October 26, 2011

EBITDA REACHED US$ 81 MILLION IN THE THIRD QUARTER AND US$ 242 MILLION IN THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2011. OPERATING PROFIT AND EBITDA REMAINED STABLE DURING THE PERIOD; HOWEVER, NET PROFIT WAS AFFECTED BY FOREIGN EXCHANGE VARIATIONS AND INCREASED INTEREST EXPENSE DURING THE QUARTER. ON AUGUST 5, 2011, CENTRAL TERMOELECTRICA HORNITOS ("CTH") COMMENCED COMMERCIAL OPERATIONS, WITH E.CL'S TWO NEW COAL PLANTS THEREBY NOW OPERATING WITH A TOTAL GROSS INSTALLED CAPACITY OF 330 MW.

3QTR2011 HIGHLIGHTS:

- **Start-up - Central Termoeléctrica Hornitos (CTH)**: On August 5, 2011, our second new 165 MW fluidized-bed coal fired unit commenced commercial operations. CTH and Central Termoeléctrica Andina (CTA) are therefore now providing the SING Grid with up to 330 MW in additional gross generation.

- **Interim Dividend Payment:** On August 25, 2011, the company paid an interim dividend of US$ 25 million against 2011 net earnings.

- **Corporate Restructuring:** On October 11, 2011, E.CL informed the start of a corporate restructuring, whereby, by means of a corporate spinoff and merger, E.CL will on November 30, 2011, acquire all the assets, liabilities and equity of its subsidiary, Electroandina S.A., with the exception of port assets, which will remain with that company.

RECENT EVENTS:

- **Collection of Performance Bonds**: CTA and CTH called for payment under performance bonds in the amounts of US$ 49.4 million in the case of CTA, and US$ 46.1 million in the case of CTH, to collect delay liquidated damages incurred by the contractor in the construction of our electricity generation units. On October 18, 2011 both CTA and CTH received full payment of the requested amounts under these performance bonds from the offshore banks Santander and Bankia.

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. E.CL accounted for 49% of the SING's installed capacity as of December 31, 2010. E.CL primarily supplies electricity to large mining and industrial customers. In 2009, E.CL won a bid to supply the entire electricity needs, starting in 2012, of EMEL, the sole electricity distribution group in the SING. On December 29, 2009, as a result of the company's merger with Inversiones Tocopilla I S.A., E.CL acquired other electricity generation assets in the Chilean Norte Grande region including Electroandina, Central Termoeléctrica Andina, 60% of Central Termoeléctrica Hornitos, and the gas transportation companies, GNAA and GNAC. E.CL is currently 52.77% indirectly owned by IPR GDF Suez, a company listed in the U.K., which in turn is 70%-owned by GDF Suez. The remaining 47.23% of E.CL 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.

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 fuel and diesel oil.

The SING has been characterized throughout 2011 by the generation under test mode and later entry into commercial operation of new efficient coal projects. These include the Central Termoeléctrica Andina (CTA) and Central Termoeléctrica Hornitos (CTH) units belonging to E.CL, each with 165 MW, and the Angamos I and II units belonging to AES Gener, each with 264 MW. Angamos I and CTA commenced commercial operations in the months of April and July, respectively. In turn, CTH commenced commercial operations on August 5, 2011, whereas Angamos II commenced commercial operations in October. The need to have backup generation on standby and other costs associated with new unit tests, which displace regular commercial generation, temporarily increased the marginal prices at which spot purchases took place. However, a reduction in marginal prices was observed in the third quarter as the new coal plants entered into commercial operation and because of lower demand explained by a strike at a major mining company. The ongoing reduction in generation based on the lower cost natural gas from Argentina and its replacement based on LNG available as of May 2010 should be noted.

Since the end of July, marginal costs in the SING have decreased as a result of two main factors: (i) the decrease in the average electricity generation cost explained by the commercial operation of new and more efficient power plants and (ii) a temporary drop in demand from mining companies in July and August due to labor conflicts and weather factors

The following table provide a breakdown of generation by fuel type:

Generation by Fuel Type (in GWh)

	1Q 2011		2Q 2011		3Q 2011		QoQ Var.	
Fuel Type	**GWh**	*% of total*	**GWh**	*% of total*	**GWh**	*% of total*	***Amount***	***%***
Hydro	20	*1%*	17	*0%*	16	*0%*	***(1)***	***-5%***
Coal	2.266	*61%*	2.851	*71%*	3.012	*77%*	***161***	***6%***
Argentine Gas (AES Gener)	327	*9%*	67	*2%*	51	*1%*	***(16)***	***-24%***
LNG	845	*23%*	869	*22%*	804	*20%*	***(66)***	***-8%***
Diesel / Fuel oil	275	*7%*	217	*5%*	55	*1%*	***(162)***	***-75%***
Total gross generation SING	**3.734**	***100%***	**4.020**	***100%***	**3.937**	***100%***	***(83)***	***-2%***

Source: CDEC-SING

The participants on the SING grid are as follows:

Generation by Company (in GWh)

	1Q 2011		2Q 2011		3Q 2011		QoQ Var.	
	GWh	*% of total*	**GWh**	*% of total*	**GWh**	*% of total*	***Amount***	***%***
Company								
AES Gener (Arg. Gas)	327	*9%*	67	*2%*	51	*1%*	***(16)***	***-24%***
Norgener / Angamos	778	*21%*	1.037	*26%*	1.165	*30%*	***127***	***12%***
Celta	268	*7%*	247	*6%*	239	*6%*	***(8)***	***-3%***
Gas Atacama	595	*16%*	578	*14%*	471	*12%*	***(107)***	***-19%***
E.CL (with 100% of CTH)	1.746	*47%*	2.070	*52%*	1.998	*51%*	***(72)***	***-3%***
Other	21	*1%*	19	*0%*	12	*0%*	***(6)***	***-33%***
Total gross generation SING………	**3.734**	***100%***	**4.018**	***100%***	**3.937**	*100%*	***(82)***	***-2%***

Source: CDEC-SING

Generation sourced from AES Gener's Salta plant in Argentina has remained at levels similar to those registered during the second quarter as increased Argentine winter consumption of gas and electricity strongly affects the export of gas and electricity to Chile. The increase in Norgener and E.CL generation corresponds primarily to generation from Norgener's new Angamos I and II plants, and E.CL's new CTA and CTH plants.

