials for unregulated clients.

Sales to distribution companies, or regulated clients, amounted to US$41.4 million, an increase compared to the immediately preceding quarter, due to a 5% increase in the average monomic tariff. The tariff for regulated clients increased by approximately US$8/MWh in March due to a greater-than 10% increase in the applicable Henry Hub index. Physical sales to regulated clients increased slightly due to the gradual demand increase normally observed in the electricity distribution industry.

Physical sales to the spot market decreased compared to the previous quarter and to the same quarter of 2012; however, they remained insignificant given E.CL's highly contracted position. It is the level of net spot sales or purchases which is more relevant at the time of analyzing the company's financial performance. In the first quarter of 2013, E.CL reported net spot purchases of approximately 336 GWh partly explained by the CTA and CTH outage. The spot market sales item also includes the retroactive annual firm capacity price and monthly energy adjustment payments per the reliquidations made by the SING dispatch center (CDEC-SING).

Other operating revenues include transmission tolls, port services, transmission line services and fuel sold to other generators. It should be noted that in the fourth quarter of 2012, other operating revenues include US$9.8 million in income corresponding to insurance compensations, US$7 million of which cover business interruption losses on the CTH outage.

Operating Costs

Quarterly Information
(In US$ millions, except for volumes and percentages)

	1Q 2012		4Q 2012		1Q 2013		% Variation	
Operating Costs	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Fuel and lubricants………………………………	(108.7)	*45%*	(118.0)	*42%*	(113.5)	*47%*	***-4%***	***4%***
Energy and capacity purchases on the spot market…………………………………………..	(39.5)	*16%*	(58.0)	*21%*	(35.9)	*15%*	***-38%***	***-9%***
Depreciation and amortization attributable to cost of goods sold…………………………….	(33.5)	*14%*	(35.7)	*13%*	(35.5)	*15%*	***0%***	***6%***
Other costs of goods sold…………………….	(57.9)	*24%*	(67.2)	*24%*	(58.1)	*24%*	***-14%***	***0%***
Total cost of goods sold……………….	**(239.6)**	*95%*	**(278.7)**	*92%*	**(243.1)**	*96%*	***-13%***	***1%***
Selling, general and administrative expenses…	(12.3)	*5%*	(14.5)	*5%*	(11.0)	*4%*	***-24%***	***-10%***
Depreciation and amortization in selling, general and administrative expenses…………	(0.2)	*0%*	(0.3)	*0%*	(0.3)	*0%*	***2%***	***14%***
Other operating revenue/costs……………………	0.7	*0%*	(10.4)	*3%*	0.2	*0%*	***-102%***	***-66%***
Total operating costs………………….	**(251.5)**	*100%*	**(303.9)**	*100%*	**(254.1)**	*100%*	***-16%***	***1%***
Physical Data (in GWh)								
Gross electricity generation								
Coal………………………………………….	1,934	*86%*	1,795	*78%*	1,710	*76%*	***-5%***	***-12%***
Gas…………………………………………..	258	*11%*	434	*19%*	451	*20%*	***4%***	***75%***
Diesel Oil and Fuel Oil…………………….	53	*2%*	58	*3%*	87	*4%*	***50%***	***64%***
Hydro……………………………………….	17	*1%*	11	*0%*	12	*1%*	***11%***	***-25%***
Total gross generation………………….	**2,261**	*100%*	**2,298**	*100%*	**2,260**	*100%*	***-2%***	***0%***
Minus Own consumption………………..	(177)	*-8%*	(162)	*-7%*	(164)	*-7%*	***1%***	***-7%***
Total net generation…………………….	**2,084**	***85%***	**2,136**	***84%***	**2,096**	***85%***	***-2%***	***1%***
Energy purchases on the spot market………..	**378**	***15%***	**410**	***16%***	369	***15%***	***-10%***	***-2%***
Total energy available for sale before transmission losses………………………	**2,461**	***100%***	**2,546**	***100%***	**2,465**	***100%***	***-3%***	***0%***

