October 30, 2014

IN THE THIRD QUARTER OF 2014, E.CL REPORTED NET INCOME OF US$40 MILLION AND EBITDA OF US$92 MILLION.

EBITDA REACHED US$244 MILLION IN THE FIRST NINE MONTHS OF 2014, A 29% INCREASE COMPARED TO THE SAME PERIOD OF 2013, MAINLY DUE TO IMPROVED OPERATING PERFORMANCE, WHICH LED TO LOWER FUEL COSTS; HIGHER AVERAGE PRICES AND INCREASED GAS SALES. NET INCOME AMOUNTED TO US$85 MILLION, A SIGNIFICANT INCREASE COMPARED TO THE FIRST NINE MONTHS OF 2013.

- **Operating revenues** amounted to US$946.2 million in the first nine months of 2014, a 6% increase compared to the same period of 2013, mainly due to higher average realized monomic prices in both the regulated and unregulated client segments.

- **EBITDA** for the first nine months of 2014 was US$243.8 million, with an EBITDA margin of 25.8%. EBITDA increased 28% compared to the same period of 2013 mainly due to an improved operating performance, which resulted in lower fuel costs; higher average prices and increased gas sales.

- **Net income** for the first nine months of 2014 amounted to US$85.1 million, a significant improvement with respect to the same period of 2013.

Financial Highlights
(in US$ millions)

US$ millions	3Q13	3Q14	Var %	9M13	9M14	Var%
Total operating revenues	302.9	319.7	***6%***	895.2	946.2	***6%***
Operating income	31.8	59.6	***87%***	76.7	144.5	***88%***
EBITDA	72.5	92.0	***27%***	189.6	243.8	***29%***
EBITDA margin	23.9%	28.8%	***20%***	21.2%	25.8%	***22%***
Non recurring earning	4.7	-	-	4.7	6.0	***28%***
EBITDA without non recurring earnings	67.8	92.0	***36%***	184.9	237.8	***29%***
Total non-operating results	(8.9)	(8.1)	***-9%***	(34.6)	(31.4)	***-9%***
Net income after tax	17.2	40.9	***-138%***	29.9	88.7	***197%***
Net income attributed to controlling shareholders	14.5	40.6	***-181%***	22.6	85.1	***277%***
Net income attributed to minority shareholders	2.8	0.3	***-89%***	7.4	3.5	***-52%***
Earnings per share	0.01	0.04	***203%***	0.02	0.08	***277%***
Total energy sales (GWh)	2,399	2,312	***-4%***	7,267	6,834	***-6%***
Total net generation (GWh)	2,153	2,103	***-2%***	6,567	6,112	***-7%***
Energy purchases on the spot market (GWh)	334	308	***-8%***	915	902	***-1%***

E.CL is engaged in the generation, transmission and supply of electricity and the 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 September 30, 2014, E.CL accounted for 52% of the SING's installed capacity. E.CL primarily supplies electricity to large mining and industrial customers, and it also supplies 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:

- **3Q-2014**

  - **Tax reform:** On September 29, 2014, Law 20,780, which modifies the country's income-tax regime and introduces other tax adjustments, was published in the official gazette. This tax reform introduces a progressive increase in the First Category Income Tax rates, with these rates varying depending on whether the company chooses a partially integrated or an attributed income system. On October 6, 2014, E.CL filed a material fact statement with the regulator ("SVS") indicating that the company will pay taxes according to the partially integrated system; notwithstanding that in the future, the company's shareholders could agree in a shareholders' meeting to switch to the attributed income system. The resulting gradual increase in the corporate tax rate from 20% to 27% in 2018 according to the partially integrated system caused a one-time increase in our deferred taxes, which under IFRS (NIC12) would have had a negative, non-cash impact of U.S.$44 million in our 3Q14 net income. However, on October 17, 2014, the Chilean regulator "SVS" stated that Chilean companies should reflect the impact of the corporate tax rate increase on deferred taxes as a reduction in equity in their statement of financial position; hence, the increase in deferred taxes resulted in a U.S.$44 million reduction in equity as of September 30, 2014. The full effect of the income tax rate increase on 2014's financial statements will not be known until the end of 2014. In addition, the tax reform introduced specific taxes on certain emissions produced by thermoelectric units that will become effective in 2017. Specifically, a US$0.1/ton tax on local emissions (PM, SO_2 and NOx) as well as a US$5/ton tax on CO_2 emissions applicable to boilers and turbines with thermal power equal to or greater than 50 thermal MW will become effective in 2017. The impact of emission taxes on E.CL's performance cannot be determined at this juncture as the operation reality of our thermoelectric plants may be different in 2017 in comparison with the present situation.

  - **Dividends**: On August 26, the board of directors approved the distribution of provisional dividends, on account of 2014's net income, in the amount of US$ 7,000,000, or US$ 0,00664571824 per share, which were paid to shareholders in their Chilean peso equivalency on September 30, 2014.

  - **Pampa Camarones Solar PV plant**: On July 10, E.CL gave notice to proceed to the construction of the first stage of the Pampa Camarones solar photo-voltaic plant with installed capacity of 6MW. A commercial agreement between Minera Pampa Camarones and E.CL permitted the construction of this plant that will supply the mining company's electricity needs with renewable energy. This plant's electricity output will be injected into the SING grid through E.CL's future Vítor substation, which will imply the construction of at least two new transmission lines. The initiative will have 24,000 photo-voltaic panels, will produce 18.1 GWh p.a., and is expected to begin commercial operations in the first quarter of 2015. The plant is situated approximately 50 kilometers south-east of the city of Arica. The Pampa Camarones project has potential to develop up to 300MW if all future stages are built. This will depend on commercial agreements.

  - **Service interruption in the SING:** On July 2, most of the SING system suffered service interruption for a few hours. Apparently the incident started in the Crucero substation during maintenance works carried out under normal protocols, and it subsequently impacted the operation of the rest of the system. An investigation is under due course to determine the possible causes of the incident in Crucero and the response of the system.

- **2Q-2014**

  - **CEO change:** After ten years in Chile leading the company and its affiliates, Mr. Lodewijk Verdeyen resigned as E.CL's CEO to assume new functions as Vice-President for New Businesses Development for the GDF SUEZ group in Latin America. On September 1, 2014, Mr. Axel Levêque, former COO – GDF SUEZ Energy Latin America, took over Mr. Verdeyen's position as E.CL's CEO. Mr. Levêque began his career with GDF SUEZ in 1996, working in Belgium, Spain, Chile, Peru and Brazil. With previous working experience in Chile, Mr. Leveque is well acquainted with the company and the Chilean electricity industry.

- **Earthquake**: On April 2, an 8.2 Richter-scale earthquake, followed by a 7.6-degree earthquake on April 3, affected the north of Chile, with no casualties or injuries among E.CL personnel nor any material damage on E.CL's generation, port, gas transportation and electricity transmission assets. Certain transmission assets suffered minor damages and reported service interruptions. All damages have been repaired, and E.CL's transmission network has been operating normally since shortly after these force majeure events.

- In April, the **Calama wind farm project** (up to 228MW) was registered with the **Clean Development Mechanism (CDM)** of the United Nations. The project has an annual CER generation potential of more than 500,000 tons, which makes it one of the biggest projects under CDM development in Chile.

- **Dividend payments:** At the Annual Ordinary Shareholders' Meeting held on April 29, 2014, the shareholders approved a dividend payment equivalent to all of 2013's net income plus approximately US$9 million paid from retained earnings. An amount of US$39,583,732.32, or US$0.0375803332 per share, was paid on May 23, 2014.

