METRO DE SANTIAGO

2013 Annual Report

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01 Letters from the Chairman and the CEO

LETTERS FROM THE CHAIRMAN AND THE CEO

Letter from the Chairman

Santiago today is a growing and developing city, full of challenges, and it is impossible to conceive Santiago functioning without Metro. 2013 was a good example of this, with figures confirming once again that our network continues to be the backbone of the capital´s public transport system.

Last year we carried more than 667 million passengers, a historical flow that shows how, for some time now, Metro has become accessible to many more people.

That is why we have continued working hard in search for new solutions, innovating, optimizing our available resources, aiming to improve and grow, and always seeking to respond to the increasing needs of our passengers.

For that reason, 2013 was a year that marked a strategic shift in our way of working, since we designed and implemented a Service Strategy. This is an innovative experience among metros around the world, and aims for decisions to be made focusing on passengers and their travel experience.

Accordingly, this year we were also entrusted with the leadership in Bip! Card administration for the entire city. The aim is to make improvements to the load and distribution system, both in our network as well as aboveground, in this way contributing to users' life quality and enhancing the public transport system.

However, what is important is that each improvement be implemented without neglecting the efficient use of our resources, since sustainability is a pillar of our management.

Thanks to this approach, today markets recognize Metro as a Company that enjoys a good reputation: responsible, efficient, and reliable, that meets its commitments. All of this has allowed us to materialize one of the greatest financial milestones in our history: for the first time, issue a global bond. This bond, for USD 500 million, is ear-marked for financing the new Lines project and leaves Metro in a good position for resorting to international financing should this be required for future development.

For our efforts are focused not only on the present, but also the future. That is why 2013 was the starting-point for many of the works for new Lines 3 and 6, the most ambitious challenge in our history, and which will enable us to add another 37 kilometers to the Santiago network. We aspire to grow and integrate more people to the city, but we want this process to be harmonious, respectful of the surroundings and the community.

In addition to moving ahead with our construction work, this year we also launched major international tenders for the new Lines project, achieving optimal results both from the financial viewpoint as well as the technical quality offered, which will ultimately benefit our customers.

We know, however, that we cannot be complacent with what we have achieved, and we know we must take-on new challenges, such as moving ahead in maximizing network capacity and infrastructure, strengthening our passenger information system, and continuing to make improvements to the service.

Why? Because we are aware that people expect a lot from Metro. This, far from discouraging us, motivates us to continue working and everyday deliver a more efficient and welcoming service. And we do this because we have a major responsibility: to make Santiago a better city, with a better Metro, and happier citizens.

Fernando Cañas Berkowitz
Chairman of the Board

Letter from the CEO

To our stakeholders:

2013 was a busy year, with major challenges to be faced by Metro. Our balance sheet is positive. We made improvements to the service, we made progress in constructing new lines, and we improved our operational indicators, with our main focus on passengers.

To draw closer to passengers and improve their travel experience, we have continued to strengthen communication channels and the passenger information system. We installed screens displaying real time information on Line 4 and 4A platforms, and also launched the Metro Mobile App for devices with iOs and Android operating systems. We also updated the public address systems in our trains and we provided information via social media networks, among other initiatives.

We worked hard to improve our service standards, and were successful. Our overall rate for disruptions lasting more than five minutes –in other words, those which users notice most– decreased by 26.4%, positioning us among the most regular metro systems in the world.

In addition to this, our passengers experienced safer journeys with the accident rate decreasing by 9.1%, strengthening efforts to provide an efficient and safe service, as we intended.

One of our priorities continues to be improving travel. To meet our users' needs and improve their travel experience, we finished incorporating 14 new trains with air conditioning to Line 1 in 2013 and we started fitting out the rest of the fleet.

Santiago residents continue to prefer the Metro as their means of public transport. Of all journeys made in the capital, 61% are by metro. We know that we are the backbone of transport in the city, and this brings great responsibility. That is why we are working hard to implement our Sustainability Strategy across the organization. In 2013, the Board of Directors approved our Sustainability Policy and Corporate Social Responsibility Policy which state how the entire Company should operate.

We have made commitments to different stakeholders, and which are based on different social, economic and environmental aspects as outlined in this report. There are also urban-related aspects, which are particularly important in the case of the Metro.

In terms of our projects, we are still progressing with the largest construction project to date. At December 2013, we had completed 13% of construction work for Lines 3 and 6, which will connect five new districts to the Metro network. This is a project that challenges us both in terms of efficiency and in terms of innovations for a more sustainable Metro.

Expansion of the Metro network undoubtedly entails many benefits for residents in the city. However, it also generates some negative externalities. That is why we reached out to the communities and established good practices with our neighbors. We also set up permanent technical committees with each of the municipalities involved.

If our construction work affected travel in the city, we launched information campaigns for the different members of the general public, as is the case for works in Bandera and Suecia streets. In the latter case, we set deadlines and improved the quality of infrastructure.

Lastly, 2013 was a year when we demonstrated, once again, the ability and commitment of Metro workers, who work every day and night, determined to provide a better travel experience and to bring millions of residents in Santiago closer to their families and destinations.

We are pleased with the work carried out by the entire Metro team, and for their commitment and motivation to make Santiago a better city.

Ramón Cañas Cambiaso
Chief Executive Officer

02 Our Company

Our Company

2.1. Data

Name:	Empresa de Transporte de Pasajeros Metro S.A.
Assumed name:	Metro S.A.
Type:	Public Limited Company
Address:	Avda. Libertador Bernardo O'Higgins Nº 1414, Santiago
ID No.:	61219000-3
National Securities Register No.:	0421, of 22 September 1992
External Auditors:	Ernst & Young Servicios Profesionales de Auditoría y Asesoría Ltda.

INSTRUMENTS OF INCORPORATION

Law Nº 18.772, published in the Official Gazette dated 28 January 1989, and which established regulations to transform Dirección General de Metro -until then in the purview of the Ministry of Public Works- into a public limited Company. Law No.18772 was amended by Article 55 of Law No. 18899, published in the Official Gazette dated 30 December 1989, and by Article 3, Letter a), of Law No.19046, published in the Official Gazette on 20 February 1991.

Incorporation: Public deed dated 24 January 1990, executed before Raul Undurraga Laso, Notary Public.

The abstract was published in the Official Gazette on 25 January 1990. An amendment was published in the Official Gazette on 26 January 1990.

Registration: The Company was registered under folio 2681 Nº 1427 in the Commercial Registry at the Santiago Property Registry Office.

ADDRESSES

Head Office

Head Office:	Avda. Libertador Bernardo O'Higgins Nº 1414
City:	Santiago de Chile
District:	Santiago
Telephone:	(562) 2937 3000 – 2937 2000
Website:	www.metro.cl
E-mail:	comunicaciones@metro.cl

Workshops

Neptuno:	Avda. Dorsal Nº 6252
District:	Lo Prado
Telephone:	(562) 2937 2490
Lo Ovalle:	Callejón Lo Ovalle Nº 192
District:	San Miguel
Telephone:	(562) 2 937 2975
San Eugenio:	San Eugenio Nº 997
District:	Ñuñoa
Telephone:	(562) 2937 2979
Puente Alto:	La Balanza Nº 1018
District:	Puente Alto
Telephone:	(562) 2937 7357

2.2. Historical Overview

In 2013 Metro celebrated its 45 years of service. During this time it has become the backbone of transport in the capital. Today, more than 60% of all public transport trips made in Santiago involve Metro, which shows the immense relevance of underground trains for mobility in this city.

1968: On 24 October Eduardo Frei Montalva, President of the Republic, signed the decree that created Metro de Santiago -an important means of public transport in the history of Chile. The project was assigned under the purview of the Planning Department, Public Works Division.

1969: On 29 May work began on the San Pablo - La Moneda section of Line 1 and the Neptuno workshop. This was the start of a network originally conceived to have five lines and approximately 80 kilometers in length.

1975: Commissioning began on 15 May when the first train made its way down the track from San Pablo to Estacion Central.

The San Pablo - La Moneda route was officially inaugurated in September, initiating Metro de Santiago operations. During the first few months, people would visit the stations to walk around, use the escalators, marveling at this clean and modern space full of technology.

1977: March marked the first extension of the network, prolonging Line 1 to the Salvador station.

1978: Inauguration of Line 2 from Los Heroes to Franklin, with the addition of six more stations as far as Lo Ovalle on 21 December.

1980: Conclusion of the Line 1 extension to Escuela Militar station, adding 25 more kilometers to the network.

1987: On 15 September the metro expanded with the opening of two new stations: Santa Ana and Mapocho. The name of this last station was changed after project excavations revealed the remnants of the old Cal y Canto Bridge, which had been an emblem of the city for more than a century.

In August the go-ahead was given to the Metrobus system, with 11 routes from Escuela Militar, Lo Ovalle and Las Rejas stations.

1989: Law 18772 was enacted in January, whereby the Metro Division -which until then had been under the purview of the Ministry of Public Works- became Metro de Santiago, a public limited Company. The shareholders were CORFO (Corporación de Fomento de la Producción) and the State, represented by the Ministry of Finance.

1990: As of this year Metro de Santiago adopted a specific policy on cultural activities, turning the Company into a unique example of support and promotion of arts in the country.

1993: The first formal MetroArte project was implemented, displaying public art in Metro stations. The first display was “Interior Urbano” by Hernan Miranda, in the Universidad de Chile station.

1996: An agreement between the library, archives, and museums organization, DIBAM (Dirección de Bibliotecas, Archivos y Museos) and Metro de Santiago, led to the creation of BiblioMetro, a system of book-loan stands in different stations, aiming to bring people closer to reading.

1997: The first 10.3 kilometer section of Line 5 was inaugurated in April, from Vicuña Mackenna street bus stop number 14 (Bellavista de la Florida station) to Plaza Italia (Baquedano station).

1998: The extension of Line 5 to Santa Ana began in February. The New Austrian Tunneling Method (NATM) was used in this project, consisting of inter-station and station construction by tunneling -that is, without opening the surface- minimizing disturbances for the community and making work more efficient.

1999: As part of its commitment to make various artistic expressions available to all Chileans, Metro de Santiago created the MetroArte Cultural Corporation.

2000: Three new Line 5 stations were opened on 21 March, crossing the capital’s historic center: Bellas Artes, Plaza de Armas, and Santa Ana, connecting this last station to Line 2. At the time, Metro carried close to one million passengers daily, over its 40.4 kilometer route and 52 stations.

2002: As announced the year before, construction of Line 4 to Puente Alto began this year. The project connected 11 districts and benefitted more than a million residents.

2004: The west extension of Line 5 was inaugurated on 31 March, adding two new stations: Cumming and Quinta Normal.

On 8 September Metro set a new milestone by crossing under the Mapocho River to extend Line 2 north, opening the Patronato and Cerro Blanco stations

On 22 December the El Parrón and La Cisterna stations began operating, as part of the south extension of Line 2. Intermodal stations emerged during this growth period, allowing for a better interaction between the urban train and other modes of transport, mainly microbuses. Today the intermodal stations are: Vespucio Norte, Pajaritos, La Cisterna, Lo Ovalle and Bellavista de La Florida.

2005: On 25 November the Cementerios and Einstein stations were opened on the northern extension of Line 2. Whereas the first section of Line 4 was inaugurated on the 30th of the same month, consisting of an underground route between the Tobalaba and Grecia stations, and a viaduct route from Vicente Valdés to Plaza de Puente Alto.

2006: The last section of Line 4 was inaugurated in March, connecting the Puente Alto and Tobalaba stations. Today, it is the longest route in the entire system with 24.7 kilometers and 22 stations that connect the districts of Providencia, Ñuñoa, La Reina, Peñalolén, Macul, La Florida and Puente Alto.

Line 4 was supplemented with the inauguration of a branch Line 4A, which since August connected Lines 2 and 4. Lastly, the Dorsal - Vespucio Norte section was added, completing the present-day extension of Line 2.

2007: Transantiago was inaugurated this year, the capital city's new transport system, in which Metro is the backbone for resident's mobility. The impact: new users arrived, demand doubled, and so did its social returns. At the same time, works began to extend Line 1 toward the east and Line 5 toward the west, as well as the construction of the new San José de la Estrella station on Line 4.

2008: During Metro´s 40th anniversary year, the Vespucio Norte intermodal terminal was inaugurated, and the first bicycle lockers (BiciMetros) and Sub- Centro underground shopping area were implemented at the Escuela Militar station. In terms of operation, the Metro Expreso service hours were extended for Line 4 and implemented on Line 5. The red and green express routes had been put into operation in March 2007 -year when the measure was given an award by the Chilean Transport and Engineering Society as the Best Transport System Intervention.

2009: Within the framework of an overall consolidation stage, the Line 4 San José de la Estrella (La Florida) station was opened in November.

2010: Three new stations: Manquehue, Hernando de Magallanes, and the new Los Domínicos terminal were added to the east. The first stage of the Line 5 extension to Pudahuel began operating with the addition of the following stations: Gruta de Lourdes, Blanqueado, Lo Prado, San Pablo, and Pudahuel.

2011: The Line 5 extension was inaugurated in February, with seven new stations: Barrancas, Laguna Sur, Las Parcelas, Monte Tabor, Del Sol, Santiago Bueras, and Plaza de Maipú, totaling 8.6 kilometers.

Line 5 as a whole (Quinta Normal - Plaza de Maipu) has an estimated demand of 80 million trips a year, about 300 thousand a day.

In July the Company announced the layout of two new lines: 3 and 6. This expansion, to be completed between 2016 and 2018, represents the consolidation of Metro de Santiago´s most ambitious project, integrating five new districts and improving travel.

Initial engineering work and technical processes commenced for the new lines.

2012: Metro began on-site preliminary works for the new Lines 3 and 6 in various districts of the capital. This process was carried out with citizen participation as provided under the Shafts and Galleries Environmental Impact Statement.

The first trains with air-conditioning arrived in the second semester as a clear sign of improved service and in response to a relevant demand by citizens.

2013: Start of the tunnels and galleries construction stage for New Lines 3 and 6. The tender is awarded for trains and a modern control system.

Metro takes-on administration of the (Bip!) card for the city's entire transport system. In December 2012, the Company signed a contract with the Ministry of Transport and Telecommunications, whereby Metro is the sole operator of the Bip! card until 2019. This responsibility lay previously with the Transantiago Financial Administrator (AFT). The formal transfer of functions commenced on 1 July 2013, finalizing in September of the same year.

2.3. 2013: Milestones and Awards

2.3.1. MILESTONES

This was a year of major challenges: We made parallel progress in the construction of New Lines 3 and 6, implemented passenger information services, carried out transparency initiatives, and approached the community living nearby the new lines' construction work.

January

PASSENGERS SELECTED THE NEW LOOK FOR THE ESCUELA MILITAR STATION

Metro invited passengers to take part in a contest to select new designs for stairway-sides at this busy Line 1 station.

Artists, designers, and world-of-art professionals took part with their designs for the new look of the Escuela Militar station. The jury, consisting of Mario Toral (artist, author of the mural at Universidad de Chile station called "Visual Memory of a Nation"); Peter Himmel (author of the first interior decorative linings in Metro stations); Pablo Allard (dean of the School of Architecture and Art, Universidad del Desarrollo); Miguel Laborde (town planner, columnist, and academic at the Catholic University); Sebastian Gray (architect, columnist, curator of the 18th Biennial of Architecture); and Javier Pinto (executive director of the MetroArte Cultural Corporation), decided among the designs that fulfilled the technical quality requirements for the station.

Finally, the winning proposal was chosen by passengers and is a colored representation of transport history in Santiago.

METRO DE SANTIAGO GAVE ITS FIRST PUBLIC ACCOUNT

The initiative, headed by Fernando Cañas, Chairman of Metro de Santiago, and CEO Roberto Bianchi, is within the context of the Company's transparency initiatives. The aim of the initiative was to communicate the most important milestones, provide an account of performance through indicators, evaluate Metro activities during the year, and present stakeholders with the main challenges faced in 2013.

February

NEW TELEPHONE HELPLINE WAS LAUNCHED FOR CUSTOMERS

By dialing 600 600 9292 metro passengers can make their complaints and suggestions, as well as enquire about service status and lost items, among others.

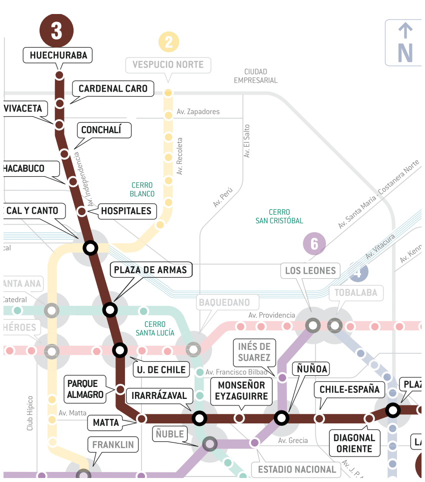
The initiative is within the context of a series of activities carried out by the Company to improve interaction with customers.

March

LINE 5 PLATFORMS WERE EXTENDED

Being able to operate greater-capacity and longer trains with techno-structure roofs are part of the benefits of extending platforms at Rodrigo de Araya, Carlos Valdovinos, Camino Agrícola, San Joaquín, Pedrero and Mirador Line 5 stations.

The initiative, which involved a USD 9 million investment, contemplated extending platforms at these six stations by 27 meters (from 108 to 135 meters), thereby making it possible to operate trains of up to seven cars instead of the previous five. In this way, transport offered over Line 5 will increase by 6%, a service that mobilizes more than 450 thousand passengers every day.