Gross electricity generation remained flat in 1Q13 compared to 1Q12; however, coal generation decreased 12% due to lower generation by our coal-fired units as a result of planned maintenance, works associated to our emissions reduction program, and works to resolve the water leakages in the cooling systems of CTA and CTH, which had these units out of service for approximately 20 days in January 2013. Specifically, our U12, U13, U14, U15, U16 and CTM1 units, were alternately subject to maintenance or environmental improvement works during 1Q13. LNG and oil generation increased to compensate for the lower coal generation. In particular, LNG generation increased significantly compared to 1Q12 given lower LNG generation in that quarter because of the U16 CCGT's overhaul. The decrease in electricity generation compared to the immediately preceding quarter is explained by the lower electricity demand and the already discussed unavailability of some of our units. In 4Q12, however, CTH reported a 99-day outage as a result of an operational issue, which caused damage in the turbine rotor. In 1Q13, spot electricity purchases remained at the relatively high levels reported in previous quarters, although at lower prices since other plants in the system were generally available.

WTI prices, to which diesel and spot prices are linked, averaged US$94.16/bbl during 1Q13. This represented a 7% increase from US$87.97/bbl in 4Q12, and an 8.6% drop from US$102.99/bbl in 1Q12. Coal prices, in turn, did not experience important price variations during the period, although they showed a declining trend. The lower generation level, the start-up of the Henry-Hub-linked LNG supply contract and lower coal prices explained a 4% decrease in fuel costs in 1Q13 compared to 4Q12. The decline in spot electricity purchase costs was mainly owed to lower spot prices.

Other operating costs include transmission tolls related to the EMEL contract due to the use of sub-transmission lines, but this item is covered by an increase in revenues from transmission tolls. SG&A expenses decreased due to a cost-control program. Other net operating revenues and costs decreased because in 4Q12 E.CL had reported non-recurring expenses, including a US$4.2 million provision for uncollectibles and a US$3.4 million loss associated to the payment in Argentine pesos of a US$16.5 million settlement payment made by YPF.

Electricity Margin

	2012		2013
	1Q12	4Q12	1Q13
Electricity Margin			
Total revenues from energy and capacity sales……………………………………	**288.4**	**271.7**	**266.5**
Fuel and lubricants…………………..	(108.7)	(118.0)	(113.5)
Energy and capacity purchases on the spot market……………………………	(39.5)	(58.0)	(35.9)
Gross Electricity Profit	**140.1**	**95.8**	**117.1**
Electricity Margin	*49%*	*35%*	*44%*

The electricity margin, or the gross profit from the electricity generation business, showed a significant recovery from the last quarter. While energy and capacity sales decreased 2% in 1Q13 mainly because of lower physical sales, the EMEL contract margin recovered due to the lower LNG purchase price and an increase in the EMEL contract tariff effective since March due to an increase in the applicable Henry Hub index. In both quarters, E.CL had to face higher operating costs due to plant outages, with greater impact on 4Q12 results given the longer duration of the CTH outage.

In sum, lower fuel costs and lower spot purchase costs more than offset the decrease in electricity revenues; therefore, the electricity margin increased 22.2% from the previous quarter although it dropped 16% compared to 1Q12. This was explained by an increase in operating costs in terms of higher spot prices or generation with more expensive fuels that CTA, CTH and E.CL had to afford to meet their sales contracts during the CTA and CTH outage in January. In percentage terms, the electricity margin reached 44% in 1Q13, a significant recovery from 4Q12, despite the January outage.

Operating Results

Quarterly Information
(In US$ millions, except for percentages)

EBITDA	**1Q 2012**		**4Q 2012**		**1Q 2013**		**% Variation**	
	Amount	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Total operating revenues………………………	305.7	*100%*	303.9	*100%*	285.1	*100%*	***-6%***	***-7%***
Total cost of goods sold……………………	(239.6)	*-78%*	(278.7)	*-92%*	(243.1)	*-85%*	***-13%***	***1%***
Gross income………………………….	**66.1**	*22%*	**25.2**	*8%*	**42.0**	*15%*	***67%***	***-36%***
Total selling, general and administrative expenses and other operating income/(costs).	(11.9)	*-4%*	(25.3)	*-8%*	(11.0)	*-4%*	***-56%***	***-7%***
Operating income………………….	**54.3**	*18%*	**(0.1)**	*0%*	**31.0**	*11%*	***n.a.***	***-43%***
Depreciation and amortization……..…………	33.7	*11%*	35.9	*12%*	35.8	*13%*	***0%***	***6%***
Provision/(reversal) uncollectibles…..	-	-	4.2	-	-	-	***n.a***	***n.a.***
EBITDA……………….………………….	**88.0**	*29%*	**40.0**	*13%*	**66.8**	*23%*	***67%***	***-24%***

The electricity margin recovery and lower net operating costs explained in the previous sections translated into a 67% EBITDA increase in 1Q13 compared to 4Q12. It should be noted that CTH has been 100% consolidated into E.CL's consolidated financial statements beginning 2013, whereas it was previously proportionately consolidated at 60%. To facilitate the comparison, we have adjusted previous periods as if CTH had been 100% consolidated.