- **New dividend policy:** At the April 29, 2014 Annual Ordinary Shareholders Meeting, the company's shareholders approved a new dividend policy, which modifies the existing one in that, subject to proper board or shareholder approvals, the company will intend to pay two provisional dividends, preferably in August/September and December/January of each year on the basis of the financial results of the first half and second quarters, respectively, in addition to the definitive dividend to be paid in May of each year.

- **MSCI:** Last May, E.CL's share was delisted from the MSCI Mid-Cap index and was listed in the MSCI Small Cap index.

- **Energy Agenda:** In early May, the Chilean government launched its "Agenda Energética" or energy agenda, setting guidelines for the energy sector's development over the 2014-2018 period. The document elaborates on seven main angles including a new role for the state; energy price reductions through enhancing competition, efficiency and diversification of the energy market; development of native energy resources; expanding connectivity for energy development; achieving an efficient sector that manages energy consumption; fostering investment in energy infrastructure; and supporting citizenship participation and territorial ordering. Among other subjects, the document emphasizes the development of electricity transmission systems, specifically, the interconnection of the existing electricity grids in central and northern Chile (the "SIC" and the "SING").

➢ **1Q-2014**

- **Chairman of the Board:** On January 28, 2014, the board of directors agreed to accept the resignation of Mr. Jan Flachet as member and chairman of E.CL's board of directors. Mr. Flachet accepted a new position within the GDF SUEZ group in Asia. The board appointed Mr. Juan Clavería Aliste as the new chairman of E.CL's board.

- **SING – SIC transmission line:** On January 28, 2014, the company gave notice to proceed with the construction of a 580-km., 500 kV, double-circuit transmission line, with 1,500 MVA per circuit. This line will permit the transmission of electricity generated by power plants in Mejillones to Cardones in the northern area of the SIC. The project will be developed through E.CL's subsidiary, TEN, recently acquired from Suez Energy Andino S.A. TEN accepted a firm turn-key EPC offer from Alusa Ingeniería and issued a notice to proceed to Alusa for the project's detailed engineering, early works, and the acquisition of electromechanical equipment worth approximately US$20 million. Accordingly, as required by current regulations, TEN communicated the commencement of construction to the National Energy Commission ("CNE") and the CDEC-SIC. The project will represent a total investment of approximately US$700 million. E.CL has begun the search of one or more partners and is currently analyzing the best possible financing structure to permit E.CL's future growth into other electricity projects. Given its characteristics, the project can be connected to the SING in Mejillones and has the potential to provide E.CL with access to a new market of unregulated clients and distribution companies in the SIC using either existing or new power plants to be built in the future.

- **CTM3:** On March 28, 2014, E.CL informed the CDEC-SIC, the CDEC-SING and the CNE that beginning June 2017 E.CL will interconnect to the Central Interconnected System (SIC) its CTM3 combined-cycle gas turbine that forms part of the Central Térmica Mejillones power generation complex owned by E.CL and situated in the Mejillones area currently interconnected to the SING grid. This unit will initially operate with diesel and subsequently with gas or diesel depending on contractual arrangements.

➢ **SUBSEQUENT EVENTS:**

- **New US$350 million 144-A/Reg S notes issue.** On October 29, after several fixed-income investor meetings in Santiago, London, Los Angeles and New York, E.CL successfully completed a 144 A /Reg S issue for a total amount of US$350 million with a single principal payment in January 2025, 4.568% yield and 4.5% p.a. coupon rate. The proceeds of the notes, together with company cash resources, will be used to prepay entirely the IFC and KfW project financing of our wholly-owned subsidiary, CTA, as well as the unwinding costs related to the interest-rate swaps associated to this project financing. The global coordinators and joint bookrunners were Bank of America Merrill Lynch, Citigroup and HSBC Securities (USA) Inc., with BTG Pactual and Crédit Agricole CIB as joint bookrunners. During the process of elaborating the offering memorandum, the company and its external auditors reviewed the interpretation applied to the impairment of Gasoducto Nor Andino Argentina S.A. carried out in the last quarter of 2013. In consideration to the revised interpretation and according to international accounting standards (IFRS), specifically, IAS 8, the company adjusted its consolidated financial statements as of June 30, 2014, and for comparison purposes also adjusted the net worth accounts as of December 31, 2013 included in the June 30 financial statements. This adjustment does not affect any of the income statement accounts reported in the first half of 2014 nor the company's consolidated equity as of June 30, 2014 or December 31, 2013.

INDUSTRY OVERVIEW

The company operates in 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 predominantly a thermoelectric system, with generation based on coal, natural gas, LNG, and diesel and fuel oil. The system has begun to exhibit an incipient development of renewable sources, mainly wind and solar.

During the 1Q14 the SING's monthly marginal costs averaged US$87.9/MWh, above the US$78.3/MWh recorded in the first quarter of the year before. The 1Q14 average stood slightly below the 4Q13's US$89.1/MWh average, which reflected increased demand and lower availability of cost-efficient generation.

In 2Q14, monthly marginal costs averaged US$89/MWh, reaching their highest level in April and their minimum in June. Because of greater gas availability and programmed maintenance of coal-fired plants, the system reported higher LNG-based generation. The fuel mix changed, with a lower relative weight of coal and diesel generation offset by higher LNG and renewable sources.

In 3Q14, monthly marginal costs averaged US$69.8/MWh, well below the previous quarter's US$89/MWh mainly due to the recovery in coal generation. In July 2014, marginal costs averaged US$85.4/MWh, an 8.7% increase compared to the same month of the prior year and an 11.8% increase compared to June 2014. In August, the marginal cost averaged US$58.3/MWh, representing a 27% decrease compared to the same month in 2013 and a

31.7% decrease compared to July. Finally, in September, marginal costs averaged US$65.4/MWh, a 1.4% increase from the same month the year before and a 12.1% increase from the previous month.

Monthly marginal costs averaged US$81.7/MWh in the first nine months of 2014, a 7% increase compared to the same period of 2013's US$76.3/MWh average.

However, it should be noted that these marginal costs do not reflect the system's generation overcosts ruled under the RM 39 and DS 130 mechanisms. These overcosts consist of operating costs, in excess of the costs determined according to the economic dispatch of generation plants, which are incurred by generation companies for reasons such as higher service reliability, tests, transmission limitations and operation at plants' minimum technical level. The overcosts resulting from the operation of plants at their minimum technical level began to be ruled by the DS 130 in January 2013. Units operating under this condition do not set the marginal cost. Their reported variable costs in excess of the marginal cost are treated as overcosts, which are added and subsequently prorated among generation companies in function of their contracted electricity demand. Each generation company therefore, receives or pays, as the case may be, the difference between its pro-rata share of the overcost and the generation overcost actually incurred by it. In this way, generators effectively incurring operational overcosts are remunerated by the more heavily contracted generators through this compensation system. The generators are able to partially pass through their share of the overcosts to tariffs depending on specific contractual conditions with their clients. The system's global overcosts reached US$48 million in the first quarter and US$48.8 million in the second quarter. In the third quarter of 2014, system overcosts amounted to US$51.1 million, significantly higher than those reported in the third quarter of 2013 due to increased dispatch of units operating at their technical minimum levels. Overall, in the first nine months of 2014, overcosts amounted to US$148.63 million; that is, 18% above the overcosts reported in the same period of 2013.