May

METRO BEGAN CONSTRUCTING LINE 3 IN DOWNTOWN SANTIAGO

Construction works started for the future Universidad de Chile and Plaza de Armas stations, which will be stations for connecting to Lines 1 and 5 respectively.

The construction of this Line is totally underground. In the particular case of the downtown area, and in order to care for historical buildings, it was necessary to close two sections along Bandera street and one section along San Diego street. This implied making traffic detours for public and private vehicles.

Both stations will be part of the 18 stations contemplated for the new Line, which with its 22 kilometers length will connect the northern area of the capital to the districts of Ñuñoa and La Reina, crossing downtown Santiago. The project will benefit 660 thousand residents by reducing their travel times by 50%, since users will be able to cross from Huechuraba to Plaza de Armas in just 17 minutes.

METRO IMPLEMENTED A SYSTEM OF INFORMATION SIGNS IN THE 22 BUSIEST STATIONS

Informing passengers up-front of the network operation status so that they can make the best travel decisions is one of the main purposes of the information signs implemented by Metro de Santiago in the 22 busiest stations. This initiative is one of the new measures announced by the Company to face passenger flows and ensure a better travel experience.

The service allows passengers to have up-front information about subway train operations before entering the payment area

METRO EXTENDED ITS EXPRESS OPERATIONS TO LINES 2 AND 5

This special peak-hour service was extended to the Line 2 Vespucio Norte terminal station, and as far as Pudahuel in Line 5.

This mode of operation -Monday to Friday from 6 to 9 AM and 6 to 9 PM- includes two travel routes: red and green. Each route color involves skip-stations where only trains of each appropriate color stop, thereby reducing travel times.

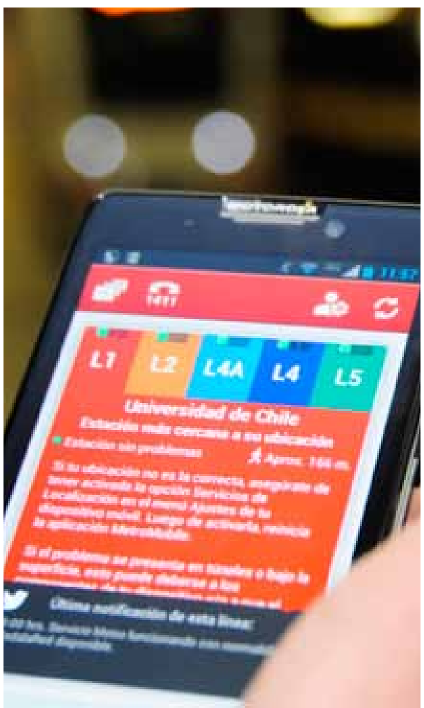
June

METRO COMMENCED IMPROVEMENT WORKS AT PAJARITOS STATION

In order to optimize passenger travel and provide a better service for people who use this intermodal service every day, a plan of improvements was started at Pajaritos station and which will be concluded in the first semester of the coming year.

The works, which contemplate an investment of USD 3.7 million, seek to strengthen operations at the station -which has an average flow of 27 thousand passengers per working day- as well as the intermodal terminal, which has a daily flow of 24 thousand people.

In this sense, works aim to improve passenger distribution flows, widen areas for circulation and access to paid sections of the station, as well as facilitating user movements in the ticket-office sector and intermodal terminal platforms, aside from incorporating new shopping areas.



July

NEW METROMOBILE APP

This App can be downloaded free of charge, and serves to instantly enquire about network operation status, plan trips, and look-up information about services in the proximities of each station, among others.

The tool is initially available for Android and iOs (IPhone) operating systems.

August

PRESIDENT PIÑERA VISITED WORKS FOR THE FUTURE METRO LINES 3 AND 6 STATIONS

President Sebastián Piñera saw first-hand the progress made in the new Metro Lines 3 and 6 project, during a visit to the construction shaft for the future Franklin station (Line 6). On this occasion he was accompanied by the Minister of Transport, Pedro Pablo Errázuriz, and the Chairman of Metro, Fernando Cañas.

In 2013 the project stage involves constructing shafts and galleries as well as the detailed engineering to determine how the new stations will be.

METRO AND MUTUAL DE SEGURIDAD HELD AN ACCIDENT PREVENTION CAMPAIGN

The initiative intended fostering safe behavior and self-care among network users, in line with Metro's comprehensive safety policy, METROSAFETY.

The aim of the campaign is to continue reducing the accident rate in the network. Metro de Santiago and Mutual de Seguridad (CChC) launched the joint educational campaign for the promotion of safe behavior and self-care among the 2.3 million passengers that use Metro every day.

A DOOR WAS INSTALLED TO IMPROVE PASSENGER CIRCULATION AT TOBALABA STATION

The measure achieved its objective to make smooth and orderly connections to Line 1 during peak morning hours, allowing for more trains at the station.

The initiative is part of the Company's plan to bolster Line 4.

The door, installed on the Line 4 station arrival platform, is in operation Monday to Friday from 7 to 9 AM.

September

METRO DE SANTIAGO CELEBRATED ITS 45TH ANNIVERSARY

As part of the celebrations, passengers were invited to share their anecdotes related to the metro. Users sent their stories and testimonies associated to Metro through social media networks. The best narratives are part of the Memory Train, especially decorated for the purpose and which began circulating in December.

This was to celebrate the "Santiago Metropolitan Transport System Study" decree signed 45 years ago, and which marked the start of the Metro project.

October

METRO WELCOMED THE MOST IMPORTANT INTERNATIONAL COMMUNITY OF UNDERGROUND TRAINS TO SANTIAGO

The Company headed the CoMET Community of Metros annual meeting, held in Santiago for the first time, and which brought together metros that carry more than 500 million passengers a year.

Since November 2012 Metro presides over the organization that encompasses the 14 most relevant train networks, in sign of the international prestige of the Company.

METRO BEGAN REMODELING ITS CURRENT FLEET TO PROVIDE AIR CONDITIONING IN 100% OF LINE 1 TRAINS

With the last of the 14 new air-conditioned trains that were put into operation, and with intervention of the first train to be equipped with air cooling, this marked the beginning of the second stage with 100% of Metro Line 1 and almost 60% of Line 2 and 5 trains with air conditioning.

This finalizes the first part of the process that began in September 2012, thanks to an investment of USD 240 million.

November

METRO BEGAN NEW CONSTRUCTION STAGE FOR THE FUTURE LINE 6 LOS LEONES STATION

By putting into operation a bypass on Suecia street between General Holley and Providencia, Metro de Santiago began a new construction stage for the future Line 6 Los Leones station. This station will supplement the existing Line 1 station as a transfer point for users of the metro.

Los Leones will be added to the other nine stations comprising the new Line 6. With its total length of 15.3 kilometers, this extension will connect the south-west area of the capital to the districts of Providencia and Vitacura. The project will benefit 800 thousand residents by halving their travel times. In this way, users will be able to travel from Cerrillos station to Los Leones in just 22 minutes.

INTERNATIONAL TENDER WAS AWARDED FOR NEW LINE TRAINS

Fulfilling an important milestone in the development of the new Lines 3 and 6 project, the international tender was awarded for provision and maintenance of trains and automated control to the Spanish-Canadian consortium CAF-THALES.

The new cars will have air conditioning, automated control, passenger information system, surveillance cameras inside trains, and greater safety features, among other innovations that will place the two new Lines among the most modern in the world.

In a process that lasted almost 15 months and was carried out according to the highest standards of transparency and competitiveness, CAF-THALES was awarded the contract after submitting the lowest bid for the provision of 185 new cars with air conditioning (115 for Line 3 and 70 for Line 6), the CBTC automated control system, and rolling stock maintenance.

METRO IMPLEMENTED THE FIRST REAL-TIME PASSENGER INFORMATION SYSTEM

A real-time information system was implemented on the 171 MetroTV screens located in Lines 4 and 4A platforms.

This will allow users to have information on the estimated arrival time of the next train, and express service details in peak hours, among others.

The new system will also be available for Lines 2 and 5 during the first semester of the coming year.

December

METRO INVITED PASSENGERS TO DONATE A CHRISTMAS TOY

For the seventh consecutive year, Metro called on Santiago residents to feel the Christmas spirit and bring joy to children in the care of the Protectora de la Infancia and Fundación Niño Cancer foundations.

To take part in the initiative, users placed unwrapped new gifts in the special containers placed in all network stations for this purpose.

METRO DE SANTIAGO HANDED OVER PLAZA LIBERTAD TO THE COMMUNITY

With the signing of a loan-for-use agreement, Mayor Carolina Tohá received the Plaza Libertad land from Metro de Santiago. This is a new green area that will benefit neighbors in the Barrio Yungay community.

The almost 1000 sq. Mt. green area will be part of the sector and the Municipality will appropriately fit it out for use.

Handing this square over to the neighbors of Barrio Yungay is an initiative that will forge ties with the community.

DURING 2013 METRO WAS PRESENT IN RESIDENTS' CELEBRATIONS

In order to facilitate and ensure transport for the thousands of residents who prepare to enjoy the end-of-year celebrations, Metro de Santiago announced a plan to boost train services and extend service hours during Christmas and New Year.

The provision of these special services is a measure adopted by Metro for various festivities and milestones during the year: football classics, elections, and national day celebrations were some of the dates for which Metro extended its working hours and enhanced operations, thanks to the commitment of its workers.

In 2013 Metro prepared to launch a successful global bond

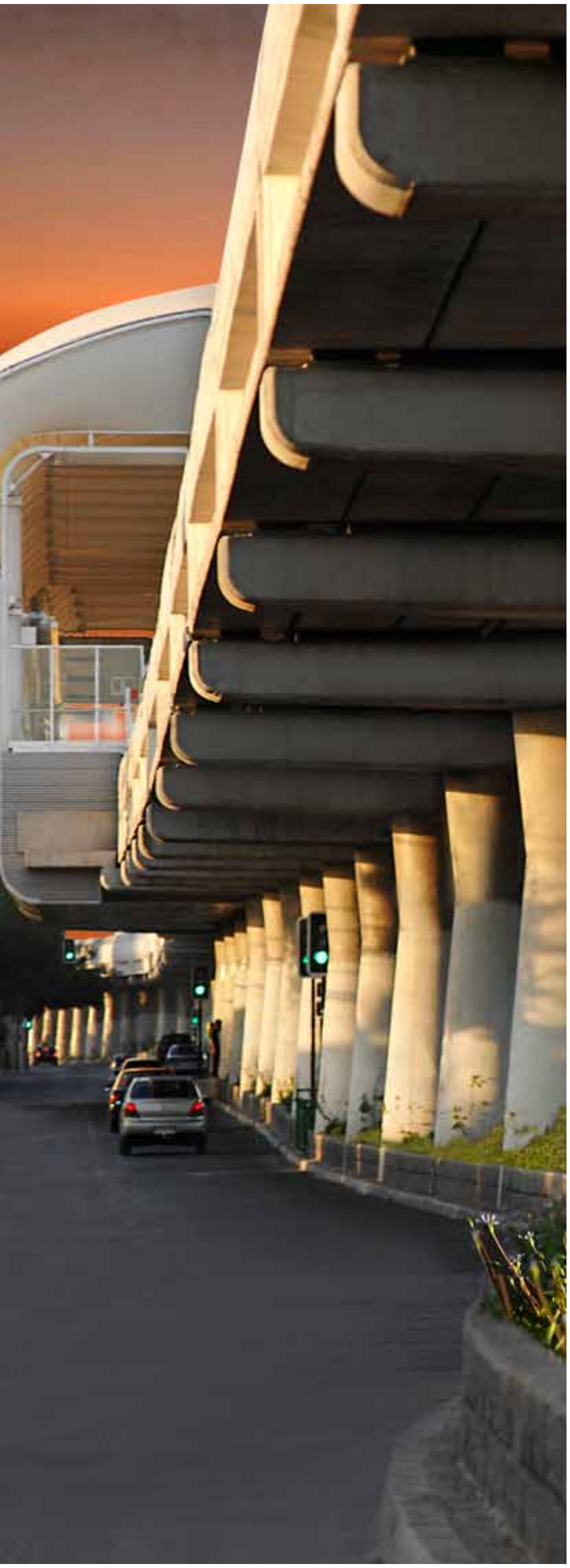
during 2013 the company was working to launch its first global bond for usd 500 million, a transaction that was successfully concluded on 4 february 2014.

The resources obtained through this transaction, the first of its kind by the Company, will be used to finance the new Lines 3 and 6 project and bolster the current network.

This bond issue involved holding an international Road Show from 20 to 27 January 2014, with relevant investors from the United States and Europe. It should be pointed out that, based on this process, Metro opens a new market for future financing that may be required by the Company.

Metro successfully accessed the international debt market by materializing its inaugural global bond issue for USD 500 million 10-year bullet bond.

The bond was seen by the market as quasi-sovereign, achieving a 210 base point spread over US Treasury Bonds (final rate: USD + 4.846%). The final order book showed a demand for USD 3700 million (7.4 times the sum offered).



2.3.2. 2013 AWARDS

City

METRO RECEIVED AWARD FOR CONTRIBUTIONS TO SANTIAGO'S CULTURAL HERITAGE

The "Patrimonio 2012" award by the Instituto de Conmemoración Histórica (ICH) was given for Metro's commitment and contributions to safeguarding the cultural heritage of the capital since 1975.

Environment

GREENEST ENTERPRISE ACCORDING TO AZERTA – UC RANKING

Metro topped the ranking of the most environmentally friendly enterprises according to a measurement by Mide UC and Azerta. The study surveys various stakeholders on their perception of the behavior of different Chilean industries.

ENERGY EFFICIENCY SEAL

On 4 October 2013 Metro de Santiago was awarded the Energy Efficiency Seal by the Ministry of Energy. This award is given by the Ministry to leading enterprises in the development of initiatives that optimize energy resource use and the reduction of emissions. Metro de Santiago is one of the first public enterprises to receive this award.

Service

BEST PASSENGER TRANSPORT ENTERPRISE

Metro gained first place in the passenger transport category in the 12th Corporate Reputation Ranking. The survey is done by Hill+Knowlton Strategies, GFK Adimark, and La Tercera, directly asking consumers for their opinion in the following dimensions: Emotional; Financial Performance; Social Responsibility; Working Atmosphere; Products, Services, Management, and Leadership. For this survey, 4,500 men and women from 18 to 60 years of age are interviewed in Chile's ten main cities.

User-friendliness

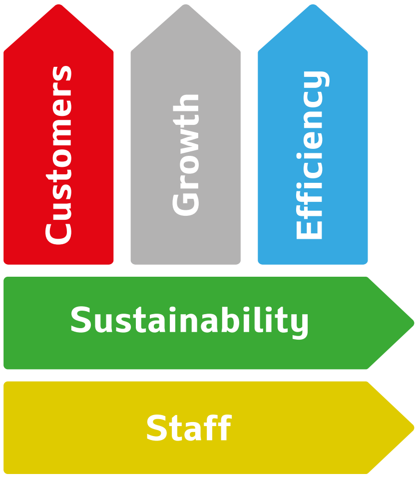
METRO GAINED THE INCLUSIVE CHILE SEAL FOR WEB ACCESSIBILITY

The Metro de Santiago website was given the “Inclusive Chile Seal” award by the Government of Chile through their national disability service SENADIS (Servicio Nacional de la Discapacidad) for public and private organizations that carry out specific activities related to the inclusion of persons with various disabilities.

Images that can be interpreted by various enabling software, logical reading orders that can be accessed using the “tab” key, and the absence of photosensitive items are some of the enabling features of the website.

2.4. Metro Strategic Priorities

For 2013 Metro identified a series of strategic projects to guide its main activities. These were mainly focused on network growth, maximizing current network capacity, and expansion projects. This expansion focused on customers and neighbors through the service and sustainability strategies.



Customers

- Service Strategy Implementation
- Implementation of Passion for Customers

Growth

- Current network maximum traffic capacity
- P63/2013 Project Development and Financing

Efficiency

- Non-fare business development implementation plan

Sustainability

- Sustainability Strategy Implementation

People

- Continuous Improvement of working atmosphere
- Plan for support and facilitation of cultural change

2.4.1. MISSION, VISION, AND VALUES

The Company's Mission is:

"To guarantee, as the backbone of public transport, a sustainable, efficient, high-quality, reliable, and safe travel experience on electric means".

"In addition, to provide services that contribute to Company returns and that help finance its expansion, while contributing to the life quality of citizens, ensuring an efficient use of public resources".

With regard to the business Vision, it is expressed in the following three points:

- To be one of the five best metros in the world, in terms of service, efficiency, safety, and commitment to the environment and society.
- To be a State owned enterprise that is respected by citizens for its service, efficiency, and safety.
- To be and enterprise that attracts very good professionals and is managed based on merit.

With regard to the strategic pillars and their respective aims, these were defined by the Board and the Management Committee and are reviewed annually. The Strategic Plan defined for 2013 retains the five pillars and ten aims of the 2011-2012 plan, including the achievement of new corporate and management projects.

The five pillars and their respective aims are:

Customers

Ensure a good travel experience through a service that is predictable, fast, safe, and with appropriate standards of comfort.

Satisfy customer communication needs with regard to the service before, during, and after travel.

People

Guarantee a human team that is competent, participatory, and motivated, in a satisfactory working atmosphere.

Guarantee the reliability of people administration processes, ensuring appropriate basic hygiene conditions.

Growth

Contribute to the development of public transport, taking part in the planning and exploitation of underground trains or other means of transport.

Sustainable development of mega projects, optimizing costs, timeframes, and quality standards.

Efficiency

Maintain a positive operating balance, by optimizing costs as well as fare and non-fare revenues. In addition, optimize the cost of debt.