Financial Results

Quarterly Information
(In US$ millions, except for percentages)

Non-operating results	**1Q 2012**		**4Q 2012**		**1Q 2013**		**% Variation**	
	Amount	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Financial income……..………………………	0.9	*0%*	0.7	*0%*	1.0	*0%*	***49%***	***12%***
Financial expense……………..……………	(12.1)	*-4%*	(11.7)	*-4%*	(11.7)	*-4%*	***0%***	***-3%***
Foreign exchange translation, net……………	6.6	*2%*	(2.0)	*-1%*	2.7	*1%*	***-235%***	***-59%***
Other non-operating income/(expense) net…	(0.1)	*0%*	25.4	*8%*	(0.2)	*0%*	***-101%***	***89%***
Total non-operating results…………….	**(4.7)**	*-2%*	**12.4**	*4%*	**(8.2)**	*-3%*	***-166%***	***75%***
Income before tax…………………… ………	49.6	*16%*	12.3	*4%*	22.8	*7%*	***86%***	***-54%***
Income tax………………………………………	(7.6)	*-3%*	0.1	*0%*	(5.0)	*-2%*	***n.a.***	***-35%***
Net income after tax …….	**42.0**	*14%*	**12.4**	*4%*	**17.9**	*6%*	***45%***	***-57%***
Net income attributed to controlling shareholders…….	**40.1**	*13%*	**12.6**	*4%*	**16.6**	*5%*	***32%***	***-59%***
Net income attributed to minority shareholders………..	**1.9**	*1%*	**(0.2)**	*0%*	**1.2**	*0%*	***n.a.***	***-35%***
Net income to E.CL's shareholders	**42.0**	*14%*	**12.4**	*4%*	**17.9**	*6%*	***45%***	***-57%***
Earnings per share……………………..	**0.040**	*0%*	**0.012**	*0%*	**0.017**	*0%*	***45%***	***-57%***

Financial expense remained in line with the figures reported in 4Q12 and 1Q12, despite the last disbursement under the CTA project finance in October 2012. This is mainly due to a lower LIBOR and because on July 31, 2012, E.CL acquired CTH's obligations with its minority shareholder, thus becoming CTH's sole lender. In the first quarter of 2012 financial expenses included the interest accrued on CTH's debt with its minority shareholder, whereas in 1Q13, CTH's interest expense was completely netted out in E.CL's consolidated statements.

Foreign exchange earnings reached US$2.7 million, which compares favourably with the US$2.0 million foreign-exchange loss in 4Q12, but negatively with US$6.6 million profits in 1Q12. The first quarter's foreign exchange earnings had their origin in the effect of an appreciating Chilean peso on certain Chilean peso denominated items.

The tax reform effective since the end of September 2012 introduced an increase in the income tax rate to 20%, which is higher than the 18.5% rate effective in 1Q12.

Net Earnings

After-tax income attributed to E.CL's shareholders reached US$16.6 million in 1Q13, resulting in after-tax earnings of US$0.016 per share. This represented a 59% decrease compared to 1Q12 and a 32% improvement from 4Q12. The main issues behind these variations are the mismatch between costs and tariffs associated to the EMEL contract, which partially impacted 4Q12 results; a tariff structure presently reflecting a lower-cost generation mix; the CTH 99-day outage in 4Q12; the 20-day CTA+CTH outage in January 2013; and the profits in the sale of the Crucero Lagunas transmission line, which positively impacted the 4Q12 results.

Liquidity and Capital Resources

As of March 31, 2013, E.CL reported cash balances of US$216.4 million (including short-term investments available for sale), whereas nominal financial debt[1] totaled US$770 million, with only US$11.8 million maturing within one year.