The decrease in electricity generation on the SING grid during the third quarter was the result of lower demand due to a labor strike at Minera Escondida in the beginning of August.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

The following discussion is based on our unaudited consolidated financial statements for the quarters ended September 30, 2011, and September 30, 2010, 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).

Results of Operations

3Q 2011 compared to 2Q 2011 and 3Q 2010

Operating Revenues

Quarterly Information

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

	3Q 2010		2Q 2011		3Q 2011		% Variation	
Operating Revenues	Amount	% of total	Amount	% of total	Amount	% of total	QoQ	YoY
Unregulated customers sales…………………..	247.9	91%	307.2	97%	252.0	93%	-18%	2%
Spot market sales………………………………..	23.4	9%	10.6	3%	19.9	7%	88%	-15%
Total revenues from energy and capacity sales……………………………	**271.3**	96%	**317.8**	96%	**271.9**	95%	-14%	0%
Gas distribution sales…………………………..	3.3	1%	1.5	0%	1.2	0%	-20%	-63%
Other operating revenue……………………….	8.7	3%	11.5	3%	11.8	4%	3%	36%
Total operating revenues………………..	**283.3**	100%	**330.8**	100%	**284.9**	100%	-14%	1%
Physical Data (in GWh)								
Sales of energy to unregulated customers (1)…..	1,859	99%	1,904	100%	1,828	97%	-4%	-2%
Sales of energy to the spot market……………	22	1%	-	0%	60	3%	n.a.	175%
Total energy sales………………………..	**1,881**	100%	**1,904**	100%	**1,889**	100%	-1%	0%
Average monomic price (U.S.$/MWh)(2)……	**144**		**167**		**144**		-14%	0%

(1) Includes 60% of CTH sales.

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

Total operating revenues dropped by 14% during the third quarter of 2011 with a 1% year-on-year increase, primarily because of an 18% decrease in sales to unregulated clients. This was caused by a 4% quarter-on-quarter decrease in physical sales to unregulated clients due to the end of the Minera Spence contract in July, as well by a drop in the average monomic price. This drop was explained by the start of the CTA and CTH power supply contracts, which are fully indexed to coal. The drop in the average realized tariff was partially offset by an 88% increase in spot market sales, including CTA and CTH spot sales, whose costs and revenues had been capitalized in the past. This item also includes the retroactive annual firm price and monthly energy adjustment payments per the reliquidations made by the SING dispatch center (CDEC-SING).

Other operating revenue, which includes revenue from other services, such as tolls on our sub-transmission assets, port services, transmission line maintenance for third parties and fuel purchases sold to other generators at near cost, increased by 3% quarter-on-quarter and by 36% year-on-year due to higher transmission tolls received from Minera Esperanza.

Third quarter physical energy sales and generation shown in the tables include CTA and CTH revenues and costs, with recognition of 60% of CTH's sales and generation.

Operating Costs

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

Operating Costs	3Q 2010 Amount	3Q 2010 % of total	2Q 2011 Amount	2Q 2011 % of total	3Q 2011 Amount	3Q 2011 % of total	% Variation QoQ	% Variation YoY
Fuel and lubricants………………………………	(132.5)	*62%*	(156.6)	*60%*	(124.1)	*55%*	***-21%***	***-6%***
Energy and capacity purchases on the spot market…………………………………………..	(15.8)	*7%*	(36.1)	*14%*	(18.5)	*7%*	***-49%***	***17%***
Depreciation and amortization attributable to cost of goods sold…………………………….	(23.5)	*11%*	(26.0)	*10%*	(32.1)	*12%*	***23%***	***37%***
Other costs of goods sold…………………….	(42.4)	*20%*	(42.0)	*16%*	(51.0)	*20%*	***21%***	***20%***
Total cost of goods sold……………….	**(214.3)**	*96%*	**(260.7)**	*95%*	**(225.8)**	*95%*	***-13%***	***5%***
Selling, general and administrative expenses…	(9.8)	*4%*	(14.5)	*5%*	(10.5)	*4%*	***-27%***	***8%***
Depreciation and amortization in selling, general and administrative expenses………..	(0.3)	*0%*	(0.3)	*0%*	(0.3)	*0%*	***-8%***	***-5%***
Other operating revenue……………………..	0.6	*0%*	0.3	*0%*	0.3	*0%*	***-12%***	***-57%***
Total operating costs…………………..	**(223.7)**	*100%*	**(275.2)**	*100%*	**(236.9)**	*100%*	***-14%***	***6%***
Physical Data (in GWh)								
Gross electricity generation								
Coal…………………………………………..	1,367	*70%*	1304	*72%*	1,508	*79%*	***16%***	***10%***
Gas…………………………………………..	396	*19%*	396	*22%*	342	*18%*	***-14%***	***-14%***
Diesel Oil and Fuel Oil…………………….	175	*8%*	96	*5%*	39	*2%*	***-59%***	***-78%***
Hydro……………………………………….	11	*1%*	9	*0%*	8.2877	*0%*	***-8%***	***-22%***
Total gross generation…………………	**1,949**	*100%*	**1,805**	*100%*	**1,897**	*100%*	***5%***	***-3%***
Minus Own consumption………………..	(128)	*-7%*	(127)	*-7%*	(150)	*-8%*	***18%***	***17%***
Total net generation……………………	**1,820**	***97%***	**1,678**	***86%***	**1,747**	***90%***	***4%***	***-4%***
Energy purchases on the spot market……….	61	***3%***	266	***14%***	196	***10%***	***-26%***	***222%***
Total energy available for sale before transmission losses………………………	**1,881**	***100%***	**1,944**	***100%***	**1,943**	***100%***	***0%***	***3%***