Guarantee long-term financial sustainability, by means of fare structure and optimizing the use of infrastructure.

Sustainability

Encourage and foster energy efficiency initiatives and good environmental practices.

Improve the life quality of citizens, providing inclusive transport, culture and connected services, as well as maintaining appropriate channels for communication with stakeholders.

2.5. Industrial Sector

More than 60% of public transport trips in Santiago involve Metro. The main market where the Company operates is for mass passenger transport in the Metropolitan Region, involving users that want a fast and safe trip.

In addition, in July 2013 Metro began the process to take over 100% administration of the Bip! Card Sales Channel for card loads and distribution.

Other areas where the Company operates are: advertising space rentals, leasing of retail premises and commercial space, and a new area related to international consultancies.

2.6. Activities and Business

2.6.1. CORPORATE PURPOSE

The corporate purpose is as follows:

"The purpose of Metro S.A. Passenger Transport Company is to carry out all activities pertaining to passenger transport service on metropolitan railways or other complementary electric means, thereby enabling the execution of any act or operation related to such purpose and line of business."

Metro's operating area is the Santiago Metropolitan Region, specifically, Greater Santiago, where the following business activities are carried out:

- **Transport:** Passenger transport on Lines 1, 2, 4, 4A and 5 of the Metro network..
- **Non-fare business:** One of the Company's main bets for financial sustainability is non-fare business, which includes leasing of retail space and stores, advertising, telecommunications, vending services and ATMs, leasing of land, intermodal operations, overseas consulting services, and sales channel.
  - *Leasing of retail space:* Making the most of retail space and stores throughout the Metro network.
  - *Advertising:* This involves using Metro infrastructure, space and trains as a means for advertising. JCDecaux and SubTV are responsible for managing and producing static and dynamic advertising, respectively.
  - *Telecommunications*: A technology-related business that mainly involves rolling out indoor- and outdoor-coverage antennae as well as fiber-optic cables in the Metro network.
  - *Vending machines and ATMs*: Making the most of space within the Metro network to install vending machines, ATMs and public telephones in order to provide useful services for customers.
  - *ALeasing of land*: Making the most of residual land owned by Metro.
  - *Intermodal operations:* Managing and making the most of intermodal connections within the Metro network.

- *Overseas consulting services*: This line of business focuses on providing consulting services abroad. Its main value proposition is Metro's know-how.
- Sales channel: Bip! Card loading service offered at underground and overground ticket offices. Metro's share in this business has increased since September 2013 as in addition to underground collections it receives overground collections and collections for the entire public transport system in the city of Santiago.

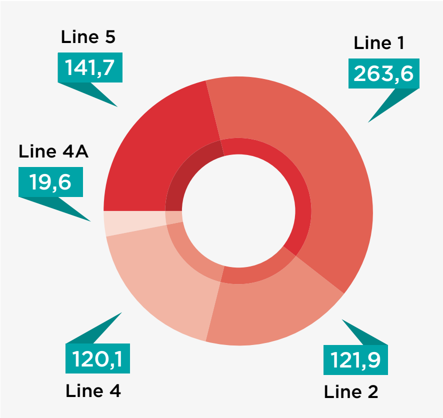
On 30 October Metro experienced its all-time peak in passenger numbers, transporting 2,631,852 passengers. In 2013, Metro carried 18 million more passengers than in 2012

2.6.2. NETWORK OPERATION

Passenger flow

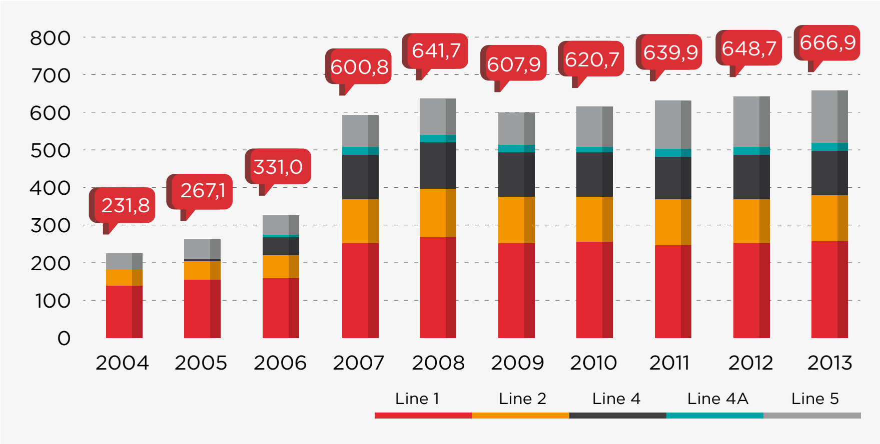
In 2013, 666.9 million trips were made on the network, 2.8% more than in 2012, confirming Metro is the linchpin of public transport in the capital. This is explained by the rise in transport supply (trains with air conditioning) and the natural increase in travel.

In 2013, the breakdown of passengers carried on each line was as follows: Line 1, 39.5%; Line 2, 18.3%; Line 4, 18%; Line 4A, 2.9% and Line 5, 21.3%. Mean passenger flow on weekdays in 2013 was 2,265,000.



PASSENGER FLOW BY LINE IN 2013
(IN MILLIONS OF PASSENGERS)

METRO S.A. ANNUAL FLOWS
(IN MILLIONS OF TRIPS)



With the launch of Transantiago Public Transport System in 2007, passenger flows increased by 82%. Since 2009, the Company has seen an upward trend in the number of trips, with the passenger flow rate increasing by 2.3% on average over the past four years.

Transport supply

Metro trains traveled more than 142.9 million car/Kms in 2012, which represents an 8.3% increase. This increase is primarily due to the arrival of 14 new air-conditioned trains in September 2012.

The Company managed to reduce the rate for disruptions lasting more than five minutes, meaning that it was 26.5% less than in 2012, positioning Metro de Santiago among the most regular metro systems with the highest maintenance standards in the world, similar to those in Asian countries and better than those in Europe and Latin America. Meanwhile, the passenger accident rate decreased by 9.1% compared with the previous year.

Metro made significant progress in terms of passenger information, for example, by installing real time information systems on the platforms of Lines 4 and 4A –they will be extended to Lines 2 and 5 this year– launching the "MetroMobile" App for Android and iOs operating systems, setting up information signs in 22 of the busiest stations in the network as well as the 600 600 9292 Call Centre and generating lots of traffic on social media networks.

Maintenance Management

For the maintenance of the entire fleet, station equipment, systems and facilities, Metro has always enforced strict availability and reliability standards, prioritizing passenger safety above all else. This also involves implementing strict guidelines for preventative maintenance, for projects of varying size and importance, carried out at regular intervals, which are set out in a strict plan, using advanced inspection techniques, performed by staff that is always improving their skills and training.

In 2013, the availability of rolling stock at peak hours was on average 99%.

Metro maintenance is based on a policy that aims to make the most of all of its assets. It also involves strict control of costs and the implementation of high performance standards, which has meant that by continually updating technology, the trains and equipment have been kept in optimum operating conditions for more than 37 years.

Security

In 2013, Metro's crime rate increased to 0.43 crimes per million passengers carried, 4.5% more than in 2012. This figure, which is equivalent to less than one crime per day, shows that the Metro network is still one of the safest public places in Santiago.

One of the reasons for the increase in the crime rate is that there are more channels for reporting crimes; for example, a number (1411) was set up so that passengers could report these situations.

In 2013, Metro carried out the "Don't make yourself an easy target" campaign (known in Spanish as No te andes regalando), to encourage Metro users to take care of themselves.

2.6.3. SUPPLIERS

The table below shows Metro's most important suppliers in 2013.

Supplier	Specifications
Faiveley Transport Chile Ltda.	Spares for corrective and preventative maintenance of AS02, NS93, AS04, NS74 trains
Suministros Y Soluciones Técnicas	Spares for corrective and preventative maintenance of AS02, NS93, AS04, NS74 trains
Thyssenkrupp Elevadores S.A.	Spares for vertical transport station equipment, that is to say, elevators, escalators, excluding stairs and platforms
Alstom Chile S.A.	Spares for corrective and preventative maintenance of AS02, NS93, AS04, NS74 trains
Compagnie Francaise De Promotion	Import items
Andes Ingenieros Asociados S.A.	Server infrastructure improvement, replacing central warehouse infrastructure replacement, and expansion of storage disks
Mersen Chile Ltda.	Electrical spares for trains (fuses and contact brushes)
Voith Turbo S.A.	Spares for corrective and preventative maintenance of NS93 trains, automatic coupling systems
Bezanilla Y Cia Ltda	Spares for coupling differential adapters on trains
Intergrade S.A.	Corporate hardware and software project/ PC and Notebook AFT-Metro integration project/ Obsolete corporate hardware and software project
Metalocaucho, S.L.	Spares for NS93 trains
Grupos Diferenciales S.A	Spares for differential adapters on NS93 trains

2.6.4. CUSTOMERS

Metro's main customers are users of Lines 1, 2, 4, 4A and 5 of the network, as well as companies that advertise in the network, through JCDecaux, a company that markets public spaces in stations and in trains, and lessees of retail stores and spaces in the stations. One of the main highlights since 2013 is that Bip! Card users are now Metro customers.

Travel experience

Since 2012, Metro has been focusing on improving customer service. To that end, the Service Strategy was launched and the Customer Network was put into operation, initiatives aimed at increasing user participation and incorporating their ideas of what the service should be.

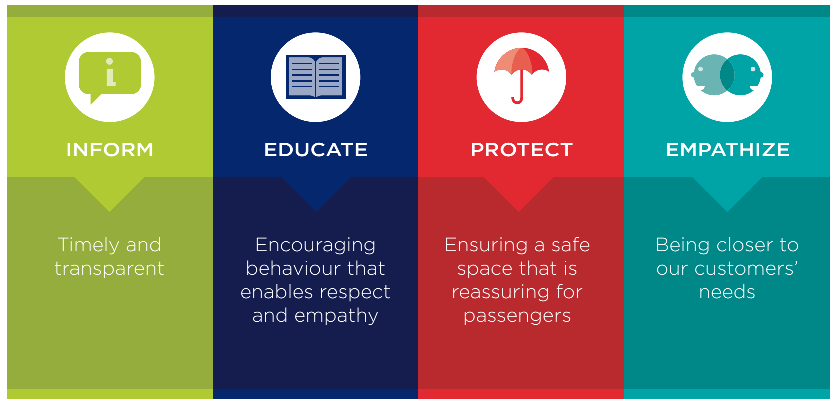
This strategy seeks to take responsibility for the passenger's travel experience at all stages, from when passengers leave their homes until they arrive at their final destination. The Strategy defined that the purpose of Metro's activities goes well beyond passenger transport and plays a part in improving their quality of life. Its content was made available to workers through a number of initiatives, and the related areas of the Company were made responsible for co-designing the strategy.

In 2013, the challenge was to make this strategy known throughout the organization by establishing the pillars of service that guide Metro's daily work.

FOR OUR CUSTOMERS, THE CONCEPT OF TRAVEL IS MUCH WIDER

12 KEY MOMENTS OF A TRIP

Service Pillars



2.6.5. Trademarks and patents

At December 31, 2013, the Company owns the following trademarks, registered under different classes at the National Industrial Property Institute of Chile:

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

b) Labels: 8 labels under different classes.

c) The mixed brands "Metro", "Metrobús", "Metrotren", "Metroexpreso", "Metrotaxi", "MetroInforma", "Metro S.A.", "MetroArte", "El Metro en la Cultura", "Metroeventos", "Metrored", "Ventana Cultural", "Metroservicios", "Metro a Metro", "Metro de Santiago", "Conozcámonos", "Metronet", "Metrocultura", "Metroexpress", "Redmetro", "Metrocard", "Metropass", "Metroligero", "Metro Tienda", "Metro en la Cultura"; "Cargafácil", "MetroTV", "Multired", "Multitrans", "TVMetro", "Metro Bici", "Te llevo bajo la piel", and "Metrociudadano".

d) Slogans: "El Metro te cuida, Cuida el Metro", "Metro, pasa por ti", "Metro de Santiago, pasa por ti", "Metro ciudadano pasa por ti".

Patents for inventions

In 2013, applications for patents for invention of the Multivía card were still being processed in Europe, Brazil and Venezuela (a control and safety device for recording the load and electronic collection of fares in a passenger transport system via a proximity card with a certain balance of money).

Applications for patents for invention of the same device in other countries were granted in the United States (register no. 7,229,016, 12 June 2007); Mexico (register no. 253570, 18 January 2008); Peru (register no. 5070, 22 August 2008); Argentina (register no. AR048314B1, 14 June 2010); and lastly, at the end of 2011, in Ecuador (register no. PI-11-2072, 30 September 2011).

In Chile, the patent granted on 11 August 2009 under register no. 45,663 concluded the application process for invention of a system and method for detecting negative contact brushes or rubbing contacts that are used to determine the position of trains on a rail line, particularly rubber-tired trains.

Prior to that was the patent granted on 31 December 2008 under register no. 44,277 which concluded the application process for invention of a system for detecting the pressure of metropolitan-style train carrier or guide wheel tires.

2.6.6. PROPERTY AND EQUIPMENT

The Company owns all of the facilities and equipment it uses to carry out its activities, for example, the stations, tunnels, rolling stock, tracks, electrical equipment, tools, spares, retail stores and buildings, and they are located in the Metropolitan Region.

Metro owns the following buildings:

1. **Corporate building and the high-voltage substation (seat)**. the Company's central offices cover a surface area of 9,870m^2, the buildings have almost 23,000m^2, and they are located at the junction between Lord Cochrane and Alameda 1414 streets, above La Moneda Metro station in downtown Santiago.

2. **Workshops and car yards.** With a total area of 495,732m^2, as follows:
   a. *L1 Neptuno workshops*: Located at Avenida Dorsal 6252, Lo Prado, Santiago, with a total area of 207,961m^2.
   b. *L2 Lo Ovalle workshops:* Located at Avenida Lo Ovalle 1001, San Miguel, Santiago, with a total area of 61,063 m^2.
   c. *Intermediary car yards:* Located at Avenida Américo Vespucio Sur 3652, Peñalolen, Santiago, with a total area of 64,000 m^2.
   d. *TL4 Puente Alto workshops: Located at Avenida Nemesio Vicuña S/N, Puente Alto, Santiago, with a total area of 100,829 m^2.*
   e. *L5 San Eugenio workshops: Located at Avenida Vicuña Mackenna 1290, Ñuñoa, with a total area of 61,879m^2.*

Two new workshops and car yards are being considered for Lines 3 and 6:

   f. *L3 Terminal Norte workshops:* Located at the junction between. Avenida Américo Vespucio and Los Libertadores highway (Route CH 57), Quilicura, Santiago, with a total area of 133,806 m^2.
   g. *L6 Suiza workshops:* Located at the corner of Avenida Pdte. Salvador Allende S/N, Cerrillos, Santiago, with a total area of 47,886 m^2.

Metro currently has a network of 103 km, 108 stations, 4 workshops, 7 cultural rooms and spaces. It also has six different types of trains characterized above all by their type of wheel (rubber or steel) and the year they were manufactured. The metro currently has a fleet of 1,093 cars, all located in the Metropolitan Region.

2.6.7. INSURANCE

Metro S.A. has taken out the following insurance policies: a general civil liability insurance policy with RSA Seguros Chile S.A.; a fire and additional insurance policy covering the central administration complex, Metro S.A. offices located in Miraflores, Neptuno, Lo Ovalle, San Eugenio and Puente Alto workshops, Line 4 intermediary car yards, Vasconia storehouses and Pajaritos, Vespucio Norte, Estación del Sol, La Florida and Lo Ovalle interchange stations, with additional coverage in the event of seismic activity for the main headquarters and CEO building, with the Company, Mapfre Seguros Generales de Chile S.A.; a fire policy for NS-93 trains with Mapfre Seguros Generales de Chile S.A.; a life assurance policy for the CEO of Metro S.A. with Zúrich Santander Seguros de Vida Chile S.A.; a passengers accident insurance policy with Zúrich Santander Seguros de Vida Chile S.A.; a life assurance policy for inspectors with BBVA Seguros de Vida S.A. and a cargo transport floating policy with the Company RSA Seguros Chile S.A.

Metro S.A. also has policies for its Lines 6 and 3 project. They cover specific risks relating to those works and include a civil liability policy with RSA Seguros Chile S.A. and a construction and erection all risks policy with Penta-Security S.A.

2.6.8. CONTRACTS

Some of the Company's most important contracts with third-parties are:

- Contract with JCDecaux for leasing advertising space in Metro stations and trains
- Contract with Santander Bank Chile for current accounts and other bank services
- Contract with Estado Bank Chile for the management of Metro S.A. financial investments portfolio
- A network hardware maintenance, user support and network management contract with Policomp S.A. and ERP System Support and SAP Financial accounting contract with Novis S.A., among others.
- Contracts with maintenance service and cleaning service providers for workshops, trains, stations, tracks and buildings, and other services: Servicios Industriales GVL Comao Ltd; Alstom Chile S.A.; CAF Chile S.A.; Balfour Beatty Chile S.A.; Siemens S.A.; Sometec S.A.; Bitelco Diebold Chile Ltd.; Garage INC S.A.; Thyssenkrup Elevadores S.A.; Ascensores Otis Chile Ltd.; Transportes M&M Ltd.; Gestión Mantenimiento de Automatismo y Peajes S.A., Indra Sistemas Chile S.A.; Servicios Industriales GVL Comao S.A.; and Proyectos y Productos Profesionales Ltda.
- Contracts with catering service providers, security guards, telephone operators, auditors and other general service providers: Central Restaurantes Ltd., Eulen Seguridad S.A., Securitas S.A., Esert Servicios Integrales de Seguridad Ltd.; Entel Telefonía Local S.A., Telefónica Móviles Chile S.A., Ernst & Young Professional Auditing Services, Dimacofi S.A., among others.
- Contracts with the providers of Metro sales channel operators: EME Servicios Generales Ltd., Consorcio GSI SPA e Ingeniería en Electrónica Computación y Medicina S.A.
- Contracts with providers of overground sales channel operators: Transbank S.A.; Soc. de Recaudación y Pagos de Servicios Ltd. (Servipag); BancoEstado Centro de Servicios S.A.