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

Generation by Fuel Type (in GWh)

	2013						2014					
	1Q 2013		2Q 2013		3Q 2013		1Q 2014		2Q 2014		3Q 2014	
Fuel Type	GWh	% of total	GWh	% of total	GWh	% of total	GWh	% of total	GWh	% of total	GWh	% of total
Hydro	21	0%	18	0%	19	0%	22	1%	18	0%	18	0%
Coal	3,497	82%	3,452	82%	3,619	84%	3,482	82%	3,437	78%	3,486	80%
LNG	451	11%	323	8%	408	9%	387	9%	568	13%	542	12%
Diesel / Fuel oil	251	6%	400	9%	248	6%	312	7%	296	7%	221	5%
Solar/Wind/ cogeneration	28	1%	27	1%	38	1%	61	1%	100	2%	114	3%
Total gross generation SING	**4,248**	100%	**4,220**	100%	**4,331**	100%	**4,265**	100%	**4,420**	100%	**4,380**	100%

Source: CDEC-SING

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

Generation by Company (in GWh)

	2013						2014					
	1Q 2013		2Q 2013		3Q 2013		1Q 2014		2Q 2014		3Q 2014	
Company	GWh	% of total	GWh	% of total	GWh	% of total	GWh	% of total	GWh	% of total	GWh	% of total
Norgener / Angamos	1,524	36%	1,327	31%	1,306	30%	1,503	35%	1,738	39%	1,564	36%
Celta	265	6%	243	6%	292	7%	256	6%	169	4%	246	6%
GasAtacama	156	4%	284	7%	164	4%	225	5%	213	5%	170	4%
E.CL (with 100% of CTH)	2,260	53%	2,322	55%	2,515	58%	2,204	52%	2,183	49%	2,273	52%
Other	42	1%	44	1%	54	1%	77	2%	118	3%	127	3%
Total gross generation SING………	**4,248**	100%	**4,220**	100%	**4,331**	100%	**4,265**	100%	**4,420**	100%	**4,380**	100%

Source: CDEC-SING

During the third quarter of 2014, E.CL reported a recovery in electricity generation and remained as the industry leader, accounting for 51% of the system's generation. In the third quarter both E.CL and the rest of the system had power plants temporarily out of service for maintenance and installation of emissions reduction systems. In the particular case of E.CL, coal generation increased in the third quarter as compared to the second quarter because its plant maintenance outages were shorter.

Generation and demand levels normally exhibit a decline in the first quarter of each year after high demand levels in the last quarter basically due to the production schedules at mining operations. Overall, in the first nine months of 2014, demand increased by 2% compared to the first nine months of 2013. Although some mining operations such as Ministro Hales, El Abra, Esperanza and Cerro Colorado showed an increase in their demand for electricity, others such as Chuquicamata, Gaby, Radomiro Tomic and Minera Zaldívar have reported lower demand according to their production and maintenance programs.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

*The following discussion is based on our unaudited consolidated financial statements for the nine-month periods ended September 30, 2014 and 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*). All figures reflect 100% consolidation of Inversiones Hornitos ("CTH").*

Results of Operations

3Q 2014 compared to 2Q 2014 and 3Q 2013

Operating Revenues

Quarterly Information

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

	3Q 2013		2Q 2014		3Q 2014		% Variation	
Operating Revenues	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Unregulated customers sales…………………..	214.1	*82%*	220.4	*80%*	210.4	*77%*	***-5%***	***-2%***
Regulated customers sales…………………….	43.3	*17%*	54.1	*20%*	57.6	*21%*	***7%***	***33%***
Spot market sales……………………………..	4.2	*2%*	2.5	*1%*	4.9	*2%*	***101%***	***18%***
Total revenues from energy and capacity sales……………………………	**261.6**	*86%*	**277.0**	*87%*	**273.0**	*85%*	***-1%***	***4%***
Gas sales…………………………..	18.6	*6%*	24.6	*8%*	28.3	*9%*	***15%***	***52%***
Other operating revenue……………………….	22.7	*7%*	16.5	*5%*	18.5	*6%*	***12%***	***-19%***
Total operating revenues………………….	**302.9**	*100%*	**318.1**	*100%*	**319.7**	*100%*	***1%***	***6%***
Physical Data (in GWh)								
Sales of energy to unregulated customers (1)……	1,866	*78%*	1,785	*79%*	1,781	*77%*	***0%***	***-5%***
Sales of energy regulated customers……	454	*19%*	447	*20%*	449	*19%*	***0%***	***-1%***
Sales of energy to the spot market…………….	80	*3%*	19	*1%*	83	*4%*	***337%***	***4%***
Total energy sales………………………….	**2,399**	*100%*	**2,251**	*100%*	**2,312**	*100%*	***3%***	***-4%***
Average monomic price unregulated customers(U.S.$/MWh) (2)……	**112.2**		**123.5**		**115.6**		***-6%***	***3%***
Average monomic price regulated customers (U.S.$/MWh) (3)	**95**		**121**		**128.5**		***6%***	***35%***

(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$273 million in the third quarter, a 1% decrease compared to the previous quarter because of lower physical sales to unregulated clients and lower average prices charged to these clients. When compared to the same quarter of 2013, electricity sales increased 4% due to higher average realized tariffs, particularly in the regulated client segment.

Sales to unregulated clients amounted to US$210.4 million, a 2% decrease compared to 3Q13, mainly due to the end of some PPAs, notably 40MW Mantos Blancos, which matured in September 2013, and lower demand from Chuquicamata and Zaldívar for operational reasons at those mines. The decrease in physical sales was offset by a 3% increase in average realized prices mainly explained by lower demand from clients who have take-or-pay clauses and by the pass-through of higher fuel costs in some contracts with price components indexed to Henry Hub.

Sales to distribution companies, or regulated clients, amounted to US$57.6 million, an increase compared to the immediately preceding quarter, due to a 6% increase in the average monomic tariff. It should be noted that the energy tariff increased by approximately US$13.5/MWh starting in May 2014 following the semiannual contractual tariff review, which is based on the past 4-month average Henry Hub index. The average Henry Hub price used in the energy price calculation increased by 27%, from US$3.73/MMBtu used in the October tariff setting process to US$4.62/MMBtu used in the April process.

Physical sales to the spot market, corresponding to our CTA subsidiary, increased compared to the previous quarter, since in 2Q14 CTA underwent its annual maintenance period. Physical spot sales decreased compared to the same quarter of 2013. However, on consolidated terms, E.CL continued to be a net electricity buyer on the spot market given its highly contracted position. In the third quarter of 2014, E.CL reported net spot purchases of approximately 204 GWh, down from the second quarter's 289 GWh, mainly due to the recovery in coal generation. 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).

Gas sales revenues include gas sales to third parties, mainly other generation companies. The increase in gas sales in the third quarter was due to increased gas availability as a result of the purchase of an additional LNG shipment. Other operating revenues include transmission tolls, port services, transmission line services, coal and other fuels sold to other generators, and reliquidations of payments related to sub-transmission systems.