Gross generation increased by 5% in 3Q11 due to generation from our new and more efficient CTH and CTA coal units, which commenced commercial operations during this quarter (July and August respectively). This increased coal generation during the quarter displaced generation based on other fuels, with a 14% decrease in gas based generation and a 59% decrease in diesel and fuel oil based generation.

WTI prices, to which LNG, diesel and spot prices are linked, averaged US$ 89.85/bbl during 3Q11. This is down 12% from US$ 102/bbl in 2Q11, although still 18% above the US$ 75.76/bbl in 3Q10. Coal prices, in turn, did not experience important price variations during the period. The lower fuel costs and increased coal generation from the new coal units that entered into commercial operation resulted in lower 3Q11 fuel mix costs, as evidenced by the drop in Fuel and lubricants. On the other hand, the commercial start-up of the new units and associated transmission assets resulted in increased depreciation charges.

The Other costs of goods sold increased primarily because of the payment of an end-of-negotiation bonus at Electroandina during the period, as well as because of increased payments to third parties, which include plant maintenance costs. These costs had been capitalized in the case of CTA and CTH during the construction period, but began to be registered as operating costs in 3Q11.

	2010					2011			
	1Q10	2Q10	3Q10	4Q10	Total	1Q11	2Q11	3Q11	Total
Electricity Margin									
Total revenues from energy and capacity sales…………………………………	**224,1**	**248,7**	**271,3**	**268,4**	**1.012,5**	**281,3**	**317,8**	**271,9**	**871,0**
Fuel and lubricants…………………..	(103,5)	(130,4)	(132,5)	(137,5)	(503,9)	(125,4)	(156,6)	(124,1)	(406,1)
Energy and capacity purchases on the spot market……………………………	(16,9)	(10,1)	(15,8)	(32,1)	(74,9)	(41,5)	(36,1)	(18,5)	(96,1)
Gross Electricity Profit	**103,7**	**108,3**	**122,9**	**98,8**	**433,7**	**114,4**	**125,1**	**129,3**	**368,8**
Electricity Margin	*46%*	*44%*	*45%*	*37%*	*43%*	*41%*	*39%*	*48%*	*42%*

The Gross Electricity Profit shows both quarter-on-quarter as well as year-on-year improvement with an increased Electricity Margin.

Operating Results

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

EBITDA	3Q 2010		2Q 2011		3Q 2011		% Variation	
	Amount	% of total	Amount	% of total	Amount	% of total	QoQ	YoY
Total operating revenues………………………	283,3	*100%*	330,8	*100%*	284,9	*100%*	***-14%***	***1%***
Total cost of goods sold……………………	(214,3)	*-76%*	(260,7)	*-79%*	(225,8)	*-79%*	***-13%***	***5%***
Gross income…………………………	**69,0**	*24%*	**70,0**	*21%*	**59,1**	*21%*	***-16%***	***-14%***
Total selling, general and administrative expenses and other operating income/(costs).	(9,5)	*-3%*	(14,5)	*-4%*	(10,5)	*-4%*	***-27%***	***11%***
Operating income….………………	**59,5**	*21%*	**55,6**	*17%*	**48,6**	*17%*	***-13%***	***-18%***
Depreciation and amortization………..…………	23,8	*8%*	26,3	*8%*	32,4	*11%*	***23%***	***36%***
EBITDA……………….………………	**83,3**	*29%*	**81,9**	*25%*	**81,0**	*28%*	***-1%***	***-3%***

Although gross income evidenced both a quarter-on-quarter and year-on-year decline, it remained stable in percentage terms (21%), although somewhat under the 24% registered during the same period in 2010.

The lower gross income was offset by lower selling and administrative expenses related to some specific reclassifications during the period and to the effects of exchange-rate variations on Chilean Peso denominated expenses. As a result, the operating margin remained unchanged at 17% quarter-on-quarter. Since the decrease in gross income was partly explained by higher quarterly Depreciation and amortization charges, EBITDA remained stable both year-on-year and quarter-on-quarter at about US$ 81 million, with the quarter-on-quarter improvement in the EBITDA margin to 28%..