2.7. Financial Activities

The Company holds current accounts with Banco Santander Chile, Banco de Chile, Banco BICE, and Banco Estado to facilitate the payment of its commitments with various suppliers of goods and services, as well as its workers. Company financial assets are mainly time deposits and fixed income instruments (sales-purchase agreements), as can be viewed in the financial statements. These assets are managed by specialized financial institutions according to the financial investment policies provided by Metro S.A., in accordance to guidelines provided by the Ministry of Finance in this respect.

2.8. Strategic Analysis: Risk Factors

Metro is exposed to various market risks as well as business risks, and has hence created instances within the organization to design strategies for minimizing these risks and reduce their potentially adverse effects.

With regard to passenger demand, it should consider the country's economy, the employment level and inflation, among other relevant factors. In relation to the technical fare, its aim is to cover Company costs, comprised of: operating costs, replacement of assets and debt, over a 40-year term. Such fare is updated monthly by the indexation polynomial, which includes the variations of such variables as comprise the long-term cost-structure of the Company (CPI, dollar, euro, price of energy). The above allows a natural match for cost variations arising from increases in any of the variables that comprise the polynomial.

It should be pointed out, that the fare paid by the public is different to the fare received by Metro per passenger carried. Whereas in December 2013 customers paid $680 in peak hours, $620 in normal hours, and $570 in low hours, on average for that month the Company received a technical fare of $306.99 per passenger.

Among the main risks that could affect Metro performance are:

The exchange rate risk is reduced with a Hedge Policy that, among other things, allows placing bonds at a fixed rate in UFs

1. **Financial Risks:** This group includes market risks, liquidity, and credit risk.

The financial debt structure at 31 December 2013 is in UFs (78%) and the remainder in US dollars (22%). This implies an exchange rate risk which, given the indexation polynomial that updates the technical fare for variations in the USD, Euro, and other variables, results in a "natural hedge" for long-term operating flows.

To reduce interest rate risks (Libor) for loans taken on at a variable rate, there is a Hedging Policy that, among other things, allows derivative transactions such as Cross Currency Swap (CCS) and bonds placements at a fixed rate in UFs.

With regard to liquidity, Metro passenger transport income is discounted daily from Metro Sales Channel revenues, creating the necessary liquidity to cover commitments. In addition, Metro has various duly approved bank credit lines, which allows reducing the liquidity risk.

In relation to accounts receivable credit risk or commercial debtors risk, income from store leasing, advertising, and accounts receivable, this risk is limited, since such income does not ascend to 18% of ordinary income, given that the remaining 82% is fare income. The arrears associated to this type of debtor are considered low.

Likewise, the level of risk exposure associated to financial assets is given by the Financial Investment Policy, which aims to reduce risk by means of portfolio diversification, establishing investment ceilings per bank and minimum risk ratings per issuer.

2. **Capital Risk:** In relation to capital management, Metro seeks to maintain an optimal capital structure, reducing its cost and ensuring long-term financial stability, while at the same time ensuring the fulfillment of financial obligations and covenants set forth in debt contracts.

Year on year, by means of the Extraordinary Shareholders Meeting, Metro capitalizes contributions by the State and Capital, related to financing its own expansion projects. In addition, the capital structure is followed-up on by means of debt and equity indexes.

3. Commodities Risk: Electrical power is the main commodity required by the Company for its operation. Should there be a break in the supply, Metro has direct supply systems at two points of the Central Interconnected System (SIC), that feed Lines 1, 2 and 5, as well as two feed points for Line 4. In addition, such supply systems are duplicated and designed with redundancies; that is, they are on stand-by, should power be cut in one then the other immediately goes into operation, and there is always a back-up for maintaining the power supply and normal operation of the network.

At the same time, and for Lines 1, 2 and 5, in the event of a power outage in the SIC, the distribution company gives top priority to restoring supply to the Santiago civic center, which allows the Metro network to simultaneously receive power, since Metro is supplied by the same feed.

Likewise, in June 2004, the Company signed an energy and power supply contract with the distributor Chilectra S.A., in effect as of 1 August 2004, and which ensures electrical power supply for the current network for a period of ten years. This contract ends in March 2014, and hence Metro is formalizing a new contract to ensure supply as of April 2014.

4. Force Majeure or unforeseeable circumstances risk: Metro has instances for risk control and administration, which constantly analyze possible events related to acts of nature or third parties that could affect operations, and for which there are Emergency Plans that are regularly reviewed and updated.

2.9. Investment Plans

2.9.1. FINANCING AND INVESTMENT POLICIES

Metro de Santiago assigns significant resources for investment studies and projects, both for the expansion of its network as well as the maintenance and improvement of its current infrastructure. The aim of investment in expansions is to consolidate Metro as the backbone of public transport in the capital, whereas investment in maintenance and improvement seeks to improve service quality, preserve and maintain facilities and premises, and adapt technology for equipment renewal and modernization needs, providing a quality service to customers.

With regard to sources of financing, during 2013, investments for replacement and improvement of infrastructure and equipment were financed with resources stemming from the operation and capital contributions. In relation to the necessary investment for network expansion, imported equipment components are usually financed by Metro S.A. through debt, which is repaid by increasing the Metro S.A. technical fare. National components, on the other hand, consisting of infrastructure, civil works, and other expenditures, as well as fees and taxes paid when importing supplies, are financed with contributions from the State, contributions which are subsequently capitalized.

2.9.2. METRO DEVELOPMENT PLAN

Construction of new Lines 3 and 6

The most challenging project in Metro history, which implies expanding the network by 36%, continued to progress in 2013. This expansion implies a major investment of USD 2,758,000,000. The project, a milestone in the history of the underground train, will be completed in 2018 and implies a financing structure comprised of contributions by the partners (State and CORFO) which represent two thirds of the total investment, and contributions by Metro (via debt that is repaid with technical fare increases) for one third of the total investment.

At December 2013, the project recorded 13% execution. This is a project of high standards and that adopts the best international practices. Platform doors, electrified areas, automated control, cameras inside cars, air conditioning, and the passenger information system, are all among the innovations.

Project tenders for the construction of new Lines 3 and 6 are underway and on schedule. The most relevant during 2013 were:

- Contract awards for construction and engineering
- Awards for rolling stock (185 new cars) and automated control system

International public tender for trains

Metro proceeded to ensure the transparency of the process and promote competitiveness by, among other actions, holding a Road Show in September 2012. At this event, the most relevant technical and administrative aspects of the tender were explained to companies that supply cars and the CBTC system around the world.

Meantime, the Company also made innovations to the technical specifications, being more functional and focused on objectives, so that more enterprises could bid in the process.

Finally, the international contract for the supply and maintenance of trains and their CBTC automated control system was awarded to the Spanish-Canadian consortium CAF-THALES.

2.9.3 PROJECTS ASSOCIATED TO OPERATIONS

The following improvements were made to the current Metro network in 2013:

All Line 1 trains with air conditioning

The first of the 14 new trains with air conditioning went into service in September 2012. The remaining trains were gradually added to Line 1 and completed in October 2013. This procurement implied increasing the fleet by 11% and reducing densities during peak hours, providing greater comfort for users by having more available space.

Train remodeling

The process began in October, seeking to improve the travel experience of metro users. The remodeling project entailed having all Line 1 trains with air conditioning. Subsequently this will be implemented in 60% of Lines 2 and 5 cars.

Universal Accessibility Project

Seven elevators were put into operation in 2012, and in 2013 we began constructing others in seven stations. Elevators will be opened in the following stations during 2014: Ciudad del Niño, Rondizzonni, Universidad Católica, San Miguel, Manuel Montt, Salvador and Las Rejas. The entire Metro network will have universal accessibility by 2016.

Passenger information

Various initiatives were carried out in 2013 in order to provide better passenger information, including the following:

- Real-time information system in platforms for Lines 4 and 4A; 171 Metro TV screens were put into operation in 2013, and will be implemented in Lines 2 and 5 during the first semester of 2014.
- MetroMobile App for devices with IOs and Android operating systems. This allows instant enquiry of network status, the nearest station, and services available in the area, among others.
- Active presence in Social Media Networks: more than 360 thousand followers in Twitter. Metro is a world leader in transport and has a relevant presence in Facebook, Flickr, YouTube and Foursquare.

  Informative traffic lights in 22 high-demand stations of the network show the network operation status.

  Call Center for customer enquires (call 600 600 9292): more than 23 thousand enquires.

Train Automated Control System test stage

Project progress continued during 2013 for the installation of a modern train automated control system: Communication Based Train Control (CBTC), which consists in replacing the current train control system for a communications based control system. This technology will allow increasing the commercial speed of trains, smoothing the frequency, save energy, and provide a more efficient and safe service. Actions carried out during 2013 included the first test with trains in Line 1.

2.9.4 INTEGRAL SERVICE DEVELOPMENT

Metro has become a space that offers services beyond transport as such. Hence, travelling on the Metro not only allows users to travel, but at the same time, stations have become true meeting points where it is possible to shop, enjoy works of art or borrow books.

In 2013, 441 thousand books were loaned at the 20 BiblioMetros in the network.

Metro is also committed to integration with other means of transport through the 9 BiciMetros in the network and five intermodal stations. More than 37 thousand bicycles were loaned at the bicycle yards during 2013.

Meantime, 230 thousand trips were made connecting through the five intermodal stations managed by Metro.

Bip! Card administration

In recognition of Metro's technical capabilities and capacity for innovation, the Company successfully took over the Bip! Card Load and Distribution Channel in the city. This implies taking responsibility for the administration of more than 1700 load outlets.

Metro is working on measures that contemplate the inclusion of various retail stores into the system, such as pharmacies and supermarkets, in addition to high-traffic areas like schools and business, which will imply increasing the current network by 48% (800 new outlets).

Platform extensions

Six Line 5 stations: Rodrigo de Araya, Carlos Valdovinos, Camino Agrícola, San Joaquín, Pedrero and Mirador were intervened to have 27-meter wider platforms.

This will allow using trains up to seven cars long, increasing transport supply in this line that carries more than 400 thousand passengers a day.

This also includes installing new roofs manufactured with modern tensile structures, a technology based on the same flexible membranes implemented between Laguna Sur and Del Sol.

03 Corporate Governance

CORPORATE GOVERNANCE

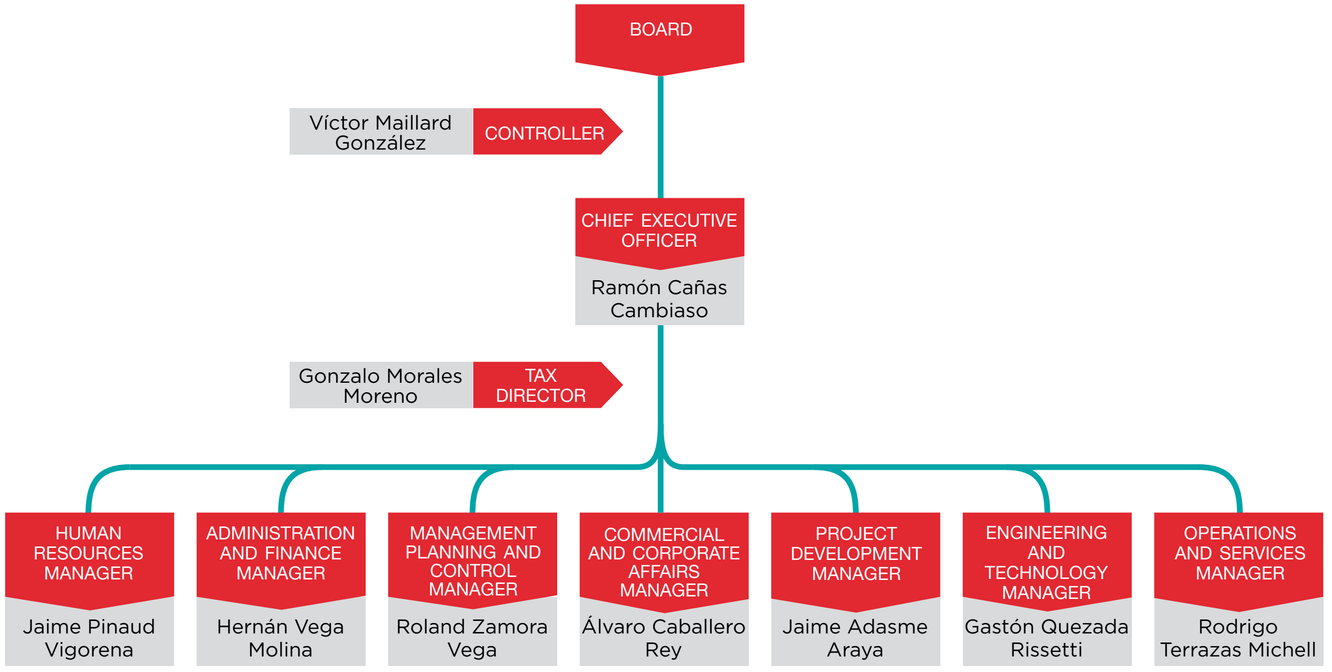
3.1. Description of the Organization

Metro de Santiago Administration lies with the Board, formed by the Chairman, Vice Chairman, and five Directors. In 2013 25 Ordinary Board Meetings were held.

The Chief Executive Officer and the Legal Controller report to the Board.

At 31 December 2013 the CEO manages the Company through seven management divisions: Human Resources, Commercial and Corporate Affairs, Operations and Services, Administration and Finance, Project Development, Engineering and Technology, and Management Planning and Control. The CEO also receives direct support from the National Economic Prosecutor.

3.2. Organization chart



3.3. Board

Fernando Cañas Berkowitz
Chairman
Degree in Business Administration
ID: 5.853.136-7

José Luis Domínguez Covarrubias
Vice Chairman
Civil Engineer
ID: 6.372.293-6

Domingo Arteaga Echeverría
Director
Civil Engineer
ID: 7.816.189-2

Bernardo Fontaine Talavera
Director
Economist
ID: 6.371.763-0

Clemente Pérez Errázuriz
Director
Lawyer
ID: 10.890.592-1

Advisor to the Board
Víctor Maillard González
Controller
Accountant Auditor
ID: 5.013.160-2

Francisco Silva Donoso
Director
Civil Engineer
ID: 4.858.635-K

Luis de Grange Concha
Director
Civil Industrial Engineer
ID: 12.487.883-7

Board changes

On 22 April the Board was notified of and accepted the resignation submitted by Carlos Zepeda Hernandez to his position as Company Director.

At the Ordinary Shareholders Meeting held on 25 April 2013, the following were appointed as Company Directors: Fernando Cañas Berkowitz, José Luis Domínguez Covarrubias, Domingo Arteaga Echeverría, Bernardo Fontaine Talavera, Clemente Pérez Errázuriz, Luis de Grange Concha, and Orlando Chacra Corvillón.

On 13 May the Board agreed to appoint Fernando Cañas Berkowitz as Chairman, and José Luis Domínguez Covarrubias as Vice Chairman.

On 12 August 2013 the Board was notified of and accepted the resignation submitted by Orlando Chacra Corvillón to his position as Company Director. At the same meeting, Francisco Javier Silva Donoso was appointed as Company Director.

Consultancies by Auditing Firms

From 1 January to 31 December the following services were contracted from auditing firms:

Name	Services	Fee ($)
Ernst & Young Servicios Profesionales de Auditoria y Asesorías Limitada	Audit of 2013 Financial Statements 2013 (installment 1/3)	35,748,766
	Audit of 2013 Financial Statements 2013 (installment 2/3)	33,630,248
	Audit of 2013 Financial Statements 2013 (installment 3/3)	44,932,549
	Study of work compensations and costs	12,151,594
	Total	**126,463,157**
KPMG Auditores Consultores Limitada	Consultancy on the Metro sustainability strategy	7,686,178
	Total	**7,686,178**
Pricewaterhousecoopers Consultores, Auditores y Compañía Limitada	Survey of indicators for sustainability report	9,442,020
	Support for annual subscription to ESIREM compensations	2,103,643
	Total	**11,545,663**
Jeria, Martínez y Asociados Limitada	PROPYME Seal Certificate	2,737,882
	Total	**2,737,882**
Deloitte Auditores y Consultores Limitada	Survey and classification of operating systems	30,859,961
	ERP SAP Audit	26,852,388
	Non-fare business organization structure consultancy	32,882,293
	Design of procedure for confidential reports	2,289,474
	Total	**92,884,116**

With regard to other consultancies it should be mentioned that the Board and Directors Committees did not directly hire other services in 2013.

3.3.1. DIRECTORS COMMITTEES

There are three Directors Committees:

Project Management Committee: Reviews guidelines for new extensions and new lines projects.

Operations Committee: Business strategy and management development, including operations and services, planning and control, engineering and technology, human resources, and commercial affairs.

Audit and Finance Committee: This committee oversees the Company efficiently manages its financial resources in line with established procedures. It is also informed of the accounting policies adopted by the Company and their possible modifications. It supervises internal auditing and remarks on the external audit of the Company's financial statements.