Operating Costs

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

	3Q 2013		2Q 2014		3Q 2014		% Variation	
Operating Costs	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Fuel and lubricants……………………………….	(112.8)	*43%*	(113.3)	*42%*	(99.3)	*40%*	***-12%***	***-12%***
Energy and capacity purchases on the spot market…………………………………………..	(30.4)	*12%*	(47.6)	*18%*	(43.6)	*18%*	***-8%***	***44%***
Depreciation and amortization attributable to cost of goods sold…………………………….	(40.4)	*16%*	(33.5)	*12%*	(31.9)	*13%*	***-5%***	***-21%***
Other costs of goods sold…………………….	(76.1)	*29%*	(75.7)	*28%*	(72.0)	*29%*	***-5%***	***-5%***
Total cost of goods sold……………….	**(259.7)**	*96%*	**(270.2)**	*96%*	**(246.8)**	*95%*	***-9%***	***-5%***
Selling, general and administrative expenses…	(12.3)	*5%*	(10.1)	*4%*	(12.7)	*5%*	***25%***	***3%***
Depreciation and amortization in selling, general and administrative expenses…………	(0.2)	*0%*	(0.4)	*0%*	(0.5)	*0%*	***45%***	***109%***
Other operating revenue/costs……………………	(0.0)	*0%*	0.5	*0%*	(0.2)	*0%*	***-137%***	***411%***
Total operating costs…..……………….	**(271.1)**	*100%*	**(280.1)**	*100%*	**(260.1)**	*100%*	***-7%***	***-4%***
Physical Data (in GWh)								
Gross electricity generation								
Coal………………………………………….	1,884	*81%*	1,660	*76%*	1,821	*80%*	***10%***	***-3%***
Gas…………………………………………..	323	*14%*	440	*20%*	398	*18%*	***-10%***	***23%***
Diesel Oil and Fuel Oil…………………….	106	*5%*	70	*3%*	43	*2%*	***-39%***	***-60%***
Hydro……………………………………….	10	*0%*	12	*1%*	12	*1%*	***-4%***	***19%***
Total gross generation………………….	**2,322**	*100%*	**2,183**	*100%*	**2,273**	*100%*	***4%***	***-2%***
Minus Own consumption………………..	(169)	*-7%*	(200)	*-9%*	(170)	*-7%*	***-15%***	***1%***
Total net generation…………………….	**2,153**	***87%***	**1,983**	***87%***	**2,103**	***88%***	***6%***	***-2%***
Energy purchases on the spot market………..	334	***13%***	308	***13%***	287	***12%***	***-7%***	***-14%***
Total energy available for sale before transmission losses………………………	**2,487**	***100%***	**2,291**	***100%***	**2,390**	***100%***	***4%***	***-4%***

The 4% increase in gross electricity generation in the third quarter of 2014, as compared to the second quarter of 2014 was due to greater availability of coal-fired plants since their planned outages for maintenance and works associated to the emissions reduction program were generally shorter. Thus, although CTM1, CTH, and U13 were subject to maintenance, coal generation increased 10% as compared to 2Q14. The maintenance of our U16 combined cycle unit explained a reduction in gas generation in 3Q14 compared to 2Q14. The 2% decrease in total generation when compared to the 3Q13, was due to the maintenance schedule for our coal-fired plants and the less frequent need to run our back-up diesel and fuel-oil plants. The decrease in coal and diesel generation when compared to the third quarter of last year was partially offset by the increase in gas generation explained by an additional gas shipment contracted for 2014.

WTI prices, to which diesel and system overcosts are linked, averaged US$98.21/bbl during 3Q14. This represented a 4.9% decrease from US$103.30/bbl in 2Q14, and an annual 7.2% decrease from US$105.85/bbl in

3Q13. Coal prices also reported a declining trend. The lower-cost generation mix, combined with lower coal, gas and diesel prices, explained the 12% reduction in fuel costs in 3Q14 compared to 2Q14. The 8% decrease in spot electricity purchase costs in 3Q14 compared to 2Q14 was explained by lower physical electricity purchases and lower marginal costs in the system.

The decrease in depreciation compared to the third quarter of 2013 is explained by the extension of the useful lives of coal-fired plants per a technical report, which set up a 40-year standard life for these plants and 45 years for the oldest U12 and U13 plants. This was partially offset by the depreciation of the new emissions reduction systems installed to comply with new emission requirements.

Other direct operating costs include, among others, operating and maintenance costs, cost of fuel sold, and sub-transmission tolls related to the EMEL contract, with the latter covered by revenues from transmission tolls. These costs decreased slightly in the third quarter compared to the second quarter due, among other factors, to the depreciation of the Chilean peso, which contributed to a reduction of peso-denominated costs when expressed in US dollars.

The increase in SG&A expenses in the third quarter as compared to the second quarter of 2014 was due to an increase in costs related to professional advisory services.

Electricity Margin

	2013				2014			
	1Q13	2Q13	3Q13	9M13	1Q14	2Q14	3Q14	9M14
Electricity Margin								
Total revenues from energy and capacity sales……………………………………	**266.5**	**266.1**	**261.6**	**794.2**	**262.1**	**277.0**	**273.0**	**812.1**
Fuel and lubricants…………………..	(113.5)	(114.5)	(112.8)	(340.8)	(109.6)	(113.3)	(99.3)	(322.2)
Energy and capacity purchases on the spot market……………………………	(35.9)	(51.5)	(30.4)	(117.7)	(37.0)	(47.6)	(43.6)	(128.3)
Gross Electricity Profit	**117.1**	**100.1**	**118.4**	**335.6**	**115.5**	**116.1**	**130.1**	**361.7**
Electricity Margin	*44%*	*38%*	*45%*	*42%*	*44%*	*42%*	*48%*	*45%*

The electricity margin, or the gross profit from the electricity generation business, recovered in the third quarter of 2014 as compared to the second quarter of 2014. While revenues from energy and capacity sales decreased slightly, fuel and electricity purchase costs fell even more. In sum, the increase in the electricity margin was explained by the recovery in coal generation combined with lower diesel generation as well as by lower fuel prices and lower spot electricity prices. In percentage terms, the electricity margin was 48% in 3Q14.

The electricity margin also improved when compared to 3Q13 when it reached 45%. This was explained by lower fuel costs combined with higher average realized tariffs. The cost of spot energy and capacity purchases on the spot market includes the compensatory payments related to system overcosts, which amounted to US$17.9 million in 3Q14, above US$16.6 million in 2Q14, and US$10.04 million in 3Q13.

Operating Results

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

EBITDA	**3Q 2013**		**2Q 2014**		**3Q 2014**		**% Variation**	
	Amount	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Total operating revenues………………………	302.9	*100%*	318.1	*100%*	319.7	*100%*	***1%***	***6%***
Total cost of goods sold……………………	(259.7)	*-86%*	(270.2)	*-85%*	(246.8)	*-77%*	***-9%***	***-5%***
Gross income………………………….	**43.2**	*14%*	**47.9**	*15%*	**73.0**	*23%*	***52%***	***69%***
Total selling, general and administrative expenses and other operating income/(costs).	(11.4)	*-4%*	(10.0)	*-3%*	(13.4)	*-4%*	***34%***	***17%***
Operating income…..………………..	**31.8**	*11%*	**37.9**	*12%*	**59.6**	*19%*	***n.a.***	***87%***
Depreciation and amortization……...…………	40.7	*13%*	33.9	*11%*	32.4	*10%*	***-4%***	***-20%***
Provision/(reversal) uncollectibles…..	-	-	-	-	-	-	***n.a***	***n.a.***
EBITDA……………….……………….	**72.5**	*24%*	**71.9**	*23%*	**92.0**	*29%*	***28%***	***27%***

3Q14 EBITDA reached US$92 million, well above the 2Q14's and 3Q13's figures mostly due to the increased gross margin attributed to our electricity generation business described in the above paragraph. In addition to the electricity margin improvement, higher gas sales to other generation companies contributed to the increase in EBITDA in the third quarter of 2014.