Financial Results

Quarterly Information

(In US$ millions, except for percentages)

Non-operating results	3Q 2010 Amount	3Q 2010 % Revenues	2Q 2011 Amount	2Q 2011 % Revenues	3Q 2011 Amount	3Q 2011 % Revenues	% Variation QoQ	% Variation YoY
Financial income………………………………….	1.2	*0%*	1.2	*0%*	0.9	*0%*	***-25%***	***-23%***
Financial expense………………………………	(3.1)	*-1%*	(4.1)	*-1%*	(10.2)	*-4%*	***148%***	***230%***
Foreign exchange translation, net……………	21.2	*7%*	10.6	*3%*	(13.5)	*-5%*	***n.a.***	***n.a.***
Other non-operating income/(expense) net…	2.3	*1%*	(0.2)	*0%*	(0.5)	*0%*	***172%***	***-120%***
Total non-operating results…………….	**21.6**	*8%*	**7.6**	*2%*	**(23.2)**	*-8%*	***n.a.***	***n.a.***
Income before tax…………………… ………	81.2	*29%*	63.0	*19%*	25.4	*9%*	***-60%***	***-69%***
Income tax………………………………………	(11.0)	*-4%*	(12.9)	*-4%*	(5.4)	*-2%*	***-58%***	***-50%***
Net income to E.CL's shareholders…….	**70.2**	*25%*	**50.1**	*15%*	**19.9**	*7%*	***-60%***	***-72%***
Earnings per share……………………..	**0.066**		**0.048**		**0.019**		***-60%***	***-71%***

Net income at US$ 19.9 million in 3Q11 represented earnings of US$ 0.019 per share. This represents a 60% quarter-on-quarter and a 71% year-on-year decrease, which is primarily the result of foreign exchange losses and higher financial expenses. The exchange losses were the result of an abrupt appreciation of the U.S. dollar in September, which affected the U.S. Dollar value of some Chilean Peso denominated items, such as the CTA and CTH VAT receivables and client accounts receivable. The foreign exchange translation loss totalled US$ 13.5 million, which contrasts with the US$ 10.6 million gain in the previous quarter and the US$ 21.2 million gain in 3Q10. Although total debt actually decreased by US$ 50 million during the quarter with the repayment of a loan granted by Banco Santander, Financial expense increased from US$ 4.1 million in 2Q11 to US$ 10.2 million in 3Q11. This increase was because the interest expense related to the CTA project began to be expensed as of July, when the unit became commercially operational.

Nine month period ended September 30, 2011 compared to the same period in 2010

Operating Revenues

For the 6-month period ended June 30,

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

	9M - 2010		9M - 2011		Variation	
Operating Revenues	Amount	% of total	Amount	% of total	Amount	%
Unregulated customers sales…………………..	708.5	*95%*	826.6	*95%*	**118.1**	***17%***
Spot market sales………………………………..	35.6	*5%*	44.4	*5%*	**8.8**	***25%***
Total revenues from energy and capacity sales……………………………	**744.1**	*93%*	**871.0**	*95%*	**126.9**	***17%***
Gas distribution sales…………………………..	7.4	*1%*	4.2	*0%*	**(3.2)**	***-43%***
Other operating revenue………………………..	50.7	*6%*	42.5	*5%*	**(8.2)**	***-16%***
Total operating revenues…………………..	**802.1**	*100%*	**917.7**	*100%*	**115.6**	***14%***
Physical Data (in GWh)						
Sales of energy to unregulated customers [(1)]…..	5,337	*98%*	5,532	*99%*	**195**	***4%***
Sales of energy to the spot market……………..	117	*2%*	60	*1%*	**(56)**	***-48%***
Total energy sales…………………………..	**5,454**	*100%*	**5,592**	*100%*	**139**	***3%***
Average monomic price (U.S.$/MWh)[(1)]……	**136.4**		**155.7**		**19.3**	***14%***

(1) Includes 60% of CTH sales.

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

The US$ 115.6 million increase in total operating revenues in the nine-month period ended September 30, 2011, was mostly the result of an increase in the average realized monomic price of electricity. To a lesser extent, it was also the result of a 3% increase in physical energy sales and a 25% increase in spot sales.

Physical gross energy sales to customers increased mainly because of increased demand from the Altonorte copper refinery and Minera Esperanza, offsetting the drop in sales related to the end of the Spence PPA during 3Q11. CTA and CTH physical energy sales on the spot market began to be recognized in the Income Statement as of their entry into commercial operation in 3Q11. Such sales were not considered in prior periods as the corresponding revenues and expenses were capitalized during the construction period.

The 19% increase in the average realized monomic tariff was mainly attributed to the higher fuel prices during the first semester and the fact that the tariff indexation mechanisms in our contracts reflected the increase in the average price of our fuel mix.

Other operating revenues evidenced an 8.2% decrease. This item includes revenues from our gas distribution business, tolls on our sub-transmission assets, revenues from coal sales to other generators, and revenues from other services including port services and maintenance of transmission lines to third parties. These revenues were particularly large during 2010 due to US$ 14,5 million received from Tecpetrol as compensation for past interruptions in gas deliveries.

Operating Costs

	For the 9-month period ended September 30, (In US$ millions, except for volumes and percentages)					
	9M- 2010		9M - 2011		Variation	
Operating Costs	Amount	% of total	Amount	% of total	Amount	%
Fuel and lubricants………………………………	(366,4)	*61%*	(406,1)	*56%*	**(39,7)**	***11%***
Energy and capacity purchases on the spot market…………………………………………..	(42,8)	*7%*	(96,1)	*13%*	**(53,3)**	***124%***
Depreciation and amortization attributable to cost of goods sold…………………………….	(70,6)	*12%*	(83,0)	*11%*	**(12,4)**	***18%***
Other costs of goods sold……………………..	(118,1)	*20%*	(139,8)	*19%*	**(21,7)**	***18%***
Total cost of goods sold………………..	**(597,9)**	*96%*	**(725,0)**	*95%*	**(127,1)**	***21%***
Selling, general and administrative expenses…	(26,1)	*4%*	(35,0)	*5%*	**(8,9)**	***34%***
Depreciation and amortization in selling, general and administrative expenses………..	(0,9)	*0%*	(0,9)	*0%*	**0,0**	***0%***
Other revenues…………………………………	1,2	*0%*	1,2	*0%*	**0,0**	***1%***
Total operating costs…………………..	**(623,6)**	*100%*	**(759,7)**	*100%*	**(136,1)**	***22%***
Physical Data (in GWh)						
Gross electricity generation						
Coal…………………………………………..	4.105	*70%*	3.978	*74%*	**(127)**	***-3%***
Gas…………………………………………..	1.120	*19%*	1.130	*21%*	**10**	***1%***
Diesel Oil and Fuel Oil…………………….	586	*10%*	254	*5%*	**(332)**	***-57%***
Hydro………………………………………..	32	*1%*	30	*1%*	**(2)**	***-8%***
Total gross generation………………….	**5.843**	***100%***	**5.392**	***100%***	**(451)**	***-8%***
Minus Own consumption………………..	(385)	*-7%*	(377)	*-7%*	**8**	***-2%***
Total net generation…………………….	**5.458**	***93%***	**5.015**	***93%***	**(443)**	***-8%***
Energy purchases on the spot market………..	190	***3%***	751	***14%***	**561**	***295%***
Total energy available for sale before transmission losses………………………	**5.648**	***97%***	**5.766**	***107%***	**118**	***2%***