	For the 3-month period ended March 31, (In US$ millions)	
Cash Flow	**2012**	**2013**
Net cash flows provided by operating activities…	91.7	24.0
Net cash flows used in investing activities………	(83.9)	(6.3)
Net cash flows provided by financing activities..	-	-
Change in cash…………………...………….	**7.8**	**17.6**

Cash Flow from Operating Activities

In the first quarter of 2013 Cash flow generated from operating activities reached approximately US$24 million, made up of US$50 million of purely operating cash flows minus interest payments (US$11.3 million) and tax payments (US$15.4 million).

Cash Flow Used in Investing Activities

Cash flow used in investing activities was US$6.3 million in 1Q13. This comprised US$28.8 million in capital expenditures, which was offset by almost US$30 million received in January in payment for the sale of the Crucero-Lagunas transmission line. It should be noted that our cash flow statement includes short-term investments in mutual funds as Cash flows used in investment activities, whereas we consider them as available cash. Therefore, the US$6.3 million reported as cash used in investing activity actually represents an increase in cash balances in 1Q13.

Our most significant investing activity in the past three years has been related to the CTA and CTH projects and the transmission assets needed to deliver the energy generated by CTA and CTH to our customers. These

(1) Nominal amounts may differ from the debt amounts recorded under the IFRS methodology in the Financial Statements.

projects have been fully paid; consequently, the main capital expenditures in 2013 are referred to the overhaul of our power plants, equipment maintenance and refurbishing, and environmental improvement works.

With a total investment of nearly US$170 million, E.CL has been developing an emission-reduction program ("environmental CAPEX"), an initiative for the purpose of meeting and even surpassing the new environmental requirements in terms of reducing particle matter and gas emissions from our thermoelectric power plants. In April 2013, after the installation of a new bag filter in the Tocopilla plant, E.CL achieved a relevant milestone in this program as it completed the installation of bag filters. The next stage considers the implementation of systems for the reduction of gas emissions.

As of this date, E.CL has installed six bag filters at its CTM1 and CTM2 units in Mejillones and its U12, U13, U14, and U15 units in Tocopilla.

Our capital expenditures in the first quarter of 2013 and 2012, amounted to US$28.8 million and US$34 million, respectively, and included the following:

Capital Expenditures

	For the 3-month period ended march 31, (In US$ millions)	
CAPEX	**2012**	**2013**
CTA……………………………………………………	-	-
CTH [(1)]…………………………………………………	18.0	-
Central Tamaya……………………………………….	-	1.9
El Cobre substation & Chacaya-El Cobre transmission line……………………………	4.0	1.9
Overhaul power plants & equipment maintenance and refurbishing…………………	5.0	9.1
Environmental improvement works………………	1.0	10.3
Others……………………………………………	6.0	5.6
Total capital expenditures……………………….	**34.0**	**28.8**

(1) 100% of these capital expenditures are recognized per IFRS.

Cash Flow from Financing Activities

No financing activities were reported in the first quarter of 2013, except for the payment of interest on the 144-A bond, which was included in the Operating cash flow section.

Contractual Obligations

The following table sets forth the maturity profile of our debt obligations as of March 31, 2013. This table shows the nominal amount of our debt balances, which may differ from the debt amounts recorded under the IFRS methodology in the Financial Statements:

Contractual Obligations as of 03/31/13
Payments Due by Period
(In US$ millions)

	Total	< 1 year	1 - 3 years	3 - 5 years	More than 5 years
Bank debt……………………………	369.8	11.8	28.2	34.2	295.6
Bonds (144 A/Reg S Notes)………	400.0	-	-	-	400.0
Leasing obligations……...………	0.7	0.6	0.0	0.0	0.1
Accrued interest…………………	9.9	9.9	-	-	-
Mark-to-market swaps	31.9	-	-	-	31.9
Total	**812.4**	**22.3**	**28.3**	**34.2**	**727.6**

In the above table, bank debt includes drawings under the project financing extended by IFC and KfW to our subsidiary CTA. As of March 31, 2013, the total principal amount was US$369.8 million, payable in semiannual installments starting June 17, 2013, and ending with a 25% balloon payment on June 15, 2025.