Financial Results

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

Non-operating results	**3Q 2013**		**2Q 2014**		**3Q 2014**		**% Variation**	
	Amount	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Financial income………..………………………	0.4	*0%*	0.6	*0%*	0.4	*0%*	***-31%***	***-1%***
Financial expense……………..……………	(11.8)	*-4%*	(11.7)	*-4%*	(11.3)	*-4%*	***-3%***	***-5%***
Foreign exchange translation, net……………	2.7	*1%*	(1.8)	*-1%*	2.8	*1%*	***-257%***	***7%***
Other non-operating income/(expense) net…	(0.1)	*0%*	0.4	*0%*	(0.1)	*0%*	***-115%***	***-51%***
Total non-operating results…………….	**(8.9)**	*-3%*	**(12.5)**	*-4%*	**(8.1)**	*-3%*	***-35%***	***-9%***
Income before tax…………………… ………	22.9	*8%*	25.5	*8%*	51.5	*17%*	***102%***	***125%***
Income tax………………………………………	(5.7)	*-2%*	(4.7)	*-2%*	(10.6)	*-3%*	***n.a.***	***86%***
Net income after tax …….	**17.2**	*6%*	**20.7**	*7%*	**40.9**	*13%*	***97%***	***138%***
Net income attributed to controlling shareholders…….	**14.5**	*5%*	**19.7**	*6%*	**40.6**	*13%*	***106%***	***-181%***
Net income attributed to minority shareholders……….	**2.8**	*1%*	**1.0**	*0%*	**0.3**	*0%*	***-69%***	***-89%***
Net income to E.CL's shareholders	**14.5**	*5%*	**19.7**	*6%*	**40.6**	*13%*	***106%***	***181%***
Earnings per share……………………..	**0.013**	*0%*	**0.019**	*0%*	**0.039**	*0%*	***106%***	***203%***

Financial expenses have not suffered any significant changes. As a result of measures taken to hedge against foreign-exchange risk, particularly regarding our contract with regulated clients, we reported foreign exchange earnings of US$2.8 million, a turnaround from the US$1.8 million loss in 2Q14 and a small increase compared to US$2.7 million in foreign exchange earnings reported in the 3Q13.

The increase in income taxes in the third quarter of 2014, as compared to the second quarter of 2014 and the third quarter of 2013, was largely due to the stronger income before tax resulting from the company's improved operating performance and, to a lesser extent, due to a 1-point increase in the applicable income tax rate.

Net after-tax income reached US$40.6 million in the third quarter, a substantial improvement compared to the second quarter of 2014 and the third quarter of 2013.

Nine month period ended September 30, 2014 compared to the same period in 2013

Operating Revenues

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

	9M 2013		9M2014		Variation	
Operating Revenues	Amount	% of total	Amount	% of total	Amount	%
Unregulated customers sales…………………..	655.8	*83%*	640.7	*79%*	**(15.1)**	***-2%***
Regulated customers sales…………………….	127.6	*16%*	158.3	*19%*	**30.7**	***24%***
Spot market sales………………………………..	10.8	*1%*	13.2	*2%*	**2.4**	***22%***
Total revenues from energy and capacity sales……………………………	**794.2**	*89%*	**812.1**	*86%*	**18.0**	***2%***
Gas sales…………………………..	19.9	*2%*	63.8	*7%*	**43.9**	***221%***
Other operating revenue……………………….	81.2	*9%*	70.3	*7%*	**(10.9)**	***-13%***
Total operating revenues………………….	**895.2**	*100%*	**946.2**	*100%*	**50.9**	***6%***
Physical Data (in GWh)						
Sales of energy to unregulated customers (1)……	5,728	*79%*	5,311	*78%*	**(418)**	***-7%***
Sales of energy regulated customers……	1,357	*19%*	1,346	*20%*	**(11)**	***-1%***
Sales of energy to the spot market…………….	182	*3%*	177	*3%*	**(5)**	***-3%***
Total energy sales………………………….	**7,267**	*100%*	**6,834**	*100%*	**(433)**	***-6%***
Average monomic price unregulated customers(U.S.$/MWh)(2)	**112.8**		**119.2**		**6.4**	***6%***
Average monomic price regulated customers (U.S.$/MWh)(3)	**94.0**		**117.6**		**23.5**	***25%***

(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.

In the first nine months of 2014, total operating revenues increased 6% compared to the same period of 2013.

The 2% increase in electricity revenues resulted from a combination of a 6% decrease in physical sales with a 9% increase in average realized prices to US$119/MWh in the first nine months of 2014 from US$109/MWh in the first nine months of 2013. In terms of segments, electricity sales to unregulated clients decreased 2%, while electricity sales to regulated customers increased by 24% and spot energy sales increased by 22%.

In the first nine months of 2014, electricity sales to unregulated clients reached US$640.7 million, a 2% decrease when compared to the same period of 2013. Physical electricity sales to unregulated clients decreased 7% mainly due to the end of the 40MW Mantos Blancos contract at the end of September 2013 and lower demand from the Chuquicamata, Gaby, Zaldívar and Radomiro Tomic mines, which was partly offset by higher demand from Esperanza, Cerro Colorado and El Abra. Average realized monomic tariffs increased 6% compared to the first nine months of 2013 due in part to the take-or-pay component in certain tariffs, higher gas prices and higher solid fuel unloading costs.

Sales to distribution companies reached US$158.3 million. While physical sales exhibited a 1% decrease, the average realized monomic tariff increased 25% due to the rise in the applicable Henry Hub index for the calculation of the energy tariff.

The significant increase in other operating revenues is mainly explained by an increase in gas sales mainly to other generation companies. Other operating revenues generally include transmission tolls, port services, transmission line services and fuel sold to other generators. It should be noted that in the first quarter of 2014, this item included US$6 million in non-recurring revenue from the final settlement agreement signed with the CTA/CTH EPC contractor, while in 2Q13 it included US$13 million in insurance compensations for business interruption losses resulting from the CTH turbine failure in the last quarter of 2012.

Operating Costs

For the 9-month period ended September 30,

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

	9M- 2013		9M - 2014		Variation	
Operating Costs	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**%**
Fuel and lubricants………………………………	(340.8)	*43%*	(322.2)	*42%*	**18.6**	***-5%***
Energy and capacity purchases on the spot market…………………………………………..	(117.7)	*15%*	(128.3)	*17%*	**(10.5)**	***9%***
Depreciation and amortization attributable to cost of goods sold…………………………….	(112.0)	*14%*	(98.0)	*13%*	**14.0**	***-13%***
Other costs of goods sold…………………….	(214.4)	*27%*	(219.4)	*29%*	**(5.1)**	***2%***
Total cost of goods sold……………….	**(784.9)**	*96%*	**(767.9)**	*96%*	**17.0**	***-2%***
Selling, general and administrative expenses…	(32.5)	*4%*	(33.4)	*4%*	**(0.9)**	***3%***
Depreciation and amortization in selling, general and administrative expenses…………	(0.9)	*0%*	(1.2)	*0%*	**(0.4)**	***42%***
Other revenues/costs………………………………	(0.3)	*0%*	0.9	*0%*	**1.2**	***-387%***
Total operating costs…………………..	**(818.6)**	*100%*	**(801.7)**	*100%*	**16.9**	***-2%***
Physical Data (in GWh)						
Gross electricity generation						
Coal………………………………………….	5,615	*79%*	5,212	*78%*	**(403)**	***-7%***
Gas…………………………………………..	1,182	*17%*	1,219	*18%*	**38**	***3%***
Diesel Oil and Fuel Oil…………………….	267	*4%*	189	*3%*	**(78)**	***-29%***
Hydro/ Solar……………………………….	34	*0%*	39	*1%*	**5**	***16%***
Total gross generation………………….	**7,097**	***100%***	**6,659**	***100%***	**(438)**	***-6%***
Minus Own consumption………………..	(530)	*-7%*	(548)	*-8%*	**(17)**	***3%***
(1) Includes 100% of CTH sales.	**6,567**	***88%***	**6,112**	***87%***	**(455)**	***-7%***
Energy purchases on the spot market………..	915	***12%***	902	***13%***	(13)	***-1%***
Total energy available for sale before transmission losses………………………	**7,481**	***100%***	**7,013**	***100%***	**(468)**	***-6%***

In the first nine months of 2014 gross electricity generation decreased 6% compared to the same period the year before due to lower generation explained by maintenance outages of our coal-fired units. Coal-based generation decreased 7%, representing 78% of E.CL's total electricity generation, down from 79% in the first nine months of 2013. Gas generation increased by 3%, and allowed, together with an increase in renewable energy output, to partially offset the decrease in coal generation. The remainder was covered with spot energy purchases. During the first nine months of 2014, the U13, U14, U15, CTM1, CTM2, CTA and CTH coal-fired units were subject to maintenance and works related to our environmental upgrade CAPEX program, while our U16 and CTM3 combined-cycle gas plants also underwent maintenance works.