Our gross generation registered an 8% drop during the nine month period ended September 30, 2011, compared to the same period in 2010. The shortfall to meet the 4% increase in sales to unregulated customers, including energy and capacity requirements to fully meet sales under CTH's PPA starting April, were met by purchases on the spot market. Energy and capacity purchases also include the additional RM39 payments made mainly by CTH to the grid per CDEC regulations to pay for backup capacity while in testing mode. Coal generation declined primarily because of the overhaul of the U12 unit, and maintenance of the U15 and CTM2 units during the first semester. Additionally, some diesel and fuel oil peaking generation was displaced by LNG based generation, which became available upon the entry into operation of the LNG Terminal in May 2010, and by the new CTA, CTH and Angamos coal-fired units.

Fuel costs increased by 11% due to higher average diesel and fuel oil prices, which increased by 30% and 22%, respectively, compared to the same period in 2010. Gas and coal fired generation climbed from 19% and 70%, respectively, in the nine-month period ended September 30, 2010, to 21% and 74% in the same period in 2011. This increase had the effect of displacing diesel and fuel oil based generation.

Other costs of goods sold increased both because of the increase in third party services, which include maintenance and repairs, and because of the payment of a US$ 6.4 million end-of-negotiation bonus at Electroandina.

The increase in depreciation and amortization expenses is primarily due to the commencement of depreciation charges in relation to the new coal plants and transmission assets, such as the Chacaya-El Cobre transmission line and the El Cobre sub-station.

Operating Results

For the 6-month period ended June 30,
(In US$ millions, except for percentages)

EBITDA	9M - 2010 Amount	9M - 2010 % of	9M 2011 Amount	9M 2011 % of	Variation Amount	Variation %
Total operating revenues…………………….…	802,1	*100%*	917,7	*100%*	**115,6**	***14%***
Total cost of goods sold………………….…	(597,9)	*-75%*	(725,0)	*-79%*	**(127,1)**	***21%***
Gross income………………………….	**204,3**	*25%*	**192,7**	*21%*	**(11,6)**	***-6%***
Total selling, general and administrative expenses and other operating income/(costs).	(25,8)	*-3%*	(34,6)	*-4%*	**(8,8)**	***34%***
Operating income…..……………….	**178,5**	*22%*	**158,1**	*17%*	**(20,4)**	***-11%***
Depreciation and amortization……....…………	71,5	*9%*	83,9	*9%*	**12,4**	***17%***
EBITDA…………………..……………….	**250,0**	*31%*	**242,0**	*26%*	**(8,0)**	***-3%***

EBITDA reached US$ 242 million, equivalent to a 3% decline as of September 2011, primarily because of the effect of the US$ 14.5 million compensation received from Tecpetrol in the 2010 period.

Financial Results

For the 9-month period ended September 30,
(In US$ millions, except for percentages)

Non-operating results	9M - 2010 Amount	9M - 2010 Revenues	9M - 2011 Amount	9M - 2011 Revenues	Variation Amount	Variation %
Financial income………..………………………	3.4	*0%*	3.2	*0%*	**(0.2)**	***-7%***
Financial expense……………..………………	(12.5)	*-2%*	(18.0)	*-2%*	**(5.5)**	***44%***
Foreign exchange translation, net……………	9.2	*1%*	(8.7)	*-1%*	**(17.9)**	***n.a.***
Other non-operating income/(expense) net…	1.3	*0%*	(0.8)	*0%*	**(2.1)**	***-162%***
Total non-operating results…………….	**1.4**	*0%*	**(24.4)**	*-3%*	**(25.8)**	***-1842%***
Income before tax……………………...………	180.0	*22%*	133.7	*15%*	**(46.3)**	***-26%***
Income tax………………………………………	(31.2)	*-4%*	(29.7)	*-3%*	**1.5**	***-5%***
Net income to E.CL's shareholders…….	**148.7**	*19%*	**104.0**	*11%*	**(44.7)**	***-30%***
Earnings per share……………………..	**0.140**		**0.099**		**(0.042)**	***-30%***

Financial expense increased by US$ 5.5 million as CTA Project financing expenses ceased to be capitalized as of the commencement of its commercial operation.

Exchange-rate fluctuations during the period resulted in an US$ 8.7 million Foreign Exchange translation loss. This is in contrast with the US$ 9.2 million cumulative profit as of September 2010. The loss resulted from the abrupt appreciation of the dollar in September, which affected the U.S. Dollar value of certain Chilean Peso denominated items, such as client receivables and CTA and CTH VAT receivables.