The bonds correspond to our US$400 million 10-year 5.625% 144-A/Reg.S notes maturing January 15, 2021. The proceeds of this issue were used to repay our loans with shareholders and related parties in December 2010.

Other debt includes US$0.7 million in leasing obligations related to transmission assets, as well as a US$31.9 million mark-to-market provision on interest-rate swaps taken by CTA to hedge its exposure to floating interest rates. An equivalent amount has been charged to our shareholders' equity account according to IFRS rules.

Dividend Policy

Our dividend payment policy consists of paying the minimum legal required amounts (30%), although higher amounts may be approved if the company's conditions so allow. Our dividend payment for each year is proposed by our Board of Directors based on the year's financial performance, the size of our available cash balance and anticipated financing requirements for capital expenditures and investments in the following years. The dividend payment proposed by our Board is subsequently approved at a Shareholders' Meeting as established by law. On April 23, 2013, our shareholders approved dividends in an amount equivalent to 100% of our 2012 net earnings; that is, US$56.17 million. This dividend will be paid on May 16, 2013.

The record of dividends paid since 2010 is shown in the following table:

Dividends 2010, 2011 ,2012 and 2013

Payment Date	Dividend Type	Amount (in US$ millions)	US$ per share
May 4, 2010	Final (on account of 2009 net income)	77.7	0.07370
May 4, 2010	Additional (on account of 2009 net income)	1.9	0.00180
May 5, 2011	Final (on account of 2010 net income)	100.1	0.09505
Aug 25 2011	Provisional (on account of 2011 net income)	25.0	0.02373
May 16 2012	Final (on account of 2011 net income)	64.3	0.06104
May 16 2013	Final (on account of 2012 net income)	56.2	0.05333

Hedging Policy

Our hedging policy covers certain risks to which we are exposed, as follows:

Business Risk and Commodity Hedging

Our business is subject to the risk of variations in the availability of fuels and their prices. Our policy is to hedge as much as possible against these risks through the indexation of the energy tariffs incorporated in our PPAs, and the fuel mix taken into consideration in the tariffs. The tariff of the EMEL contract, which became effective at the beginning of 2012, is readjusted semiannually according to the Henry Hub and the U.S. CPI indices. The company has signed a long-term LNG purchase contract indexed to Henry Hub to supply the EMEL PPA; however, this company did not begin to receive HH-priced LNG until the middle of the fourth quarter of 2012. Hence, our company remained temporarily exposed to the risk of mismatch between Henry Hub and the fuel price or system marginal cost fluctuations which the company had to face to fulfill its power supply obligations under the EMEL contract. This mismatch affected our financial results in 2012. In 1Q13, there was no such mismatch as both the LNG bought to supply the EMEL contract and the PPA tariff are readjusted according to the same index. Nevertheless, a mismatch remains between the Henry Hub index used to define the EMEL tariff (4-month average prior to the tariff fixing, which takes place every six months) and the Henry Hub index prevailing at the time each LNG shipment is made. This risk is mitigated by the EMEL tariff's automatic indexation triggered any time the Henry Hub index reports a fluctuation of 10% or more.

Currency Hedging

Given that most of our revenues and costs are denominated in U.S. dollars and that we seek to incur debt in U.S. dollars, we face limited exposure to foreign exchange risk. Our main costs denominated in Chilean pesos are personnel and administrative expenses, which account for approximately 5% of our total operating costs. Our most significant asset denominated in Chilean pesos consists of value added taxes paid on our purchases of equipment for our CTA and CTH projects. The amount of this asset has decreased significantly through tax refunds, and we have occasionally engaged in forward agreements to partially hedge it against foreign currency risk. In the specific case of the EMEL contract, it is payable in pesos at the prevailing exchange rate and is adjusted every six months as opposed to other PPAs that are readjusted on a monthly basis. Therefore, the exposure of this PPA to exchange rate fluctuations is higher.

Interest Rate Hedging

We maintain a significant portion of our long-term debt at fixed rates in order to minimize interest-rate exposure. As of March 31, 2013, 82% of our total financial debt for a principal amount of US$769.8 million was at fixed rates. The remaining 18% of our debt included the unhedged portion of our CTA project financing, which was at 180-day floating LIBOR.