The 5% decrease in fuel costs in the first nine months of 2014 can be attributed to lower gross generation and the use of a lower-cost fuel mix since there was lower need for the more expensive diesel generation. Despite a 1% decrease in physical electricity purchases on the spot market, spot electricity purchase costs increased 9% due to higher compensatory payments that E.CL had to afford pursuant to the system's generation overcosts.

Other costs of goods sold include, among others, transmission tolls, operating and maintenance costs and cost of fuels sold. The increase in this item is primarily explained by the costs of higher gas sales and higher demurrage and port handling costs resulting from an incident at the Puerto Mejillones port occurred in the last quarter of 2013. These effects were partly offset by lower maintenance and repair costs mainly as a result of approximately US$5 million in costs incurred in 2013 related to the repair works carried out in CTA and CTH to resolve the water leakages found in their cooling systems.

Operating Results

For the 9-month period ended September 30,

(In US$ millions, except for percentages)

	9M - 2013		9M 2014		Variation	
EBITDA	**Amount**	**% of**	**Amount**	**% of**	**Amount**	**%**
Total operating revenues………………………	895.2	*100%*	946.2	*100%*	**50.9**	***6%***
Total cost of goods sold……………………	(784.9)	*-88%*	(767.9)	*-81%*	**17.0**	***-2%***
Gross income…………………………	**110.3**	*12%*	**178.3**	*19%*	**68.0**	***62%***
Total selling, general and administrative expenses and other operating income/(costs).	(33.6)	*-4%*	(33.8)	*-4%*	**(0.1)**	***0%***
Operating income….………………	**76.7**	*9%*	**144.5**	*15%*	**67.8**	***88%***
Depreciation and amortization……..…………	112.9	*13%*	99.2	*10%*	**(13.6)**	***-12%***
(Provision)/reversal uncollectibles…..		-		-	-	*n.a.*
EBITDA………………..………………	**189.6**	*21%*	**243.8**	*26%*	**54.2**	***29%***

In the first nine months of 2014, EBITDA was US$243.8 million, a 29% increase compared to the same period of 2013, on the one hand due to increases in average realized monomic tariffs given the recovery in the Henry Hub index. On the other hand, the company reported lower operating costs related to a lower-cost generation mix associated to higher gas generation which allowed for a reduction in diesel generation and spot electricity purchases. In addition, the company reported higher gas sales to third parties.

Depreciation decreased by US$13.6 million in the first nine months of 2014, as compared to the same period in 2013, due to the life extension of coal-fired plants determined after a technical study performed at the end of 2013.

Financial Results

	For the 9-month period ended September 30, (In US$ millions, except for percentages)					
	9M - 2013		9M - 2014		Variation	
Non-operating results	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
Financial income……….………………………	2.4	*0%*	1.8	*0%*	**(0.5)**	***-23%***
Financial expense…………..…………………	(35.3)	*-4%*	(34.3)	*-4%*	**1.0**	***-3%***
Foreign exchange translation, net……………	(1.5)	*0%*	1.0	*0%*	**2.5**	***n.a.***
Other non-operating income/(expense) net…	(0.1)	*0%*	0.2	*0%*	**0.3**	***-233%***
Total non-operating results…………….	**(34.6)**	*-4%*	**(31.4)**	*-3%*	**3.2**	***-9%***
Income before tax…………………...………	42.1	*5%*	113.2	*12%*	**71.1**	***169%***
Income tax………………………………………	(12.2)	*-2%*	(24.5)	*-3%*	**(12.3)**	***101%***
Net income after tax …….	**29.9**	*4%*	**88.7**	*10%*	**58.8**	***197%***
Net income attributed to controlling shareholders…….	**22.6**	*3%*	**85.1**	*9%*	**62.6**	***277%***
Net income attributed to minority shareholders………..	**7.4**	*1%*	**3.5**	*0%*	**(3.8)**	***-52%***
Net income to E.CL's shareholders	**22.6**	*3%*	**85.1**	*9%*	**62.6**	***277%***
Earnings per share……………………..	**0.02**	*0%*	**0.08**	*0%*	**0.1**	***277%***

Net financial expense decreased slightly due to a lower LIBO rate and the gradual amortization of principal under the CTA project finance debt, which offset the 0.25% step-up in margin effective in April 2013.

The most relevant change in non-operating items was a US$1 million foreign-exchange gain in the first nine months of 2014, which compares with a US$1.5 million loss in the first nine months of 2013, following the implementation of new foreign-currency hedging strategies and lower impact from sudden exchange-rate changes such as the one occurred at the end of May 2013.

Net Earnings

After-tax income increased by US$62.6 million compared to the first nine months of last year, reaching US$85.1 million, principally due to better operating income and, to a lesser extent, to lower depreciation and better foreign exchange results. This was partly offset by an increase in income taxes in proportion to the higher reported before-tax income and a 1-point increase in the tax rate in the third quarter of 2014.

Liquidity and Capital Resources

As of September 30, 2014, E.CL reported cash balances of US$274.7 million, including short-term investments available for sale, whereas nominal financial debt[1] totaled US$752 million, with only US$14.1 million maturing within one year.

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

Cash Flow	2013	2014
	For the 9-month period ended September 30, (In US$ millions)	
Net cash flows provided by operating activities…	140.1	186.7
Net cash flows used in investing activities………	(54.0)	37.7
Net cash flows provided by financing activities..	(62.1)	(72.8)
Change in cash…………………...…………	**24.1**	**151.6**

Cash Flow from Operating Activities

In the first nine months of 2014 net cash flows generated from operating activities reached approximately US$244 million plus US$9 million in net payments received from the CTA/CTH EPC contractor according to the settlement agreement signed in March, and US$11.1 million corresponding to insurance payments received by CTH to compensate for business interruption losses incurred during its 4Q12 outage. After payment of interest (US$31 million), and value-added and income taxes (US$46 million), net cash flow from operating activities amounted to US$186.7 million.

Cash Flow Used in Investing Activities

In the first nine months of 2014, net cash flows used in investing activities amounted to US$38 million. This amount included US$63 million in capital expenditures; US$13.6 million invested in the acquisition of TEN, the new affiliate in charge of the development of the SING-SIC transmission line project; as well as US$20.5 million in cash proceeds from the sale of Distrinor at the end of 2013.

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 for purposes of this analysis.

Our main capital expenditures during the period were related to the environmental improvement project, plant overhauls, equipment maintenance and refurbishment, as well as other investments. These included project studies, early works related to new investment projects and improvements in communication systems, among others.

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 the new environmental requirements in terms of reducing particulate matter and gas emissions from our thermoelectric power plants. As of the end of September 2014, the company had completed the installation of bag filters to reduce particulate matter emissions and is currently in the process of implementing systems for the reduction of gas emissions (NOx and SO_2), specifically the installation of low NOx burners and desulfurizing systems using hydrated lime.

Our capital expenditures in the first nine months of 2014 amounted to US$62.9 million, down from US$101 million in the first nine months of 2013. They included the following items:

Capital Expenditures

CAPEX	For the 9-month period ended September 30, (In US$ millions) 2013	2014
CTA……	2.3	2.7
CTH [1]……	5.1	2.1
Central Tamaya……	3.7	0.4
El Cobre substation & Chacaya-El Cobre transmission line……	6.4	-
Overhaul power plants & equipment maintenance and refurbishing……	10.9	27.2
Environmental improvement works……	57.8	12.8
Solar plant	6.0	1.1
Others……	8.8	16.6
Total capital expenditures……	**101.0**	**62.9**

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

Cash Flow from Financing Activities

In the first nine months of 2014 we used US$78.2 million in financing activities including the following:

- Principal payment amounting to US$6.4 million under the CTA project financing; and,
- Dividend payments for an aggregate of US$66.6 million, including US$39.6 million paid by E.CL in May against 2013 net income and retained earnings; US$20 million dividend paid by CTH to its minority shareholder; and the provisional dividend amounting to US$7 million paid by E.CL at the end of September on account of 2014 net income.