Net Earnings

After tax income at US$ 104 million declined by US$ 44.7 million or 30% primarily because of the effect of the foreign-exchange variations and the increased Financial expense. The income tax rates increased to 20%, resulting in an after-tax profit of US$ 0.099 per share.

Liquidity and Capital Resources

E.CL fully repaid all intercompany loans on December 17, 2010, with proceeds from US$ 400 million 5.625%, 10-year 144-A notes placed in December 2010. As of September 30, 2011, we reported cash balances of US$ 79.3 million (including short-term investments available for sale), whereas our nominal financial debt[1] totaled US$ 689.2 million, only US$ 7.6 million of which matures within one year.

	For the 9-month period ended September 30, (In US$ millions)	
Cash Flow	**2010**	**2011**
Net cash flows provided by operating activities…	245,1	249,0
Net cash flows used in investing activities………	(155,4)	(101,1)
Net cash flows provided by financing activities..	(68,8)	(187,1)
Change in cash……………………………….	**20,9**	**(39,2)**

Cash Flow from Operating Activities

Cash flow generated from operating activities in the nine-month period ended September 30, 2011 was primarily explained by our operating earnings during the period, whereas in 2010 it also included the collection of the US$ 14.6 million Tecpetrol compensation.

Cash Flow Used in Investing Activities

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. Under IFRS, beginning 2010 we have recognized 60% of the capital expenditures made by CTH in proportion to our equity interest in the project. We have also made capital expenditures for the overhaul of our power plants, equipment maintenance and refurbishing, and environmental improvement, among other capital expenditures.

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

Our capital expenditures in the nine-month periods ended September 30, 2011 and 2010, amounted to US$ 113.6 million and US$ 151.4 million, respectively, and include the following:

Capital Expenditures

	For the 9-month period ended September 30, (In US$ millions)	
CAPEX	**2010**	**2011**
CTA………………………………………………………..	62,6	25,0
CTH (1)………………………………………………….	17,3	19,0
Central Tamaya………………………………………..	0,1	-
El Cobre substation & Chacaya-El Cobre transmission line……………………………	45,6	-
Overhaul power plants & equipment maintenance and refurbishing…………………	7,7	23,5
Environmental improvement works………………	-	15,0
Others……………………………………………	18,1	31,1
Total capital expenditures……………………….	**151,4**	**113,6**

(1) 60% of these capital expenditures are recognized per IFRS.

Cash Flow from Financing Activities

Our principal financing activities during the nine-month period ended September 30, 2011, were as follows:

- On June 15, 2011, CTA repaid the first installment on the project financing provided by IFC and KfW for a principal amount of US$ 2.8 million.
- On July 6, 2011, E.CL repaid a US$ 50 million bank loan at maturity with its own cash generation.
- On August 25, 2011, E.CL paid US$ 25 million in interim dividends against 2011 net income.

Contractual Obligations

The following table sets forth the maturity profile of our debt obligations as of September 30, 2011. 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

Payments Due by Period

(In US$ millions)

	Total	< 1 year	1 - 3 years	3 - 5 years	More than 5 years
Bank debt……………………………	285,9	5,8	16,6	22,6	240,9
Bonds (144 A/Reg S Notes)………	400,0				400,0
Leasing obligations……...………	3,3	1,8	1,4		0,1
Accrued interest…………………	9,0	9,0			
Mark-to-market swaps	33,4				33,4
Total	**731,7**	**16,6**	**18,0**	**22,6**	**674,4**

Bank debt, in the table above, includes drawings under the project financing extended by IFC and KfW to our subsidiary CTA, which as of September 30, 2011, reached a total principal amount of US$ 285.9 million, payable in semiannual installments starting June 15, 2011, and ending with a 25% balloon payment on June 15, 2025.

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

Other debt includes US$ 3.3 million in leasing obligations related to transmission assets, as well as a negative US$ 33.4 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

We do not have an established dividend payment policy, and 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 following years. The dividend payment proposed by our Board is subsequently approved at a Shareholders' Meeting as established by law. On April 14, 2011, our shareholders approved dividends in an amount equivalent to 50% of our net 2010 earnings. Such amount was paid on May 5, 2011.

On July 26, 2011, the Board of Directors approved the distribution of a provisional dividend payment of US$ 0,0237347080 per share against 2011 net earnings. The total dividend payment was for a total amount of US$ 25,000,000 and was paid on August 25, 2011.

The record of dividends paid during 2010 and 2011 is shown in the following table:

Cash Dividends paid by E.CL S.A. in 2010 and 2011

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	Additional (on account of 2011 net income)	25,0	0,02373

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 tariff incorporated in our PPAs, and the fuel mix taken into consideration in the tariffs.

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. We have occasionally engaged in forward agreements to partially hedge this asset against foreign currency risk.

Interest Rate Hedging

We try to maintain a significant portion of our long-term debt at fixed rates in order to minimize interest-rate exposure. As of September 30, 2011, 92% of our total financial debt for a principal amount of US$ 686 million was at fixed rates. The remaining 8% of our debt, corresponding to the unhedged portion of our CTA project financing, was at 180-day floating LIBOR.

As of September 30, 2011
Contractual maturity date
(In US$ millions)

	Average interest rate	Current portion-	2012	2013	2014	Thereafter	Total long-term	Grand Total
Fixed Rate								
	Swapped base rate of 3.665% p.a.							
(US$)	+ 2.50% spread [1]	4,8	2,5	7,2	7,8	211,7	229,2	234,0
(US$)	5.625% p.a.					400,0	400,0	400,0
Variable Rate								
(US$)	LIBOR (180) + 2.50% p.a. [1]	1,1	0,6	1,6	1,7	47,0	50,9	52,0
Total [2]		**5,8**	**3,0**	**8,8**	**9,6**	**658,7**	**680,1**	**685,9**

(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.