This description should be understood as broad and does not reflect the totality of functions performed by the committees, which vary in line with business development. In 2013 Board Committees were comprised as follows:

2013 Board Committees			
	Project Management (No. Sessions: 12)	**Operations (No. Sessions: 12)**	**Finance & Auditing (No. Sessions: 12)**
Chair	José Luis Domínguez	Domingo Arteaga Echeverría	Bernardo Fontaine Talavera
Members	Fernando Cañas Berkowitz	Fernando Cañas Berkowitz	José Luis Domínguez Covarrubias
	Bernardo Fontaine Talavera	Luis de Grange Concha	Francisco Silva Donoso
	Clemente Pérez Errázuriz	Clemente Pérez Errázuriz	Domingo Arteaga Echeverría
	Domingo Arteaga Echeverría	José Luis Domínguez Covarrubias	Fernando Cañas Berkowitz
	Luis de Grange Concha	Francisco Silva Donoso	

Jaime Pilowsky Greene is the Board and Committees Secretary

2012 Board Committees			
	Project Management (No. Sessions: 12)	**Operations (No. Sessions: 12)**	**Finance & Auditing (No. Sessions: 12)**
Chair	José Luis Domínguez	Domingo Arteaga Echeverría	Bernardo Fontaine Talavera
Members	Fernando Cañas Berkowitz	Fernando Cañas Berkowitz	José Luis Domínguez Covarrubias
	Carlos Zepeda Hernández	Luis de Grange Concha	Carlos Zepeda Hernández
	Bernardo Fontaine Talavera	Clemente Pérez Errázuriz	Domingo Arteaga Evheverría
	Clemente Pérez Errázuriz	José Luis Domínguez Covarrubias	Fernando Cañas Berkowitz
	Domingo Arteaga Echeverría		
	Luis de Grange Concha		

Jaime Pilowsky Greene was the Board and Committees Secretary in 2012

3.4. EXECUTIVES

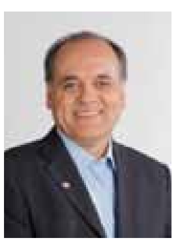

Ramón Cañas C.


Hernán Vega M.


Jaime Adasme A.


Rodrigo Terrazas M.


Jaime Pinaud V.


Álvaro Caballero R.


Gastón Quezada R.


Roland Zamora V.


Gonzalo Morales M.


Víctor Maillard G.

Position	Name	Profession	ID No.	Appointment Date
Gerente General	Ramón Cañas Cambiaso	Ingeniero Civil Eléctrico	7.460.288-6	01/06/2013
Gerente Administración y Finanzas	Hernán Vega Molina	Ingeniero Comercial	6.373.587-6	01/03/1997
Gerente Desarrollo de Proyectos	Jaime Adasme Araya	Constructor Civil	7.535.688-9	01/06/2012
Gerente Operaciones y Servicios	Rodrigo Terrazas Michell	Ingeniero Electrónico	9.516.705-5	23/09/2013
Gerente Recursos Humanos	Jaime Pinaud Vigorena	Psicólogo	8.911.444-6	17/12/2012
Gerente Comercial y Asuntos Corporativos	Álvaro Caballero Rey	Ingeniero Civil Transporte	9.492.942-3	01/08/2000
Gerente Ingeniería y Tecnología	Gastón Quezada Rissetti	Ingeniero Civil Computación	8.857.131-2	01/06/2011
Gerente de Planificación y Control de Gestión	Roland Zamora Vega	Ingeniero Civil Industrial	9.395.145-k	05/07/2011
Fiscal	Gonzalo Morales Moreno	Abogado	8.866.936-3	01/01/2008
Contralor	Víctor Maillard González	Contador Auditor	5.013.160-2	26/05/2003

Metro Executives are Company Directors. They do not hold shares in Company holdings since Metro share capital is State owned.

Management Team changes

On 26 March 2013 the Board agreed to accept the voluntary resignation by Roberto Bianchi Poblete to his position as Chief Executive Officer, effective as of June 2013. As of that date it was agreed to appoint Ramón Cañas Cambiaso to this position, the former Operations and Services Manager of Metro S.A.

Rodrigo Terrazas Michell joined the Management Team on 23 September 2013 as Operations and Services Manager.

3.4.1. COMPENSATION

Board

Comparative tables of Director Compensation in 2013 and 2012, expressed in thousands of pesos:

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

Share or Allocation - 2012			
Directors - 2012	Fixed Compensation	Fee	Total
Fernando Cañas Berkowitz	84,791	391	85,182
José Domínguez Covarrubias	4,948	7,132	12,080
Carlos Zepeda Hernández	3,373	3,767	7,140
Domingo Arteaga Echeverría	3,328	4,358	7,686
Clemente Pérez Errázuriz	3,328	4,755	8,083
Bernardo Fontaine Talavera	3,328	4,755	8,083
Luis De Grange Concha	3,056	4,364	7,420
Total	**106,152**	**29,522**	**135,674**

Attendance to Committees - 2013	
Directors - 2013	Other Fees
José Domínguez Covarrubias	4,110
Carlos Zepeda Hernández	680
Domingo Arteaga Echeverría	3,763
Clemente Pérez Errázuriz	3,769
Bernardo Fontaine Talavera	3,769
Luis De Grange Concha	4,109
Orlando Chacra Corvillón	1,025
Francisco Silva Donoso	1,724
Total	**22,948**

Attendance to Committees - 2012	
Directors - 2012	Other Fees
Fernando Cañas Berkowitz	333
José Domínguez Covarrubias	4,042
Carlos Zepeda Hernández	3,036
Domingo Arteaga Echeverría	3,705
Clemente Pérez Errázuriz	4,041
Bernardo Fontaine Talavera	4,041
Luis De Grange Concha	3,709
Total	**22,907**

Travel, per diem, and other stipends

In 2013 the Company made no reimbursements for travel expenses. In 2012 the Company reimbursed ThCLP 3,638 to Fernando Cañas Berkowitz.

With regard to per diem, in 2013 the Company made no reimbursement of expenses. In 2012 Fernando Cañas Berkowitz received ThCLP 580.

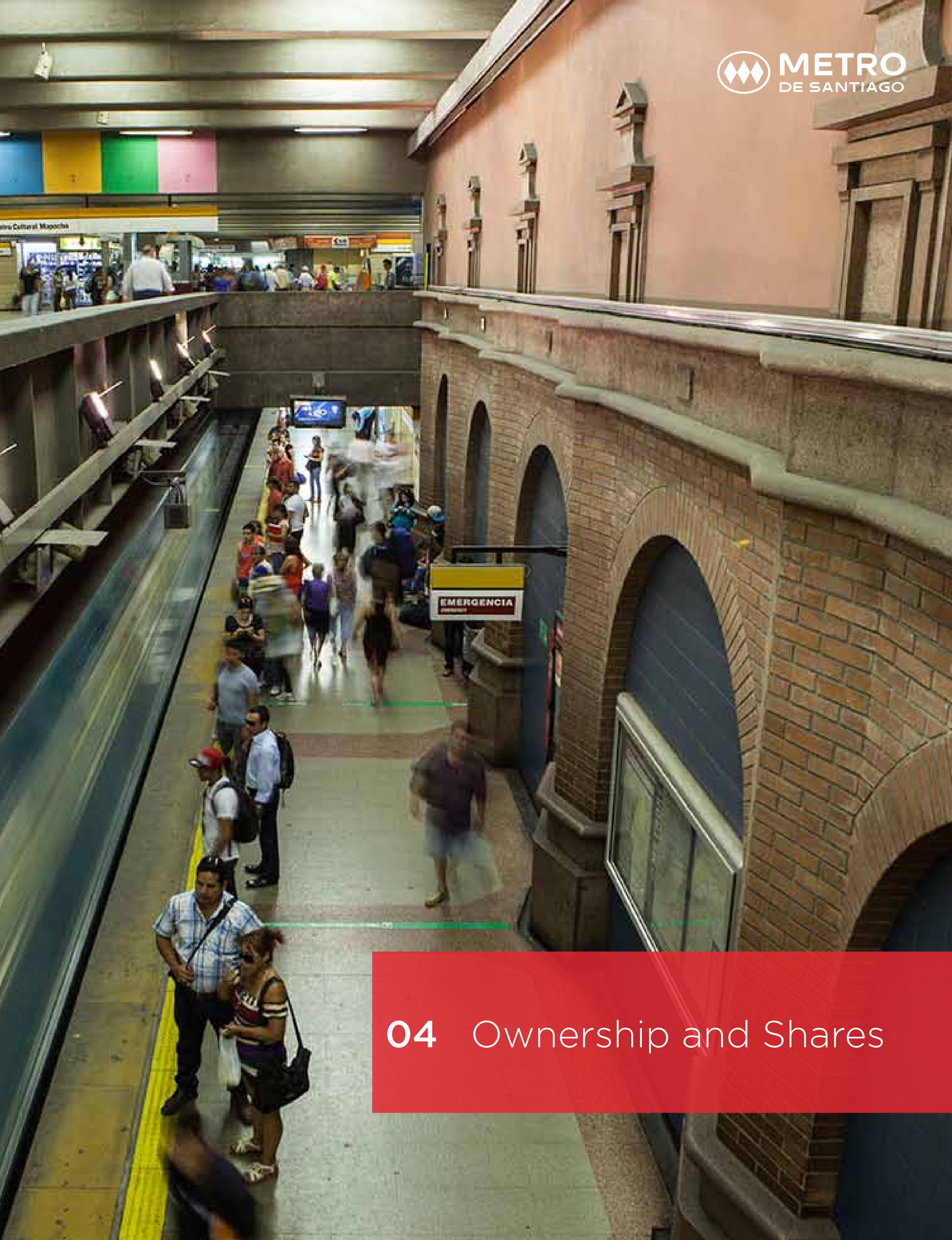
Executives

In 2013, the compensation paid to the Chief Executive Officer mounted to ThCLP 183,677 (ThCLP 183,062 in 2012) and income paid to Executives (excluding the CEO) mounted to ThCLP 1,125,266 in 2013 (ThCLP 1,263,196 in 2012).

In the first semester each year managers have the right to an individual annual bonus calculated based on Company results and individual performance during the preceding calendar year. This is approved annually by the Company Board.

3.4.2. SUMMARY OF COMMENTS AND PROPOSALS BY SHAREHOLDERS AND DIRECTORS COMMITTEES

Neither Shareholders nor Director Committees requested making comments or proposals to this Annual Report.



METRO DE SANTIAGO

04 Ownership and Shares

OWNERSHIP AND SHARES

4.1. OWNERSHIP

The Company is owned by two shareholders: Corporación de Fomento de la Producción, known as CORFO, and the State, represented by the Finance Ministry, with CORFO as the controller. Metro has no joint action agreements in place.

Regarding the capital increase, the 29th Extraordinary Shareholders Meeting held on 25 June 2013 agreed the following:

- To increase subscribed and paid capital to date by ThCLP 99,200,000 par value, via the issuance of 2,684,709,066 A Shares, that CORFO will subscribe and pay no later than 31 December 2013.

The 30th Extraordinary Shareholders Meeting held on 23 December 2013 agreed the following:

- To increase subscribed and paid capital to date by ThCLP 125,753,136 par value, via the issuance of 3,508,737,054 A Shares, subscribed and paid by the State and CORFO on a pro rata basis, according to their respective holdings.

A shares correspond to initial capital and any increases subscribed and paid by the Chilean State and the Corporación de Fomento de la Producción, and cannot be sold. B shares correspond to capital increases that allow for the participation of other shareholders.

Therefore, paid capital at December 31, 2013 consisted of 31,838,378,329 and 19,163,677,063 registered shares with no par value, belonging respectively to Series A and B, of which 31,446,308,704 shares corresponded to Corporación de Fomento de la Producción and 19,555,746,688 shares to the Chilean State.

Paid capital at December 31, 2012 consisted of 25,644,932,209 and 19,163,677,063 registered shares with no par value, belonging respectively to Series A and B, of which 26,598,112,371 shares corresponded to Corporación de Fomento de la Producción and 18,210,496,901 shares to the Chilean State.

The following chart shows the breakdown of shareholders at December 31, 2013:

Shareholders	Nº of Shares (millons)			%
	Series A	Series B	Total	Stake
Corporación de Fomento de la Producción	19,342.8	12,103.5	31,446.3	61.66%
State, represented by the Min. of Finance	12,495.5	7,060.2	19,555.7	38.34%
Total	**31,838.3**	**19,163.7**	**51,002.0**	**100.00%**

4.2. DIVIDENDS POLICY

The Company's dividends policy is set out in its articles of association and in the Chilean Companies Act, according to which it must distribute at least 30% of net profits every year. This policy must also be reviewed on a yearly basis in order to analyze aspects such as large investments, important projects in execution phase or, in general, any other circumstance that could lead to a decision that differs from the criteria set out in the existing policy.

The Company's dividends policy is consistent with current legislation, which requires at least 30% of net profit being distributed in dividend payments, unless decided otherwise and unanimously by all issued shares in the Shareholders Meeting.

The 22nd Ordinary Shareholders Meeting held on April 25, 2013 agreed the non- distribution of profits and dividends in response to the Company not generating returns. It is worth pointing out that for the past three years Metro has not paid out dividends for this same reason.

05 Subsidiaries, Associated Companies, and Investments in other Companies

SUBSIDIARIES, ASSOCIATED COMPANIES, AND INVESTMENTS IN OTHER COMPANIES

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

Empresa de Transporte Suburbano de Pasajeros S.A. was formally created by notarial deed subscribed by Empresa de Ferrocarriles del Estado and Empresa de Transporte de Pasajeros Metro S.A., before Santiago Notary Public Mr. Francisco Rosas Villarroel on 30 January 1998.

Relevant information of the subsidiary:

- Individualization and Nature: Empresa de Transporte Suburbano de Pasajeros S.A., also known or identified as "Transub S.A.", is a limited Company of indefinite duration domiciled in the city of Santiago.
- Subscribed and Paid Capital: Subscribed and paid capital totals
- CLP 30,000,000 (thirty million Chilean pesos), divided into thirty thousand registered shares, of a single series with no par value.
- Corporate Purpose and Activities: The corporate purpose of the Company is to provide suburban transport services to passengers and to commercially exploit its goods in complementary services or activities.
- Directors and Chief Executive Officer: The Board of Directors is comprised by Hernán Vega Molina, Ignacio Tapia Hortuvia and Víctor Morales Vega in representation of Metro S.A.; and Antonio Dourthé Castrillón and Cecilia Araya Catalán, in representation of EFE.

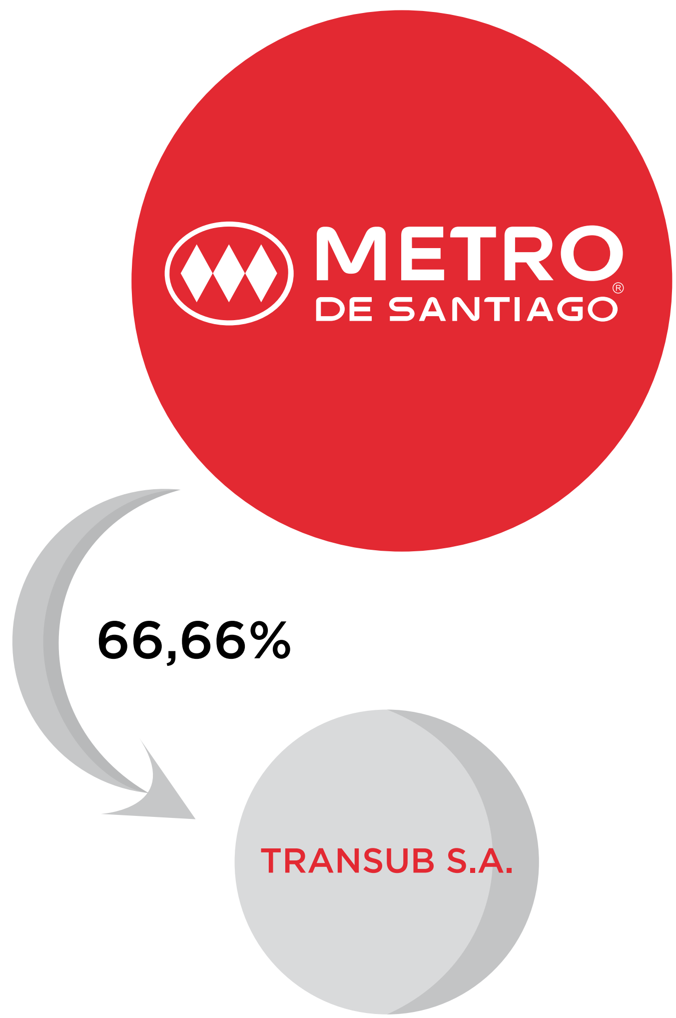
Given that Transub S.A. is not an active entity, the Directors and Chief Executive Officer are not remunerated for the sessions in which they must be present.

Board of Directors and Chief Executive roles:

- Chairman	Hernán Vega Molina
- Vice Chairman	Antonio Dourthé Castrillón
- Interim General Manager	Augusto Lucero Alday

- Holding: Metro S.A. holds a 66.66% stake in the subsidiary.
- Directors and Managers of the parent Company: Mr. Hernán Vega Molina, is the Finance and Administration Manager of Metro S.A.; Mr. Ignacio Tapia Hortuvia is the Finance Assistant Manager; Mr. Víctor Morales Vega acts as advisor to the Chief Executive Officer; and Mr. Augusto Lucero Alday acts as Senior Advisor to the Systems, Trains and Equipment division of Metro S.A.