Contractual Obligations

The following table sets forth the maturity profile of our debt obligations as of September 30, 2014. This table shows the nominal amount of our debt balances, which differs from the debt amounts recorded under the IFRS norm in our financial statements:

Contractual Obligations as of 09/30/14
Payments Due by Period
(In US$ millions)

	Total	< 1 year	1 - 3 years	3 - 5 years	More than 5 years
Bank debt……	351.6	14.1	33.1	39.6	264.8
Bonds (144 A/Reg S Notes)……	400.0				400.0
Leasing obligations……	0.1	0.0	0.0	0.0	0.1
Accrued interest……	9.9	9.9			
Mark-to-market swaps	19.1				19.1
Total	**780.9**	**24.1**	**33.2**	**39.6**	**684.0**

In the above table, bank debt includes drawings under the project financing extended by IFC and KfW to our subsidiary CTA. As of September 30, 2014, the total principal amount was US$352 million, payable in unequal semiannual installments starting December 15, 2014, 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$0.1 million in leasing obligations related to transmission assets, as well as a US$19.1 million mark-to-market provision on interest-rate swaps taken by CTA to hedge its exposure to floating interest rates.

On October 29, 2014, after several fixed-income investor meetings in Santiago, London, Los Angeles and New York, E.CL successfully completed a 144 A /Reg S issue for a total amount of US$350 million with a single principal payment in January 2025, yield of 4.568% and 4.5% p.a. coupon rate. The proceeds of the notes, together with company cash resources, will be used to prepay entirely the IFC and KfW project financing of our wholly-owned subsidiary, CTA, as well as the unwinding costs of the interest-rate swaps associated to this project financing.

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 29, 2014, our shareholders approved dividends in an amount equivalent to 100% of our 2013 net earnings; that is, US$39.6 million, paid on May 23, 2014.

At the April 29, 2014, Annual Ordinary Shareholders Meeting, the company's shareholders approved a new dividend policy, which modifies the existing one in that, subject to proper board or shareholder approvals, the company will intend to pay two provisional dividends, preferably in August/September and December/January of each year on the basis of the financial results of the first half and third quarter, respectively, in addition to the definitive dividend to be paid in May of each year.

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

Cash Dividends paid by E.CL S.A.

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 2013 net income)	56.2	0.05333
May 23 2014	Final (on account of 2013 net income)	39.6	0.03758
Sept 30,2014	Provisional (on account of 2014 net income)	7.0	0.00665

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 signed a long-term LNG purchase contract indexed to Henry Hub to supply the EMEL PPA; however, the company did not begin to receive HH-priced LNG until 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. Since the 4Q12, there has been 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. Over the long run, the lag in the tariff readjustment has a negligible effect on results. Furthermore, this risk is mitigated by the EMEL tariff's automatic indexation triggered any time the price formula 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 8% 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 projects. The amount of this asset has decreased significantly through tax refunds as the projects have become operational. In the specific case of the EMEL contract, the price is calculated in dollars and is converted to pesos at an exchange rate which remains fixed over a six-month period, as opposed to unregulated contracts, which provide for monthly tariff adjustments. Invoicing and payments under the EMEL contract are made monthly in pesos using the contractual foreign exchange rate that is adjusted every six months. The company is therefore exposed to the difference between the prevailing exchange rate on the payment date and the foreign-exchange used to calculate the invoiced amount. In its April and September meetings, the Board of Directors approved foreign-currency hedging strategies to hedge against the foreign-currency risk stemming from this contract.

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 June 30, 2014, 82% of our total financial debt for a principal amount of US$752 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 September 30, 2014
Contractual maturity date
(In US$ millions)

	Average interest rate	2014	2015	2016	2017	Thereafter	Grand
Fixed Rate							
(US$)	Swapped base rate of 3.665% p.a. + 2.75% spread (1)	3.9	9.5	10.2	10.8	181.2	215.6
(US$)	5.625% p.a.					400.0	400.0
Variable Rate							
(US$)	LIBOR (180) + 2.75% p.a. (1)	2.5	6.0	6.4	6.8	114.4	136.1
Total (2)		**6.4**	**15.5**	**16.6**	**17.6**	**695.6**	**751.6**

(1) This corresponds to the current interest rate of the IFC and KfW project financing for CTA. The margin on LIBOR will step up by 0.25% every three years starting April 30, 2016.

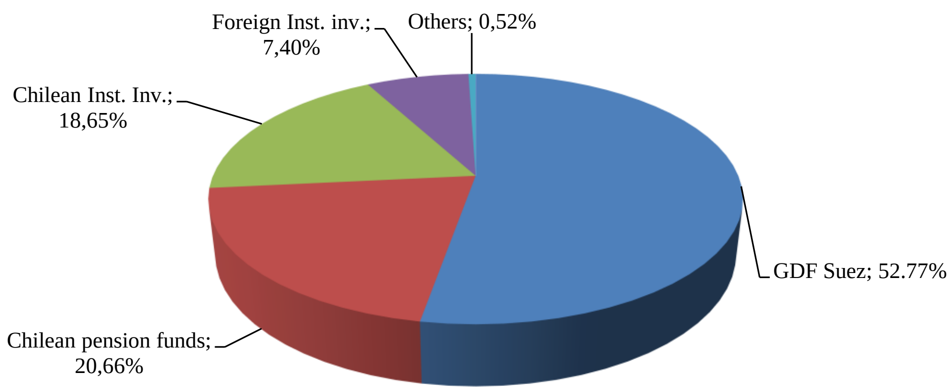
(2) These figures include principal amounts only and do not include leasing obligations related to our use of transmission lines or mark-to-market adjustments on interest rate swaps.

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 sell electricity to the only regulated client in the SING, which provides electricity supply to residential and commercial clients in the region. Our cash management 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 SEPTEMBER 30, 2014

Number of shareholders: 1,924



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

APPENDIX 1

PHYSICAL DATA AND SUMMARIZED QUARTERLY FINANCIAL STATEMENTS

Physical Sales
(in GWh)

	2013				2014			
	1Q13	2Q13	3Q13	9M 13	1Q14	2Q14	3Q14	9M 14
Physical Sales								
Sales of energy to unregulated customers.	1,930	1,866	1,933	5,728	1,745	1,785	1,781	5,311
Sales of energy to regulated customers	444	454	459	1,357	451	447	449	1,346
Sales of energy to the spot market………	33	80	70	182	75	19	83	177
Total energy sales………………………….	**2,406**	**2,399**	**2,462**	**7,267**	**2,271**	**2,251**	**2,312**	**6,834**
Gross electricity generation								
Coal………………………………………….	1,710	1,884	2,021	5,615	1,731	1,660	1,821	5,212
Gas…………………………………………..	451	323	408	1,182	381	440	398	1,219
Diesel Oil and Fuel Oil…………………….	87	106	75	267	77	70	43	189
Renewable……………………………………….	12	10	11	34	15	12	12	39
Total gross generation………………….	**2,260**	**2,322**	**2,515**	**7,097**	**2,204**	**2,183**	**2,273**	**6,659**
Minus Own consumption………………..	(164.3)	(168.9)	(197.0)	(530.2)	(177.9)	(199.7)	(169.9)	(547.5)
Total net generation…………………….	**2,096**	**2,153**	**2,318**	**6,567**	**2,026**	**1,983**	**2,103**	**6,112**
Energy purchases on the spot market………..	369	334	212	915	306	308	287	902
Total energy available for sale before transmission losses………………………	**2,465**	**2,487**	**2,530**	**7,481**	**2,332**	**2,291**	**2,390**	**7,013**