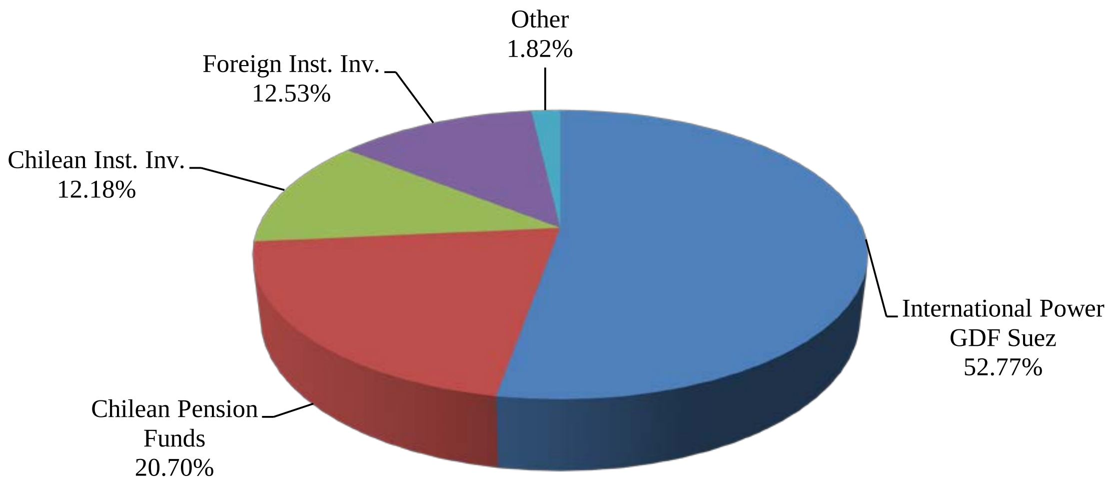
(2) These figures include principal amounts only and do not include leasing obligations related to our use of transmission lines or mark-to-market adjustments on interest rate swaps.

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. 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 a limit with each counterparty to manage our exposure.

OWNERSHIP STRUCTURE AS OF SEPTEMBER 30, 2011

No. of Shareholders: 2,025



APPENDIX 1

PHYSICAL DATA AND SUMMARIZED QUARTERLY FINANCIAL STATEMENTS

Physical Sales
(in GWh)

	2010				2011			
	1Q10	2Q10	3Q10	9M Total	1Q11	2Q11	3Q11	9M Total
Physical Sales								
Sales of energy to unregulated customers.	1.717	1.789	1.831	5.337	1.800	1.904	1.828	5.532
Sales of energy to the spot market………	22	25	69	117	0	-	60	60
Total energy sales…………………………	**1.740**	**1.814**	**1.900**	**5.454**	**1.800**	**1.904**	**1.889**	**5.592**
Gross electricity generation								
Coal…………………………………………..	1.343	1.367	1.395	4.105	1.167	1.304	1.508	3.978
Gas…………………………………………..	196	396	528	1.120	391	396	342	1.130
Diesel Oil and Fuel Oil……………………..	285	175	126	586	119	96	39	254
Hydro………………………………………..	12	11	10	32	13	9	8	30
Total gross generation………………….	**1.835**	**1.949**	**2.059**	**5.843**	**1.689**	**1.805**	**1.897**	**5.392**
Minus Own consumption………………..	(121,0)	(128,5)	(135,7)	(385,2)	(100,1)	(127,1)	(150,0)	(377,2)
Total net generation…………………….	**1.714**	**1.820**	**1.923**	**5.458**	**1.589**	**1.678**	**1.747**	**5.015**
Energy purchases on the spot market………..	91	61	38	190	289	266	196	751
Total energy available for sale before transmission losses………………………	**1.805**	**1.881**	**1.961**	**5.648**	**1.878**	**1.944**	**1.943**	**5.766**

Quarterly Income Statement (in US$ millions)