- Commercial relationship with the subsidiary: There has been no relationship between the parent and its subsidiary.
- Actions and Agreements with the subsidiary: No agreements or actions have been celebrated with the subsidiary.
- Proportion of investment in the asset: The investment in the subsidiary is equivalent to 0% of the assets held by Metro S.A. (the subsidiary has a negative equity value, therefore it is valued at $1 in the assets account of Metro S.A).
- Ownership relationships between subsidiaries associated companies: Metro S.A. has no other subsidiaries or associated companies.
- Direct ownership relationship between Metro S.A. and Transub S.A.



06 Associates

ASSOCIATES

Our associates are one of the main pillars of the Company, in so far as the organization understands that their development situation and possibilities are key to the successful management of the business.

6.1. Staffing

The following table shows Metro staffing for the past three years (December).

Metro Headcount			
Year (at December)	2013	2012	2011
Executives and Area Heads	198	145	148
Analysts	496	360	294
Administrative Staff	214	295	315
Maintenance Staff	458	503	496
Train Traffic Staff	1,232	1,207	1,133
Stations Staff	932	891	880
Total Company Headcount	**3,530**	**3,401**	**3,266**

6.2. Education and Training

Currently, Metro has training programs in place that focus on two large segments: Operational Training Programs and Corporate Training Programs.

Worth highlighting within the Corporate Training Programs that are common to all divisions is the Leadership Program. Its objective is to boost the role of different leaders in Metro, providing them with the necessary tools to improve the management of their work teams. During 2012 and 2013, a total of 229 leaders participated in the program.

Within this same group is the Annual Training Plan per business unit, which concentrates on activities that aim to reduce technical and competencies gaps in different roles by carrying out surveys of the different training requirements. During 2013, 207 activities of this nature were carried out throughout the eleven management areas of Metro.

The Operational Training Programs segment centers on two broad areas: training aimed at enabling entry to Metro positions and re-training in order to maintain the necessary skills and knowledge levels.

Regarding the re-training programs, we held five courses for drivers, which allowed 90 new operators to come on board with the necessary knowledge and safety levels demanded by Metro. The Company also certified a new group of private guards and stationmasters. Regarding re-training of incumbent operators, we carried out programs for stationmasters and inter-mode transport inspectors in areas such as first aid, outsourcing and effective communication skills.

The Services School was one of the key initiatives of the operational staff training program in 2013. The Services School Program focuses on customer service skills, such as empathy and assertiveness, apart from ensuring the correct adoption of operational practices set out in the Metro Service Strategy. The 2013 Services School delivered training programs to all staff that come into contact with clients, as well as their direct supervisors, both internal and external, with a total of 6,588 participants.

In 2013 we also re-launched the induction process, an initiative that was materialized with the design of the Metro Corporate Integration Program. This program aims to improve the way in which we engage with new Metro members and align them with the Company's culture and mission.

6.3. Labor Relations

The Quality of Life area continued with its Preventive Health Program, promoting self-care and healthy lifestyle choices. This considers areas such as: vaccination schedules, the Personal Risk Program, providing medical and nutritional advice to workers with cardiovascular risks, as well as preventive testing at no cost to beneficiaries. Also in place is the Employee Assistance Program, aimed at the prevention and control of alcohol and drug consumption.

The Company also provides membership to a Wellness Fund for all workers with an indefinite contract. In exchange for a monthly fee the Company provides an economic contribution per worker/member on a five-to-one basis. This allows workers to receive reimbursements for medical and dental expenses, social and medical loans, apart from enjoying different dental care, pharmacies, opticians, clinics and hospital programs. In 2013 the Wellness Fund reached a total of 3,402 members.

The Company has also developed a Sports and Recreation Program, which aims to incentivize integration between workers, their families and the Company, as well as promoting healthy lifestyle choices through the development of recreational, sporting and educational activities. In this context, the most important sporting activities of 2013 were: The Quality of Life Cup, men and women, in which 477 workers took part, the bowling tournament (175 workers) and the physical conditioning programs, including classes at the Metro gym, Metro runners training sessions and active pause sessions that averaged 569 people and 91 hours per month.

In terms of recreational activities for our workers and their families, worth highlighting were the winter and summer holiday camps for our employees' children, with an attendance of 177 kids. Also, Children's Day celebrations drew a crowd of 630 people and the My Family Visits Metro Program gathered 272 people in our facilities. Also worth mentioning are the Family Walk to Cerro San Cristóbal, with 140 participants, and a cinema and theater festival with 489 attendees. Apart from these events, we celebrated our Health and Sports fairs in our headquarters and also in a maintenance workshop.

In 2013 we also deployed two programs to lend greater support to our associates. On the one hand we initiated the Closer to You program, the objective of which is to provide on-site social care for workers going through troublesome times that affect their quality of life and that of their families, making sure we are close to them during transcendental events.

We also initiated the Metro Greets You program, which aims to accompany our associates at important moments of their lives, such as the death of loved ones, the birth of a child or their wedding. In this last case, we send a special greeting and a small gift.

Finally, worth highlighting is the fact that Metro had a unionized percentage rate of 82.3%, measured in December. We consider that unions in the Company are a relevant participation channel for our workers. We cooperate with these organizations in different initiatives focused on the organization's productivity and the wellbeing of our workers.

82% of Metro workers are unionized

In 2013 we created the External Services unit, aimed at establishing permanent communication channels with our contractors and their workers

07 Sustainability

SUSTAINABILITY

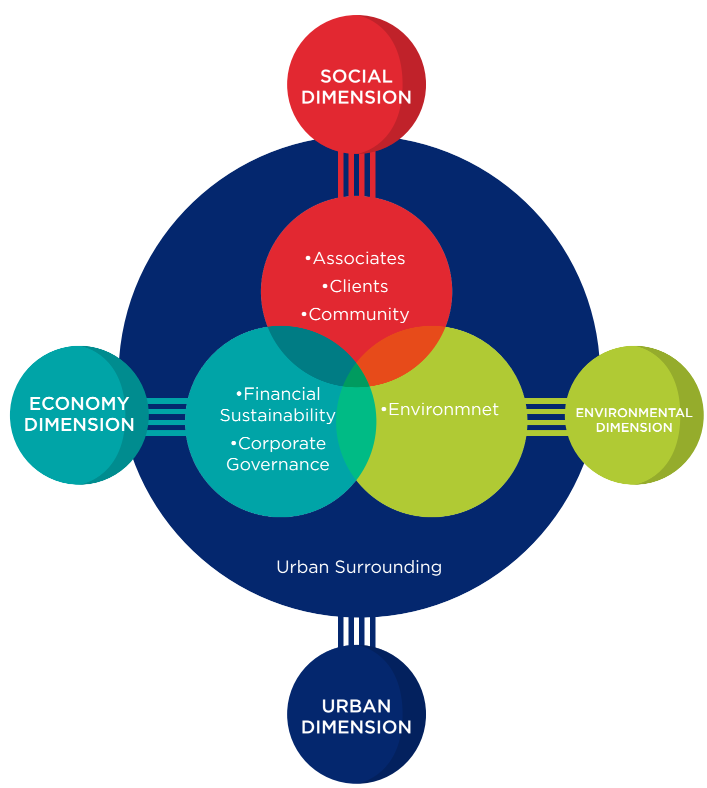
In 2013 the Metro Board of Directors approved the Sustainability and Corporate Social Responsibility Policy

During the year, one of the Company's most important corporate projects was the deployment of its sustainability strategy, which is based on a broad perspective that aims to reach different levels of the organization as well as the diverse aspects of Metro's activities.

The approval of the Sustainability and Corporate Social Responsibility Policy by the Board of Directors was indeed a relevant milestone during the year. The policy sets out Metro's commitment to become a more sustainable Company, i.e. one that "provides an inclusive and innovative transport service, delivering a cultural experience and additional services that add value and improve the quality of life of our citizens. To achieve this we will participate actively in the city's development, promoting the best environmental practices and the efficient use of resources, maintaining effective communication channels with our stakeholders.

We have incorporated the entire urban dimension into our sustainability approach, understanding the large importance Metro has in the construction of our city and the characteristics of the relevant spaces it occupies.

Hence, our sustainability strategy has four dimensions that are divided in seven axis:



Deriving from these axes, Metro has also established commitments with different interest groups in the Company.

Commitments	
Customers	Create a quality travel experience: safe, efficient, accessible and with continuous improvement
Associates and Suppliers	Carry out our work with high quality safety and health standards, promoting actions that improve the quality of life of our associates.
	Promote the stability of the supply chain and support the development of our suppliers.
Urban Environment	Contribute to the development of the city through our services and projects.
Communities	Contribute to the quality of life of the communities that we engage with in our operations and projects, as well as contributing to society through culture, social projects and urban services.
Environment	Strengthen the protection of the environment, complying with regulations, promoting best practices, managing and using our resources and energy responsibly and efficiently in every area of Metro.
Corporate Governance	Promote and safeguard ethical behavior in everything that we do.
Financial Sustainability	Maintain a financial balance that allows us to ensure Metro's solvency, carrying out periodic revisions of our forecasts and financial plans in the medium and long term.

The principles of said strategy are the framework for the measurement of performance vis a vis the different interest groups of the organization, and pave the way for a more sustainable service. In the context of new projects linked to the expansion of the network, Metro has also developed a methodology to assess its sustainability. In this sense, we now strive for projects to incorporate sustainability criteria as early as possible.

7.1. Environment

Through its Sustainability Strategy, Metro is now committed to identifying and controlling the environmental impacts of its services and activities, as well as promoting the efficient use of resources.

The latter represents an important challenge for Metro in the sense of promoting and incentivizing energetic efficiency given that electricity consumption is our main environmental impact.

Metro contributes to reduce pollution and congestion in the city. These are key variables to be considered when we evaluate the social responsibility associated to a project or the construction of a new line, as is the case of Lines 3 and 6.

When the new lines come into operation they will reduce emissions of particulate matter in the city of Santiago by 1%.

To confront this issue, for the past years Metro has developed different energy efficiency initiatives that have generated important savings. In 2013 the Company set out an ambitious plan to significantly improve its energy efficiency for the years ahead by using more efficient technologies, establishing best practices and creating an energy saving culture.

These actions will allow underground trains to reduce total energy consumption by 10% in a period no greater than five years.

One of the highlights of this plan is the total modernization of lighting systems in 18 stations of Line 1 (in stations and platforms) in order to optimize energy use. This project has already been tested through a successful pilot plan in the Unión Latinoamericana station, where we achieved a reduction in daily consumption of around 40%, together with uniformity and intensity of lighting improvements. At a later stage, stations from Lines 2 and 5 will be gradually incorporated into this group of efficient stations.

The Metro project portfolio includes other initiatives such as the installation of thermo-solar systems in workshops, the promotion of a savings and efficiency culture among workers and the development of the Energía ISO 50.001 management system, among others.

These measures represent an addition to the permanent environmental policy that Metro has been adopting during recent years. Innovations such as looping or short journeys, “Operación Expresa”, electronic regulators for escalators, new and more efficient trains and reutilization of energy generated during braking have allowed for a permanent reduction of energy consumption.

7.2. City and Community

7.2.1. COMMUNITY AFFAIRS

In 2013, Metro developed a Community Affairs strategy to address issues related with our engagement with communities in the context of new and existing lines.

During the year, Metro set out its plans for a closer and more informed relationship with communities in the understanding that building a better city also means engaging with our surroundings.

Also, the Company has intended to reduce the potential impact of operations, especially in the case of its expansion projects

During 2013:

- **We reached out to the community:** we created technical discussion groups in the municipalities where our new Lines cross over and celebrated meetings with the general public
- **We reduced the impact of our building activities:** our new Lines only use tunneling methods, and we have committed to implementing mitigation work as well as ensuring that we take appropriate care of our heritage.
- **We carried out information campaigns for detours and traffic suspension:** Bandera, Suecia and Plaza Egaña were examples of this communication effort focused on different segments of the public; private and public transport users, pedestrians, residents and shopkeepers.

7.2.2. CONTRIBUTIONS TO CULTURE

Corporación Cultural MetroArte has been active for the past 20 years, mainly taking part in three broad areas:

Public Art:

MetroArte projects consist of permanent large-format art installations financed by private companies, under the umbrella of the Cultural Donations Act. A total of 33 works are available for the public to enjoy in our underground network. They breathe life into one of the most socially significant artistic initiatives, in terms of its social dimension, in the city of Santiago

In 2013, we began incorporating murals to the external facades of stations, such as the one in Bellas Artes station by distinguished artist Inti Castro in the context of the "Hecho en Casa" festival.

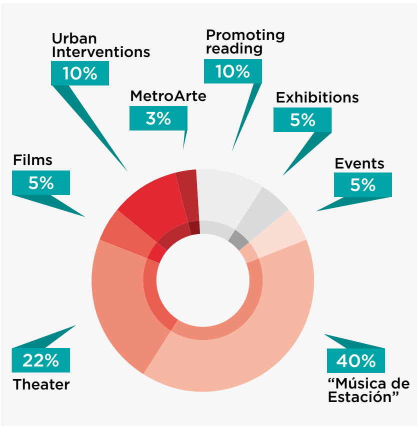
Another of Metro's interventions in the urban landscape, together with local authorities, was the use of mosaics in station walls throughout the municipality of Puente Alto.

Promoting reading

Bibliometro, present in 20 locations of the Metro de Santiago network lends out more than 500,000 books a year (2013), meaning it has become the largest book-lending library in Chile

Also, the 12th edition of the storytelling competition "Santiago en 100 palabras", a competition jointly held with Plagio and Minera Escondida, received 43,000 entries.

METROARTE ACTIVITIES 2013



Programs for activities in public spaces

During 2013, we continued bringing art and culture closer to the inhabitants of Santiago that use our facilities on a daily basis. Among these initiatives we highlight the "Música de Estación" series, whereby a stream of interventions by distinguished artists constantly surprise our users. Los Jaivas, Los Bunkers, Chico Trujillo and Américo were amongst the artists that took part in 24 events during the year.

BiciMetro

Metro maintains its commitment to cyclists through its BiciMetro program. A total of 37,000 bicycles were stored in the 9 BiciMetro locations of our network.

There are currently nine stations with BiciMetro facilities:

Escuela Militar (L1)	Las Mercedes (L4)
Vespucio Norte (L2)	Gruta de Lourdes (L5)
La Cisterna (L2)	Blanqueado (L5)
Cristóbal Colón (L4)	Pudahuel (L5)
Grecia (L4)	

08 Essential Facts

ESSENTIAL FACTS

From 01 January to 31 December 2013

1. By letter N° 115, dated March 25, the Board of Directors decided to convene the Ordinary Shareholders Meeting, to be held at 12:00 noon on 25 April, at the Company's offices.

2. By letter N° 120, dated March 27, the Board of Directors agreed unanimously to accept the voluntary resignation of Chief Executive Officer, Roberto Bianchi Poblete. His resignation will come into effect on June 1, 2014. In the same letter it was agreed that Ramón Cañas Cambiaso, currently Operations and Services Manager of Metro S.A., would take over as Chief Executive Officer on that date.

3. By letter N° 178, dated 23 April, it was informed that in the meeting celebrated on 22 April, the Board of Directors were informed about and accepted the resignation of Mr. Carlos Zepeda Hernández as Director of the Company.

4. By letter N° 181, dated 26 April, it was informed that the 22nd Ordinary Shareholders Meeting had been held on 25 April, where the following was agreed:

The Annual Report and Consolidated Financial Statements for year 2012 were approved, together with the External Auditors Report and the expenses of the Board of Directors included in the Annual Report.

The non-distribution of profits and non-payment of dividends was agreed and the dividends policy was established.

Ernst & Young Servicios Profesionales de Auditoría y Asesoría Ltda. was appointed as the external auditor for 2013.

The daily Estrategia was chosen as the media to convene all Shareholders Meetings.

The following people were elected as directors of the Company: Fernando Cañas Berkowitz, José Luis Domínguez Covarrubias, Domingo Arteaga Echeverría, Bernardo Fontaine Talavera, Clemente Pérez Errázuriz, Luis de Grange Concha and Orlando Chacra Corvillón.

5. By letter N° 211, dated 13 May, the Board of Directors appointed Mr. Fernando Cañas Berkowitz as Chairman of the Board, and Mr. José Luis Domínguez Covarrubias as Vice Chairman. Both accepted their appointments.

6. By letter N° 262, dated 10 June, it was informed that the Board of Directors agreed in their meeting that day to convene an Extraordinary Shareholders Meeting of Empresa de Transporte de Pasajeros Metro S.A., to be held at 11:00 am on 25 June, 2013 at the Company's offices, for the purpose of deciding on the capitalization of contributions totaling CLP 99,200,000,000.

7. By letter N° 287, dated 16 June, it was informed that the 29th Extraordinary Shareholders Meeting of Empresa de Transporte de Pasajeros Metro S.A. had taken place, in which the following had been agreed:

To increase subscribed and paid capital to date by CLP 99,200,000,000 par value, through the issuance of 2,684,709,066 A Shares, to be subscribed and paid in full by CORFO. This amount will be used to finance the expansion projects of Lines 3 and 6, and for investments to improve the existing lines in accordance with the provisions of the Public Sector Budget Act (Ley de Presupuesto del Sector Público) for the year 2013.

Substitute Article 5 (permanent) and Article 1 (transitory) of the Company's Articles of Association with the intention of reflecting the new levels of authorized capital, shareholders composition and the way in which capital is contributed, subscribed and paid.

8. By letter N° 357, dated 12 August, it was informed that on the meeting held that day, the Board of Directors were informed about and accepted the resignation of Mr. Orlando Chacra Corvillón as Director of the Company. In that same meeting, Mr. Francisco Javier Silva Donoso was appointed as Director.