As of March 31, 2013
Contractual maturity date
(In US$ millions)

	Average interest rate	2013	2014	2015	2016	Thereafter	Grand Total
Fixed Rate							
(US$)	Swapped base rate of 3.665% p.a. + 2.50% spread [1]	7.2	7.8	9.5	10.2	193.3	228.0
(US$)	5.625% p.a.					400.0	400.0
Variable Rate							
(US$)	LIBOR (180) + 2.50% p.a. [1]	4.5	4.9	6.0	6.4	119.9	141.8
Total [2]		**11.8**	**12.8**	**15.5**	**16.6**	**713.2**	**769.8**

(1) This corresponds to the current interest rate of the IFC and KfW project financing for CTA. The 2.5% p.a. margin on LIBOR steps up by 0.25% every three years starting April 30, 2013.

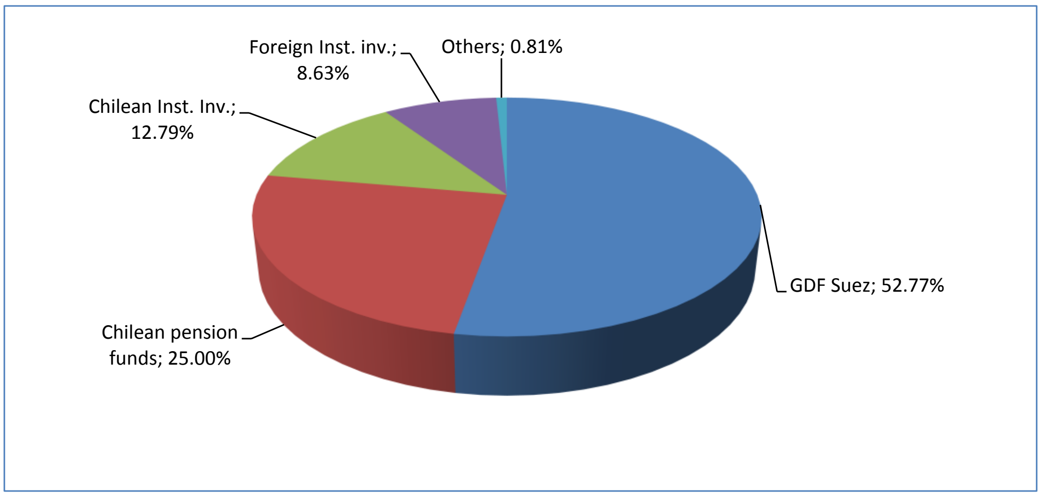
(2) These figures include principal amounts only and do not include leasing obligations related to our use of transmission lines or mark-to-market adjustments on interest rate swaps.

Credit Risk

In the normal course of business, and when investing our cash, we are exposed to credit risk. In our regular electricity generation business, we deal mostly with financially strong mining companies, which report low level of credit risk. In addition, we have begun to sell electricity to the only regulated client in the SING, which provides electricity supply to residential and commercial clients in the region. Our policy is to invest in investment-grade institutions only and only within the short term. We also measure our counterparty risk when dealing with derivatives, and we have individual counterparty limits to manage our exposure.

OWNERSHIP STRUCTURE AS OF MARCH 31, 2013

No. of Shareholders: 1,936



TOTAL NUMBER OF SHARES: 1,053,309,776

APPENDIX 1

PHYSICAL DATA AND SUMMARIZED QUARTERLY FINANCIAL STATEMENTS

	2012		2013
	1Q12	**4Q12**	**1Q13**
Physical Sales			
Sales of energy to unregulated customers.	1,805	1,997	1,930
Sales of energy to regulated customers	417	442	444
Sales of energy to the spot market………	116	42	33
Total energy sales………………………….	**2,339**	**2,481**	**2,406**
Gross electricity generation			
Coal………………………………………….	1,934	1,795	1,710
Gas…………………………………………..	258	434	451
Diesel Oil and Fuel Oil…………………….	53	58	87
Hydro……………………………………….	17	11	12
Total gross generation………………….	**2,261**	**2,298**	**2,260**
Minus Own consumption………………..	(177.1)	(162.4)	(164.3)
Total net generation…………………….	**2,084**	**2,136**	**2,096**
Energy purchases on the spot market………..	378	410	369
Total energy available for sale before transmission losses………………………	**2,461**	**2,546**	**2,465**

Quarterly Income Statement (in US$ millions)