IFRS	2010						2011				
	1Q10	2Q10	3Q10	9M10	4Q10	Total	1Q11	2Q11	Total	3Q11	9M11
Operating Revenues											
Unregulated customers sales…………………..	221,0	239,6	247,9	708,5	254,4	962,9	267,4	307,2	574,6	252,0	826,6
Spot market sales………………………………..	3,1	9,1	23,4	35,6	14,0	49,6	13,9	10,6	24,5	19,9	44,4
Total revenues from energy and capacity sales…………………………….	**224,1**	**248,7**	**271,3**	**744,1**	**268,4**	**1.012,5**	**281,3**	**317,8**	**599,0**	**271,9**	**871,0**
Gas distribution sales…………………………..	3,1	1,0	3,3	7,4	4,9	12,3	1,5	1,5	3,0	1,2	4,2
Other operating revenue………………………..	18,8	23,2	8,7	50,7	45,5	96,2	19,3	11,5	30,8	11,8	42,5
Total operating revenues…………………	**246,0**	**272,9**	**283,3**	**802,1**	**318,8**	**1.121,0**	**302,1**	**330,8**	**632,8**	**284,9**	**917,7**
				-							
Operating Costs				-						-	
Fuel and lubricants………………………………	(103,5)	(130,4)	(132,5)	(366,4)	(137,5)	(503,9)	(125,4)	(156,6)	(282,0)	(124,1)	(406,1)
Energy and capacity purchases on the spot market…………………………………………..	(16,9)	(10,1)	(15,8)	(42,8)	(32,1)	(74,9)	(41,5)	(36,1)	(77,5)	(18,5)	(96,1)
Depreciation and amortization attributable to cost of goods sold…………………………….	(24,1)	(23,0)	(23,5)	(70,6)	(29,2)	(98,5)	(24,9)	(26,0)	(50,9)	(32,1)	(83,0)
Other costs of goods sold……………………	(25,8)	(49,9)	(42,4)	(118,1)	(47,8)	(167,2)	(46,8)	(42,0)	(88,8)	(51,0)	(139,8)
Total cost of goods sold……………….	**(170,3)**	**(213,4)**	**(214,3)**	**(598,0)**	**(246,6)**	**(844,5)**	**(238,5)**	**(260,7)**	**(499,2)**	**(225,8)**	**(725,0)**
Selling, general and administrative expenses…	(10,1)	(6,2)	(9,8)	(26,1)	(12,2)	(38,3)	(10,0)	(14,5)	(24,5)	(10,5)	(35,0)
Depreciation and amortization in selling, general and administrative expenses………..	(0,3)	(0,3)	(0,3)	(0,9)	(0,2)	(1,1)	(0,3)	(0,3)	(0,6)	(0,3)	(0,9)
Other revenues……….……………………..	0,2	0,4	0,6	1,2	1,9	3,1	0,7	0,3	1,0	0,3	1,2
Total operating costs…………………..	**(180,5)**	**(219,4)**	**(223,7)**	**(623,6)**	**(257,1)**	**(880,7)**	**(248,1)**	**(275,2)**	**(522,8)**	**(236,9)**	**(759,7)**
Operating income…………………	**65,5**	**53,5**	**59,5**	**178,5**	**61,7**	**240,2**	**54,0**	**55,6**	**109,5**	**48,6**	**158,1**
EBITDA……………………………….	**89,9**	**76,8**	**83,3**	**250,0**	**91,1**	**339,9**	**79,2**	**81,9**	**161,0**	**81,0**	**242,0**
Financial income………………………………	1,0	1,2	1,2	3,4	0,9	4,4	1,0	1,2	2,2	0,9	3,2
Financial expense……………………………	(2,7)	(6,7)	(3,1)	(12,5)	(1,6)	(14,1)	(3,7)	(4,1)	(7,8)	(10,2)	(18,0)
Foreign exchange translation, net……………	(4,1)	(7,9)	21,2	9,2	6,5	15,7	(5,9)	10,6	4,8	(13,5)	(8,7)
Other non-operating income/(expense) net…	-	(1,0)	2,3	1,3	(2,5)	(1,2)	(0,2)	(0,2)	(0,3)	(0,5)	(0,8)
Total non-operating results……………	**(5,9)**	**(14,3)**	**21,6**	**1,4**	**3,3**	**4,7**	**(8,7)**	**7,6**	**(1,1)**	**(23,2)**	**(24,4)**
Income before tax……………………………	59,6	39,3	81,2	180,0	65,0	245,0	45,3	63,0	108,3	25,4	133,7
Income tax………………………………………	(11,2)	(9,0)	(11,0)	(31,2)	(13,5)	(44,7)	(11,3)	(12,9)	(24,2)	(5,4)	(29,7)
Net income to E.CL's shareholders…	**48,5**	**30,2**	**70,2**	**148,7**	**51,5**	**200,4**	**34,0**	**50,1**	**84,1**	**19,9**	**104,0**
Earnings per share……………………..	**0,046**	**0,029**	**0,066**	**0,140**	**0,049**	**0,189**	**0,032**	**0,048**	**0,080**	**0,019**	**0,099**

Quarterly Balance Sheet

(In U.S.$ millions)

	2010			2011		
	31-Mar-10	30-Jun-10	30-Sep-10	31-Mar-11	30-Jun-11	30-Sep-11
Current Assets						
Cash and cash equivalents (1)	201,7	226,2	186,9	156,8	163,4	79,3
Accounts receivable	165,0	158,2	181,7	240,6	231,4	204,5
Recoverable taxes	134,9	104,0	133,5	44,5	30,2	39,4
Other current assets	63,2	64,2	82,6	272,1	199,6	234,8
Total current assets	**564,7**	**552,6**	**584,8**	**713,9**	**624,6**	**557,9**
Non-Current Assets						
Property, plant and equipment, net	1.781,7	1.693,4	1.731,9	1.753,1	1.739,9	1.782,2
Other non-current assets	394,3	367,8	356,8	403,5	407,6	394,1
TOTAL ASSETS	**2.740,7**	**2.613,8**	**2.673,4**	**2.870,5**	**2.772,1**	**2.734,2**
Current Liabilities						
Financial debt (including intercompany)	26,2	18,1	453,1	64,3	66,0	12,9
Other current liabilities	125,6	103,5	154,1	308,7	218,4	219,3
Total current liabilities	**151,8**	**121,6**	**607,2**	**373,0**	**284,3**	**232,2**
Long-Term Liabilities						
Financial debt (including intercompany)	695,2	805,7	312,1	659,9	663,3	689,8
Other long-term liabilities	180,4	160,6	169,2	180,8	187,2	187,6
Total long-term liabilities	**875,6**	**966,3**	**481,3**	**840,7**	**850,5**	**877,4**
Shareholders' equity	**1.713,3**	**1.525,9**	**1.584,9**	**1.656,8**	**1.637,2**	**1.624,7**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2.740,7**	**2.613,8**	**2.673,4**	**2.870,5**	**2.772,1**	**2.734,2**

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

CONFERENCE CALL 3Q11

E.CL is pleased to inform you that it will conduct a conference call to review its results for the period ended September 30th, 2011, on Friday, October 28th, 2011, at 10 am (Eastern Time) – 11 am (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.: #21861873, 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.: #21861873. A conference call replay will be available until November, 5th, 2011