9. By letter Nº 531, dated 11 November, it was informed that the Board of Directors had met on that same date and agreed to convene an Extraordinary Shareholders Meeting, to be held at 11:00 am on 23 December 2013 at the Company's offices, with the purpose of deciding on tax contributions totaling CLP 125,753,136,000.

10. On 25 November, it was informed that during the meeting held on that date the Board of Directors had decided unanimously to award the International Public Tender for the Supply and Maintenance of Trains and the Automated Control System for Lines 3 and 6 to the Spanish-Canadian consortium CAF-THALES.

The value of this contract corresponds to the supply of trains and automated control systems totaling USD 336,450,115, plus UF 511,206. Also considered are parts and maintenance costs for trains covering a 20-year period, totaling USD 19,101,905 and UF 1,650,177.

The supply consists of 185 cars equipped with air conditioning, automated control systems, passenger information systems and internal surveillance cameras for trains.

Within the tender process, the technical proposals from Alstom, Siemens, Consorcio Rápido 63 (Hyundai – Ansaldo) and Consorcio Hitachi Mitsubishi had also qualified, but the proposal from CAF – THALES was the most affordable, both in terms of equipment supply and maintenance. It is worth pointing out that the tender from CAF-THALES also obtained the highest technical assessment score.

11. By letter Nº 602, dated 23 December, it was informed that the 30th Extraordinary Shareholders Meeting had been held at the convened date as per the invitation in letter GG 574, dated 5 December. The meeting agreed the following:

a) Increase subscribed and paid capital to date, by a total of CLP 125,753,136,000 via the issuance of 3,508,737,054 "A" shares, subscribed entirely by Corporación de Fomento de la Producción and the Chilean State, on a pro rata basis according to their respective stakes in the Company. This amount will be used to finance the expansion projects of Lines 3 and 6, and for investments to improve the existing lines in accordance with the provisions of the Public Sector Budget Acts (Leyes de Presupuesto del Sector Público) for the years 2012 and 2013.

b) Substitute Article 5 (permanent) and Article 1 (transitory) of the Company's Articles of Association with the intention of reflecting the new levels of authorized capital, shareholder composition and the way in which capital is contributed, subscribed and paid.

09 Financial Management

FINANCIAL MANAGEMENT

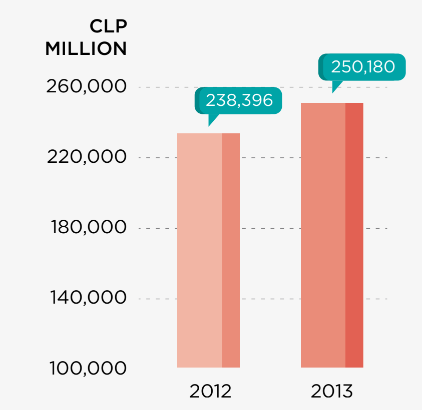
Company Results

Metro's non-fare revenues grew 30% as the Company is now responsible for 100% of collections for the entire Public Transport System of Santiago

During 2013, Metro maintained its position as one of the few underground systems in the world capable of financing its operations, as well as part of its investment plans. This can be attributed to the following:

- At December 2013, Income from Ordinary Activities totaled CLP 250,180 million or 5% above 2012 levels. This was mainly attributable to the rise in transport revenues, totaling CLP 206,057 million or 1% above last year, and can be explained by an 18.2 million increase in train trips compared to last year (from 648.7 to 666.9 million trips). Additionally, Metro registered a 30% increase in non-fare revenues, mainly owing to an increase in its Sales Channel. As from September 2013, Metro added aboveground collections to its existing underground collections, thus taking charge of 100% of collections for the Public Transport System of the city of Santiago. Although less important, there was also an increase in revenues from shops and retail space rentals, intermodal terminals and other revenues.

INCOME FROM ORDINARY ACTIVITIES



COST OF SALES

- Cost of Sales grew CLP 216,996 million or 8% compared to 2012, due to a rise in Staff, Maintenance and Sales Channel operators' expenses. It is worth mentioning that staff expenses increased in 2013 after Metro signed a collective bargaining agreement with one of the Company unions. Such agreement will govern relations with those union members for the following three years. The increase in maintenance costs is associated to a greater offer of transport services, which grew 8% compared to 2012 (from 132 million cars/

Km to 142.9 million cars/Km). Additionally there were higher costs related to Sales Channel Operators, as Metro took on the responsibility for collections of the entire Transantiago system.

All things considered, in 2013 Metro's Gross Profit totaled CLP 33,184 million.

Administrative Expenses totaled CLP 25,210 million or 3% less than in the same period for 2012. This was mainly explained by the reduction in maintenance and general expenses.

EBITDA came in at CLP 81,523 million or 2% below 2012 levels.

Financial costs associated with interest on financial debt totaled CLP 50,032 million a similar amount for the same period in 2012. Meanwhile, the Result of Indexation Units registered a loss of CLP 16,825 million, 13% below the loss of CLP 19,431 million recorded in 2012.

During 2013, Exchange Differences resulted in a loss of CLP 27,113 million which contrasts with gains of CLP 31,346 million recorded in 2012. This can be explained by the 9% appreciation of the US Dollar in 2013 (479.96 CLP/USD at 31 December 2012 vs. 524.61 CLP/USD at 31 December 2013).

As a result of this, the Company recorded a loss of CLP 73,319 million which was larger than the loss of CLP 25,109 million recorded in 2012.

Total Assets of the Company reached CLP 3,134,573 million at December 2013, that is, 5% higher than the previous year, mainly owing to capitalization of contributions linked to network expansion projects: CLP 99,200 million from CORFO contributions capitalized in June 2013 and CLP 125,753 million corresponding to fiscal contributions capitalized in December 2013.

9.1 Presentation of Financial Statements

Appended to this document are: Consolidated Classified Statements of Financial Position, Consolidated Statements of Comprehensive Income by Function, Consolidated Statement of Changes in Net Equity, Consolidated Cash Flow Statement, Notes to the Consolidated Financial Statements, and Independent Auditors' Reports.

9.2. Analysis of Financial Statements

This document intends to present an analysis of the Company's financial and economic position at December 31, 2013, providing an analysis of its financial structure and most important trends in the appended comparative charts of Statements of Financial Position at 31 December 2013 and 2012, and Comprehensive Income Statements at 31 December 2013 and 2012, expressed in Chilean pesos.

9.2.1. STATEMENT OF FINANCIAL POSITION

At 31 December 2013 Total Assets and Liabilities stood at CLP 3,134,573 million reflecting an increase of CLP 157,023 million or 5.3%, relative to December 2012.

Total Assets are mostly determined by the fixed component of resources. In fact, at 31 December 2013, Properties, Plant and Equipment, and net Investment Properties represented 90.5% of Total Assets. On the other hand, Current Assets and remaining Non-Current Assets represent respectively 7.0% and 2.5% of Total Assets.

At 31 December 2013, Properties, Plant and Equipment, net Investment Properties, retail spaces and other assets under operating leases rose 5.1% to CLP 138,619 million due to asset acquisitions totaling CLP 214,244 million associated to expansion projects of the Metro network, mainly Lines 3 and 6. This includes Works currently underway CLP 145,424 million, Land CLP 27,890 million (Expropriations), Rolling stock CLP 32,871 million, Machinery and equipment CLP 691 million, Civil works CLP 177 million and Other assets CLP 7,191 million. This is offset by Depreciation Expenses associated to Company assets CLP 72,870 million and to a lesser degree by de- recognition/sales of assets CLP 2,305 million and transfers to other Company assets CLP 262 million. On the other hand, Investment Properties fell CLP 188 million.

At December 2013, Current Assets increased by 22.9%, CLP 41,156 million, owing mainly to the increase in Other current financial assets CLP 37,758 million attributable to an increase in financial investments/term deposits >3 months. To a lesser degree this was also attributable to Trade Receivables CLP 4,894 million, Other non-financial Assets CLP 889 million and Current Tax Assets CLP 425 million. This was offset by a reduction in Cash and Cash Equivalents CLP 2,755 million -mainly investments in term deposits and reverse repo fixed income investments- and Inventories CLP 55 million. The main Current Assets components were Cash and Cash Equivalents CLP 129,279 million, Other Current Financial Assets CLP 69,151 million, Trade Receivables and Other Receivables CLP 10,428 million, Inventories CLP 7,292 million and Other Non-Financial Assets CLP 3,474 million.

Non-current Assets (not considering Properties, Plant and Equipment nor Investment Properties at December 2013) dropped 22.5%, CLP 22,752 million; this fall was mainly attributable to the reduction of Other Non-Financial Assets CLP 20,164 million (transfers for de-recognition of expropriated land associated to projects for Lines 3 and 6). To a lesser degree this was also attributable to the reduction in Other Financial Assets CLP 2,376 million and Non-Current Rights Receivable CLP 589 million, despite the increase in Intangible Assets other than Capital Gains of CLP 377 million.

The main changes to Total Liabilities at December 2013 were seen in Equity and Current Liabilities, which grew by CLP 151,634 million and CLP 53,503 million respectively, while Non-Current Liabilities fell by CLP 48,114 million.

Changes in Equity resulted from an increase in paid capital CLP 224,953 million from the capitalization of fiscal contributions agreed in the Extraordinary Shareholders Meeting held on 25 June 2013, CLP 99,200 million and 23 December 2013, CLP 125,753 million. This was offset by an increase in Accumulated Losses CLP 71,741 million resulting from the Comprehensive Income at the end of the period in December 2013, and to a lesser degree by the reduction in Other Reserves CLP 1,578 million.

Current Liabilities changed due to the increase in Other Financial Liabilities CLP 44,036 million as a result of increases in Interest Bearing Loans CLP 39,704 million and Bonds Payable CLP 4,458 million, despite a drop in Derivatives Transactions CLP 126 million. There were lower increases in Trade Accounts Payable CLP 9,379 million, Current Provisions for Employee Benefits CLP 2,118 million, and Other Short-term Provisions CLP 92 million. This was offset by a reduction in Other Non-Financial Current Liabilities CLP 2,122 million resulting mainly from real estate contributions.

The change in Current Liabilities CLP 48,114 million was mainly attributable to the reduction in Other Non-Current Financial Liabilities CLP 62,921 million resulting from the drop in Interest Bearing Loans CLP 60,160 million and Derivatives Transactions CLP 7,132 million despite an increase in Bonds Payable CLP 4,371 million. This was offset by increases in Non-Current Accounts Payable to Related Companies CLP 14,136 million corresponding to Contributions from the Chilean State for network expansion projects (Lines 3 and 6), and to a lesser degree by Other Non-Current Non-Financial Liabilities CLP 314 million and Non-Current Provisions for Employee Benefits CLP 357 million.

Non-Current Liabilities CLP 1,131,954 million are made up of Foreign Currency Obligations CLP 261,902 million (23.1%), Adjustable Local Currency Obligations CLP 848,263 million (75.0%) and Non Adjustable Local Currency Obligations CLP 21,789 million (1,9%). Foreign currency obligations include those with banks and financial institutions (interest bearing loans

CLP 261,902 million), while the adjustable component in local currency is made up of Bonds Payable CLP 827,651 million, Derivatives Transactions CLP 4,714 million, Non-Current Provisions for Employee Benefits CLP 12,402 million and Other Non-Financial Liabilities, Non-Current, CLP 3,496 million. The Non Adjustable Local Currency component is made up of Accounts Payable to Related Companies for contributions received from the Chilean State related to projects currently underway.

Regarding liquidity indicators, Net Working Capital was positive CLP 39,216 million, though it dropped CLP 12,347 million relative to December 2012. Current Liquidity changed from 1.40 to 1.22 times, and the acid test ratio fell from 1.03 to 0.71 times. Changes in these indicators can be explained by the increase in Current Liabilities CLP 53,503 million, which was higher than the increase in Current Assets CLP 41,156 million (financial investments).

Regarding debt ratios, the total debt-to-equity ratio decreased relative to December 2012 from 0.78 to 0.72, the short-term debt ratio increased from 9.77% to 13.81%, while the long-term debt ratio fell from 90.23% to 86.19%.

9.2.2. STATEMENT OF COMPREHENSIVE INCOME

At 31 December 2013 the Company recorded a positive Gross Profit (Ordinary Income minus Cost of Sales) of CLP 33,184 million and Losses from results other than Cost of Sales of CLP 106,112 million which resulted in an After Tax Loss for the period of CLP 72,928 million. Added to this was a loss of CLP 391 million corresponding to Other Comprehensive Income, resulting in a Total Comprehensive Loss for the period of CLP 73,319 million.

At 31 December 2013 Operating Income totaled CLP 250,180 million equivalent to an increase of CLP 11,784 million or 4.9% for the same period last year. The most important gains were registered in revenues from passenger transport services CLP 6,640 million mainly attributable to a 2.8% increase in passenger flow (from 648.74 to 666.68 million trips), and Income from Sales Channels CLP 9,097 million after Metro took over the entire Sales Channel of the Transantiago transport system as from September 2013. To a lesser extent, there were increases in Rental revenues CLP 946 million (owing to greater occupancy rates of retail spaces and advertising spots compared to December 2012) and Other Operating Income CLP 115 million. This was offset by a reduction in Additional Transport Revenues AFT CLP 5,014 million (fixed and variable rate).

Cost of Sales CLP 216,996 million went up 8.2%, or CLP 16,417 million relative to December 2012, which was mainly explained by greater Staff Expenses

CLP 6,295 million, Operating and Maintenance Expenses CLP 3,461 million, General Expenses CLP 8,650 million, Depreciation and Amortization CLP 1,986 million, and Energy Expenses CLP 1,019 million, despite a drop in Additional Transport Costs AFT CLP 4,994 million (fixed and variable rate).

Changes in Staff Expenses were mainly attributable to greater payroll expenses linked to an increase in average headcount, resulting from the Company's larger operational deployment relative to the same period last year. Also, during the first half of 2013, Metro signed a new collective bargaining agreement with the union, which included the payment of a signing bonus upon the end of the negotiation. General Expenses included in Cost of sales increased mainly due to higher expenses associated with Sales Channel operators after Metro took over the entire Transantiago card load system. Contracts for services received also increased, including security contracts, business management advisory, corporate image and other general expenses. Electricity expenses increased 3.5%, mainly due to an 8.2% rise in Metro's services offer, from 132.0 to 142 million cars/Km year-on-year resulting from 12 new CAF trains with air conditioning coming into operation. Operating and maintenance expenses were impacted by an increase in station maintenance and cleaning, rolling stock, new maintenance contracts for railways and other maintenance contracts, all of which are mainly related to higher passenger flow. Depreciation values changed as a consequence of additions linked to the expansion of Metro's network, mostly Rolling Stock and Electrical Equipment.

Results other than gross profit registered a loss of CLP 106,112 million which can be explained by the negative impact of Financial Expenses CLP 50,032 million (Interest on external credit, Bonds and Derivatives transactions) Exchange Differences CLP 27,113 million, Result of Indexation Units CLP 16,825 million Administrative Expenses CLP 24,676 million, Depreciation and Amortization CLP 534, million and Other Expenses by Function CLP 1,197 million. This was offset by the positive impact of Financial Income CLP 9,036 million (income from financial investments) Other Profits CLP 2,991 million (Swap valuation) and Other Income by Function CLP 2,238 million. Additionally, losses due to Exchange Differences were attributable to the 9.3% depreciation of the Chilean peso relative to the US Dollar (479.96 CLP/USD at December 2012 vs. 524.61 CLP/USD at December 2013), as opposed to the previous year (7.6% appreciation of the Chilean peso, 519.20 CLP/USD at December 31, 2011 vs. 479.96 CLP/USD at December 31, 2012). This had a negative impact on results for 2013 because of liabilities held in USD. Also, the negative effect of the Result of Indexation Units was attributable to the 2.1% increase in the UF value at December 2013.

Compared to the same period last year, Results other than Gross Profit saw an increase in losses of CLP 43,612 million due to the negative effect/losses from Exchange Differences CLP 58,459 million and to a lesser degree to Other Expenses by Function CLP 979 million and Depreciation CLP 1 million. These changes were offset by the positive effects/gains of Other Losses reduced by CLP 10,149 million (Swap valuations), Administrative Expenses reduced by CLP 671 million, Financial Expenses reduced by CLP 609 million, Result of Indexation Units (losses dropping CLP 2,606 million), Financial Income rising CLP 566 million and Other Income by Function rising CLP 1,226 million.

9.2.3. VALUATION OF MAIN ASSETS

There is no information worth mentioning regarding differences between book values and economic and/or market values for our most important assets. The exception could be Fixed Assets given their particular characteristics, such as tunnels, railways, stations and civil works.

9.2.4. CASH FLOW STATEMENT

Cash flow generated by operating activities

At 31 December 2013 operating activities generated a positive net cash flow of CLP 81,327 million compared to the also positive CLP 64,314 million recorded at the same date for the previous year. Of these positive flows worth highlighting are Cash Receipts from sales of assets and services for CLP 247,287 million representing an increase of CLP 18,640 million compared to December 2012. This represents the Company's main operating income items, such as passenger transport, sales channel and non-fare income (rentals) and to a lesser degree Other Receipts from Operating Activities CLP 5,268 million mostly made up of Interest from Financial Investments <90 days.

Negative operating cash flows correspond to Payments to suppliers for the provision of goods and services CLP 105,273 million, Payments to and on behalf of employees CLP 59,885 million and Other payments for operating activities CLP 6,070 million mainly related to property tax payments and others.