IFRS	**2012**		
Operating Revenues	**1Q12**	**4Q12**	**1Q13**
Regulated customers sales………………………	46.8	39.1	41.4
Unregulated customers sales…………………..	226.9	229.6	222.8
Spot market sales………………………………..	14.7	3.0	2.4
Total revenues from energy and capacity sales……………………………	**288.4**	**271.7**	**266.5**
Gas distribution sales…………………………..	1.0	0.4	0.4
Other operating revenue……………………….	16.3	31.8	18.1
Total operating revenues………………….	**305.7**	**303.9**	**285.1**
Operating Costs			
Fuel and lubricants………………………………	(108.7)	(118.0)	(113.5)
Energy and capacity purchases on the spot market………………………………………..	(39.5)	(58.0)	(35.9)
Depreciation and amortization attributable to cost of goods sold…………………………….	(33.5)	(35.7)	(35.5)
Other costs of goods sold…………………….	(57.9)	(67.2)	(58.1)
Total cost of goods sold………………..	**(239.6)**	**(278.7)**	**(243.1)**
Selling, general and administrative expenses…	(12.3)	(14.5)	(11.0)
Depreciation and amortization in selling, general and administrative expenses…………	(0.2)	(0.3)	(0.3)
Other revenues………...……………………….	0.7	(10.4)	0.2
Total operating costs….……………….	**(251.5)**	**(303.9)**	**(254.1)**
Operating income….……………….	**54.3**	**(0.1)**	**31.0**
EBITDA………………..………………….	**88.0**	**40.0**	**66.8**
Financial income………..………………………	0.9	0.7	1.0
Financial expense…………..…………………	(12.1)	(11.7)	(11.7)
Foreign exchange translation, net……………	6.6	(2.0)	2.7
Other non-operating income/(expense) net…	(0.1)	25.4	(0.2)
Total non-operating results……………	**(4.7)**	**12.4**	**(8.2)**
Income before tax…………………...………	49.6	12.3	22.8
Income tax………………………………………	(7.6)	0.1	(5.0)
Net income after tax …….	**42.0**	**12.4**	**17.9**
Net income attributed to controlling shareholders……………….	**40.1**	**12.6**	**16.6**
Net income attributed to minority shareholders……………….	**1.9**	**(0.2)**	**1.2**
Net income to E.CL's shareholders…….	**42.0**	**12.4**	**17.9**
Earnings per share……………………..	**0.040**	**0.012**	**0.017**

Quarterly Balance Sheet

(In U.S.$ millions)

	2012	2013
	31-Dec-12	**31-Mar-12**
Current Assets		
Cash and cash equivalents (1)	192.1	216.5
Accounts receivable	176.4	140.0
Recoverable taxes	64.6	74.7
Other current assets	205.1	215.8
Total current assets	**638.1**	**647.0**
Non-Current Assets		
Property, plant and equipment, net	1,961.2	1,956.0
Other non-current assets	417.6	412.0
TOTAL ASSETS	**3,016.9**	**3,015.0**
Current Liabilities		
Financial debt	20.6	19.6
Other current liabilities	208.0	234.2
Total current liabilities	**228.6**	**253.8**
Long-Term Liabilities		
Financial debt (including intercompany)	774.2	770.8
Other long-term liabilities	213.7	213.3
Total long-term liabilities	**987.9**	**984.1**
Shareholders' equity	1,685.2	1,660.6
Minority' equity	115.2	116.5
Equity	**1,800.4**	**1,777.1**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**3,016.9**	**3,015.0**

(1) Includes short-term investments classified as available for sale.

CONFERENCE CALL 1Q13

E.CL is pleased to inform you that it will conduct a conference call to review its results for the period ended March 31st, 2013, on Tuesday, April 30th, 2013, at 10 a.m. (Eastern Time) – 10 a.m. (Chilean Time)

hosted by:
Lode Verdeyen, CEO E.CL S.A.

To participate, please dial: **(706) 902-4518**, international or **12300206168 (toll free Chile). Passcode I.D.: 48808826**, approximately 10 minutes prior to the scheduled starting time.

To access the phone replay, please dial **(855) 859- 2056** or **(404) 537-3406**
Passcode I.D.: 48808826. A conference call replay will be available until May 7, 2013.