Quarterly Income Statement (in US$ millions)

IFRS								
Operating Revenues	**1Q13**	**2Q13**	**3Q13**	**9M13**	**1Q14**	**2Q14**	**3Q14**	**9M14**
Regulated customers sales………………………	41.4	43.0	43.3	127.6	46.5	54.1	57.6	158.3
Unregulated customers sales…………………..	222.8	218.9	214.1	655.8	209.9	220.4	210.4	640.7
Spot market sales………………………………..	2.4	4.2	4.2	10.8	5.8	2.5	4.9	13.2
Total revenues from energy and capacity sales……………………………	**266.5**	**266.1**	**261.6**	**794.2**	**262.1**	**277.0**	**273.0**	**812.1**
Gas sales…………………………..	0.4	0.9	18.6	19.9	10.9	24.6	28.3	63.8
Other operating revenue……………………….	18.1	40.3	22.7	81.2	35.3	16.5	18.5	70.3
Total operating revenues………………….	**285.1**	**307.3**	**302.9**	**895.2**	**308.4**	**318.1**	**319.7**	**946.2**
Operating Costs								
Fuel and lubricants………………………………	(113.5)	(114.5)	(112.8)	(340.8)	(109.6)	(113.3)	(99.3)	(322.2)
Energy and capacity purchases on the spot market…………………………………………..	(35.9)	(51.5)	(30.4)	(117.7)	(37.0)	(47.6)	(43.6)	(128.3)
Depreciation and amortization attributable to cost of goods sold…………………………….	(35.5)	(36.1)	(40.4)	(112.0)	(32.6)	(33.5)	(31.9)	(98.0)
Other costs of goods sold…………………….	(58.1)	(80.2)	(76.1)	(214.4)	(71.7)	(75.7)	(72.0)	(219.4)
Total cost of goods sold……………….	**(243.1)**	**(282.2)**	**(259.7)**	**(784.9)**	**(251.0)**	**(270.2)**	**(246.8)**	**(767.9)**
Selling, general and administrative expenses…	(11.0)	(10.4)	(11.1)	(32.5)	(10.6)	(10.1)	(12.7)	(33.4)
Depreciation and amortization in selling, general and administrative expenses…………	(0.3)	(0.3)	(0.3)	(0.9)	(0.4)	(0.4)	(0.5)	(1.2)
Other revenues………...……………………….	0.0	(0.3)	(0.0)	(0.3)	0.6	0.5	(0.2)	0.9
Total operating costs….………………..	**(254.3)**	**(293.2)**	**(271.1)**	**(818.6)**	**(261.4)**	**(280.1)**	**(260.1)**	**(801.7)**
Operating income….………………..	**30.8**	**14.0**	**31.8**	**76.7**	**47.0**	**37.9**	**59.6**	**144.5**
EBITDA……………….…………………	**66.6**	**50.4**	**72.5**	**189.6**	**79.9**	**71.9**	**92.0**	**243.8**
Financial income………..………………………	1.0	0.9	0.4	2.4	0.9	0.6	0.4	1.8
Financial expense……………..…………………	(11.7)	(11.7)	(11.8)	(35.3)	(11.4)	(11.7)	(11.3)	(34.3)
Foreign exchange translation, net……………	2.7	(6.9)	2.7	(1.5)	(0.1)	(1.8)	2.8	1.0
Other non-operating income/(expense) net…	(0.0)	0.0	(0.1)	(0.1)	(0.2)	0.4	(0.1)	0.2
Total non-operating results……………	**(8.0)**	**(17.7)**	**(8.9)**	**(34.6)**	**(10.8)**	**(12.5)**	**(8.1)**	**(31.4)**
Income before tax…………………..………	22.8	(3.6)	22.9	42.1	36.2	25.5	51.5	113.2
Income tax………………………………………	(5.0)	(1.6)	(5.7)	(12.2)	(9.2)	(4.7)	(10.6)	(24.5)
Net income after tax …….	**17.9**	**(5.2)**	**17.2**	**29.9**	**27.0**	**20.7**	**40.9**	**88.7**
Net income attributed to controlling shareholders……………….	**16.6**	**(8.5)**	**14.5**	**22.6**	**24.8**	**19.7**	**40.6**	**85.1**
Net income attributed to minority shareholders……………….	**1.2**	**3.4**	**2.8**	**7.4**	**2.2**	**1.0**	**0.3**	**3.5**
Net income to E.CL's shareholders…….	**16.6**	**(8.5)**	**14.5**	**22.6**	**24.8**	**19.7**	**40.6**	**85.1**
Earnings per share……………………..	**0.017**	**0.008**	**0.013**	**0.021**	**0.024**	**0.019**	**0.039**	**0.081**

Quarterly Balance Sheet

(In U.S.$ millions)

	2013	2014
	31-Dec-13	**30-Sep-14**
Current Assets		
Cash and cash equivalents (1)	213.4	275.2
Accounts receivable	171.5	146.4
Recoverable taxes	39.6	31.2
Other current assets	223.4	222.8
Total current assets	**648.0**	**675.6**
Non-Current Assets		
Property, plant and equipment, net	1,944.2	1,892.8
Other non-current assets	404.6	409.7
TOTAL ASSETS	**2,996.8**	**2,978.1**
Current Liabilities		
Financial debt	21.0	21.6
Other current liabilities	223.3	189.8
Total current liabilities	**244.3**	**211.4**
Long-Term Liabilities		
Financial debt (including intercompany)	740.3	742.4
Other long-term liabilities	205.0	249.1
Total long-term liabilities	**945.3**	**991.5**
Shareholders' equity	1,683.4	1,671.3
Minority' equity	123.9	104.0
Equity	**1,807.2**	**1,775.2**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,996.8**	**2,978.1**

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

	FINANCIAL RATIOS				
			Dec-13	**Jun-14**	**Var.**
LIQUIDITY	Current ratio (current assets / current liabilities)	(veces)	2.65	3.20	***-17%***
	Quick ratio ((current assets - inventory) / current liabilities)	(veces)	2.13	2.41	***-11%***
	Working capital (current assets – current liabilities)	MMUS$	403.69	464.26	***-13%***
LEVERAGE	Leverage ((current liabilities + long-term liabilities) / networth)	(veces)	0.66	0.68	***-3%***
	Interest coverage ((EBITDA / interest expense))	(veces)	5.36	6.62	***-19%***
	Financial debt –to- LTM EBITDA*	(veces)	3.03	2.51	***21%***
	Net financial debt – to - LTM EBITDA*	(veces)	1.89	1.61	***18%***
PROFITABILITY	Return on equity* (LTM net income attributed to the controller / net worth attributed to the controller)	%	2.4%	5.5%	***-57%***
	Return on assets* (LTM net income attributed to the controller / total assets)	%	1.3%	3.1%	***-57%***

*LTM = Last twelve months

CONFERENCE CALL 9M14

E.CL is pleased to inform you that it will conduct a conference call to review its results for the period ended September 30, 2014, on Thursday, October 30th, 2014, at 10 a.m. (Eastern Time) – 11 a.m. (Chilean Time)

hosted by:
Carlos Freitas, CEO E.CL S.A.

To participate, please dial: **1 (706) 902-4518**, international or **12300206168 (toll free Chile). Passcode I.D.: 15989467**, approximately 10 minutes prior to the scheduled starting time.

To access the phone replay, please dial **1 (855) 859- 2056** or **(404) 537-3406**
Passcode I.D.: 15989467. A conference call replay will be available until November 6, 2014.