Compared to the same period last year, operating flows are similar in nature. These reflect an increase of the positive net flow CLP 17,013 million, resulting from larger positive flows of CLP 22,360 million which are offset to a lesser degree by larger negative flows of CLP 5,347 million.

Cash flow generated by finance activities

At 31 December 2013 net cash flow was positive at CLP 130,272 million and compared to the same date last year, also positive at CLP 128,819 million During 2013 there were Cash receipts from Loans from related companies of CLP 19,889 million corresponding to contributions received from the Chilean State for investment projects, mainly for Lines 3 and 6 and Receipts from shares issuance of CLP 219,200 million resulting from the capitalization of contributions from the Ministry of Public Works. Cash outflows include Payments of external loans CLP 52,043 million, Interest paid CLP 50,125 million, which includes External loans and Bonds payable, and Other cash outflows CLP 6,649 million, which include amortization of bonds and swap derivatives transactions.

Compared to the same period last year, positive net flows increased by CLP 1,453 million, resulting from higher cash inflows of CLP 71,018 million and higher cash outflows of CLP 69,565 million. Positive impacts included Receipts from shares issuance CLP 23,600 million, Cash receipts from Loans from related companies CLP 14,135 million, and a reduction in Long-term loan payments CLP 33,283 million. Negative impacts included lower Cash receipts from Other cash inflows CLP 36,962 million, higher Interest payments CLP 184 million and the reduction in Receipts from long-term loans CLP 32,419 million.

Cash flow generated by investment activities

At 31 December 2013 Investment activities generated a negative net cash flow of CLP 219,183 million, mainly due to Purchases of property, plant and equipment CLP 181,236 million (projects for Lines 3 and 6 and to a lesser degree Purchases of intangible assets), Software CLP 82 million and other Payments for debt instruments of other entities CLP 37,865 million, which includes Financial investments other than cash equivalents.

Compared to the same period last year, negative flows increased by CLP 43,405 million, resulting from higher negative flows from Purchases of property, plant and equipment CLP 35,858 million, and Other payments to purchase debt instruments from other entities CLP 7,382 million, which were offset by lower flows from Purchase of intangible assets CLP 195 million.

Net change in cash and cash equivalents

At the beginning of 2013 the starting balance of cash and cash equivalents (financial investments no longer than 90 days) stood at CLP 132,034 million. At 31 December 2013 the closing balance of Cash and cash equivalents was

CLP 129,279 million. Consequently, Net change in cash and cash equivalents for the period was a negative CLP 2,755 million.

This compares with the same period in 2012, where the starting balance of cash and cash equivalents stood at CLP 118,151 million, while the closing balance of cash and cash equivalents reached CLP 132,034 million, and the net change for the period was a positive CLP 13,883 million. At 31 December 2013 the impact of changes in exchange rates on cash and cash equivalents had a positive effect of CLP 4,828 million, as a result of a 9.3% increase in the exchange rate with the US Dollar. For the same period last year, this had a negative effect of CLP 3,111 million as a result of a 7.6% reduction in the exchange rate with the US Dollar. This meant less income due to holding cash and cash equivalents when converting from the original currency to Chilean pesos.

9.2.5. MARKET RISK ANALYSIS

The Company faces different risks typically associated to public transport of passengers, as well as risks associated to changes in market conditions, such as economic, financial and fortuitous events or force majeure, among others.

Fares Structure

The Company is part of the Integrated Public Transport System of Santiago, Transantiago, and its fares structure is based on the validated number of effectively carried passengers and on the remuneration or technical fare established in Annex 1 of Bidding Conditions for the Use of Railways of the city of Santiago.

On 14 December 2012, the Company entered into a new Transport agreement that would replace the previously mentioned Annex No. 1, where a flat fee of CLP 302.06 per validated carried passenger was established, using September 2012 as the base date. This fare is updated monthly according to the indexation polynomial, included in this new agreement, which covers the change in variables that comprise the Company's long-term cost structure (CPI, dollar, euro, the price of electric power and energy). The above allows for a natural matching when facing cost changes that could result from an increase in any of the variables that are part of the polynomial.

Passenger Demand

Passenger transport demand is a demand generated by other economic activities. During the period from January to December 2013, passenger trips rose by 18.1 million compared to the same period in 2012. This can be mainly attributed to an increase in passenger flow of 11.2% in April and 7.1% in July this year, owing to a higher number of working days during both months.

Interest Rate and Exchange Rate Risks

The Company has a Financial Risk Hedging Policy in place to mitigate exposure to changes in exchange rates and interest rates on financial debt. In the context of this policy, the Company entered into derivatives transactions (Cross Currency Swap CCS) totaling USD 82 million in September 2012 (accumulated balance at 31 December 2013 USD 179 million), and issued bonds valued at UF1.5 million in the local market in May 2012 at a rate of 3.88%, the highest among the non-collateralized public issues by the Company, intended for debt prepayment. These actions allowed for the reduction of exposure to changes in the aforementioned variables.

Also worth mentioning is that the indexation polynomial used by Metro S.A. to update its technical fare includes the dollars and euros, as well as other variables. This implies a "natural hedge" in our long-term cash flow.

Liquidity and financial liabilities structure risk

In accordance with the agreements entered into with the Financial Administrator of Transantiago, Metro's passenger fare revenues are discounted on a daily basis from funds received from the Sales Channel, thus generating the necessary liquidity to cover the Company's commitments. These revenues represent 82% of total ordinary income.

Generally speaking, the Company's debt structure is comprised mainly of bonds and long-term bank loans. The intention is to ensure financial stability and improve matching with the maturity profile of the Company's assets.

Credit Risk

Credit risk of accounts receivable from operating activities (passenger transport) is limited as 82% of Company revenues are received in cash on a daily basis, and the remaining 18% corresponds to income from activities unrelated to the core business.

Debtors correspond mainly to retail space rentals, advertising and invoices receivable, with low arrears levels. Also, there are now clients with significant balances relative to total Accounts Receivable.

Credit risk of financial assets (cash and short-term investments) is limited given the Company's Financial Investment Policy, which aims to reduce risks via portfolio diversification, establishing maximum investment limits per bank, as well as taking into account minimum risk ratings for each issuer.

Electric Power Supply Risk

One risk factor to be considered is the possible interruption of electric power supply needed by Metro to perform its activities and the need for continuous service. In this respect, the Company has recourse to an emergency supply system that reduces exposure to supply interruptions. This is possible due to a direct connection with the Central Interconnected System (SIC) that feeds Lines 1, 2 and 5, as well as two points to supply energy to Line 4. Apart from this, we can point out the following:

- Electric power supply systems are duplicate, and if one fails there is always a back-up mechanism that allows normal electric power supply to operate the network.
- The operating control systems have been designed with redundancy criteria, that is, they function on standby mode, so if one of the systems fails the other one comes straight into operation, allowing for normal operation of the network.
- For Lines 1, 2 and 5, if the SIC system suffers any outage the first priority of the distribution company is to restore power supply to Santiago city center. This allows the Metro network to receive power simultaneously as it is served by the same feeder systems.

Also, in June 2004, the Company entered into an Electric Energy and Power Supply Agreement with the distributor Chilectra S.A. Said agreement came into effect on the 1 August 2004 and ensures electric power supply to the current network for a 10-year period. This contract expires in March 2014, therefore, Metro is currently formalizing a new agreement that guarantees supply as from April 2014.

Fortuitous Events or Force Majeure Risks

Apart from the above, the Company has established risk control and management units, where potential nature-related or other events that could harm the operation are constantly analyzed. For these cases the Company has Emergency Plans in place that are periodically reviewed and updated.

9.2.6. STATEMENTS OF CONSOLIDATED FINANCIAL POSITION COMPARATIVE TABLE

Statements of Consolidated Financial Position Comparative Table

Concepts		December 2013 CLP million	December 2012 CLP million	Changes	
				CLP million	%
Assets					
Current Assets		220,519	179,363	41,156	22,9
Property, Plant, Equipment & Investment Properties		2,835,507	2,696,888	138,619	5,1
Non-Current Assets		78,547	101,299	(22,752)	(22,5)
Total Assets		**3,134,573**	**2,977,550**	**157,023**	**5,3**
Liabilities / Total Debt					
Current Liabilities		181,303	127,800	53,503	41,9
Non-Current Liabilities		1,131,954	1,180,068	(48,114)	(4,1)
Total Liabilities / Total Debt		**1,313,257**	**1,307,868**	**5,389**	**0,4**
Net Equity					
Issued Capital		2,001,001	1,776,048	224,953	12,7
Other Reserves		33,379	34,957	(1,578)	(4,5)
Retained Earnings (Accumulated) Losses		(213,053)	(141,312)	(71,741)	(50,8)
Non-Controlling Interests		(11)	(11)	0	0,0
Total Net Equity		**1,821,316**	**1,669,682**	**151,634**	**9,1**
NET EQUITY & LIABILITIES, TOTAL		**3,134,573**	**2,977,550**	**157,023**	**5,3**
Liquidity and Debt Indicators **Liquidity Ratios**					
Net Working Capital					
(Current Assets (-) Current Liabilities)	Mn$	39,216	51,563	(12,347)	(23,9)
Current Liquidity					
(Current Assets / Current Liabilities)	times	1,22	1,40		(12,9)
Razón ácida					
(Efectivo y equivalentes al efectivo / Pasivos Corrientes)	times	0,71	1,03		(31,1)
Debt Indicators **Debt Ratio**					
(Total Debt / Equity)	times	0,72	0,78		(7,7)
	%	72,10	78,33		(8,0)
Proportion Short-Term Debt					
(Current Liabilities / Total Debt)	%	13,81	9,77		41,4
Proportion Long-Term Debt					
(Non-Current Liabilities / Total Debt)	%	86,19	90,23		(4,5)
Financial Expenses Hedging					
(Result. antes Impto.e intereses/ (Earnings before Tax and Interest/Financial Expenditure)	%	(47,67)	49,06		(197,2)

9.2.7. COMPARATIVE TABLE OF CONSOLIDATED COMPREHENSIVE INCOME STATEMENTS BY FUNCTION

Comparative Table of Consolidated Comprehensive Income Statements by Function				
Concepts	December 2013 CLP million	December 2012 CLP million	Changes	
			CLP million	%
Total Passenger Flow (millions of trips)	666,88	648,74	18,1	2,8
Paid Passenger Flow (millions of trips)	667,67	648,81	18,9	2,9
Ordinary Income				
Income from Passenger Transport Service	202,220	195,580	6,640	3,4
Additional Transport Income	3,837	8,851	(5,014)	(56,6)
Income from Sales Channel	24,908	15,811	9,097	57,5
Rental Income	18,767	17,821	946	5,3
Other Income	448	333	115	34,5
Total ordinary income	**250,180**	**238,396**	**11,784**	**4,9**
Cost of Sales				
Staff	(44,480)	(38,185)	(6,295)	(16,5)
Operating and Maintenance Expenses	(37,050)	(33,589)	(3,461)	(10,3)
Electric Power	(30,275)	(29,256)	(1,019)	(3,5)
Additional Transport Costs	(3,837)	(8,831)	4,994	56,6
General	(28,340)	(19,690)	(8,650)	(43,9)
Depreciation and Amortization	(73,014)	(71,028)	(1,986)	(2,8)
Total Cost of Sales	**(216,996)**	**(200,579)**	**(16,417)**	**(8,2)**
Gross Profit	33,184	37,817	(4,633)	(12,3)
Other income by function	2,238	1,012	1,226	121,1
Administrative expenses	(24,676)	(25,347)	671	2,6
Depreciation and amortization administration	(534)	(533)	(1)	(0,2)
Other expenses by function	(1,197)	(218)	(979)	(449,1)
Other earnings (losses)	2,991	(7,158)	10,149	141,8
Financial income	9,036	8,470)	566	6,7
Financial expenses	(50,032)	(50,641)	609	1,2
Exchange differences	(27,113)	31,346)	(58,459)	(186,5)
Result of indexation units	(16,825)	(19,431)	2,606	13,4
Results other than gross profit	(106,112)	(62,500)	(43,612)	(69,8)
Earnings (Losses) before tax	(72,928)	(24,683)	(48,245)	(195,5)
Capital gains tax expenses				

Comparative Table of Consolidated Comprehensive Income Statements by Function					
Concepts		December 2013 CLP million	December 2012 CLP million	Changes	
				CLP million	%
Earnings (Losses)		(72,928)	(24,683)	(48,245)	(195,5)
Other comprehensive income					
Actuarial gain (loss) of defined benefit plans		(391)	(426)	35	8,2
Total comprehensive income		(73,319)	(25,109)	(48,210)	(192,0)
Earnings Indicators					
R.A.I.I.D.A.I.E - EBITDA					
(Earnings before interest, tax, depreciation, amortization and extraordinary items)		49,698	96,405	(46,707)	(48,4)
Operating income (**)					
(Gross profit minus Administrative expenses and Depreciation and amortization administration)		7,974	11,937	(3,963)	(33,2)
E.B.I.T.D.A. (Operating income plus Depreciation and amortization) (**)		81,522	83,498	(1,976)	(2,4)
EBITDA margin (EBITDA /Ordinary income) (*) (**)	%	33,09	36,38		(9,0)
(*) Does not include add. transport income (**) According to agreements entered into					
Performance Indicators					
Operating profit (Operating income / Property, Plant and Equipment)	%	0,28	0,43		(34,9)
Return on Equity (Gain (Loss) net/Average Equity	%	(4,18)	(1,59)		(162,9)
Return on Assets (Gain (Loss)/Average Assets)	%	(2,39)	(0,86)		(177,9)
Return on operating assets (Operating income/Average operating assets) *	%	0,29	0,43		(32,6)
Earnings per share (Gain (Loss) for the period/N" of shares)	$	(1,43)	(0,56)		(155,4)
2013 -51.002.055.392 shares					
2012 -44.808.609.272 shares					

(*) Operating assets are Property, Plant and Equipment and Investment Properties

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

As of and for the financial years ended December 31, 2013 and 2012

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Classified Consolidated Statements of Financial Position
Consolidated Statements of Comprehensive Income by Function
Consolidated Statements of Changes to Net Equity
Consolidated Statements of Cash Flows
Notes to the Consolidated Financial Statements

M$: Figures expressed in Thousands of Chilean Pesos
MUS$: Figures expressed in Thousands of United States Dollars
MMUS$: Figures expressed in Millions of United States Dollars

10 Consolidated Financial Statements

CONSOLIDATED FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

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Independent Auditor's Report

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

We have audited the accompanying consolidated financial statements of Empresa de Transporte de Pasajeros Metro S.A. and subsidiary, which comprise the consolidated statements of financial position as of December 31, 2013 and 2012, and the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for each of the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management of Empresa de Transporte de Pasajeros Metro S.A. is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Instructions and Rules issued by the Chilean Superintendencia de Valores y Seguros as indicated in Note 2.1. to the financial statements. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Empresa de Transporte de Pasajeros Metro S.A. and subsidiary as of December 31, 2013 and 2012, and the results of their operations and their cash flows for each of the years then ended, in accordance with Instructions and Rules issued by the Chilean Superintendencia de Valores y Seguros as indicated in Note 2.1. to the financial statements.

Emphasis on a matter

As described in Note 11 of the financial statements, on September 27, 2004, the basis of calculation of the proportionality of the VAT Tax Credit, which could impact the way of its recoverability, was protested according to administrative resolution issued by the Chilean Internal Revenue Service. Empresa de Transporte de Pasajeros Metro S.A. has filed an appeal to the Supreme Court. We do not modify our opinion due to this matter.

Ernst + Young Ltda.

Ernst & Young Servicios Profesionales
de Auditoría Y Asesoría Ltda.

Santiago, Chile
March 10, 2014

CLASSIFIED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31, 2013 and 2012
(In thousands of Chilean pesos)

ASSETS	NOTE	12-31-2013	12-31-2012
CURRENT ASSETS			
Cash and cash equivalents	(4)	129,279,100	132,034,481
Other current financial assets	(10)	69,151,222	31,393,579
Other current non-financial assets	(11)	3,473,614	2,584,244
Commercial debtors and other current accounts receivable	(5)	10,427,899	5,532,994
Inventories	(6)	7,291,617	7,346,285
Current tax assets		895,783	471,231
TOTAL CURRENT ASSETS		**220,519,235**	**179,362,814**
NON-CURRENT ASSETS			
Other non-current financial assets	(10)	7,516,430	9,892,122
Other non-current non-financial assets	(11)	66,797,766	86,962,252
Non-current rights receivables		901,982	1,490,664
Intangible assets other than goodwill	(7)	3,331,246	2,954,704
Property, plant and equipment	(8)	2,822,197,875	2,683,391,400
Investment properties	(9)	13,308,911	13,496,309
TOTAL NON-CURRENT ASSETS		**2,914,054,210**	**2,798,187,451**
TOTAL ASSETS		**3,134,573,445**	**2,977,550,265**

CLASSIFIED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31, 2013 and 2012
(In thousands of Chilean pesos)

LIABILITIES AND EQUITY	NOTE	12-31-2013	12-31-2012
LIABILITIES			
CURRENT LIABILITIES			
Other current financial liabilities	(12)	116,368,024	72,332,056
Commercial accounts payable and other accounts payable	(15)	44,611,758	35,233,059
Other short-term provisions	(19)	1,187,150	1,095,003
Current provisions for employee benefits	(17)	9,658,842	7,540,583
Other current non-financial liabilities	(13)	9,476,886	11,598,967
TOTAL CURRENT LIABILITIES		**181,302,660**	**127,799,668**
NON-CURRENT LIABILITIES			
Other non-current financial liabilities	(12)	1,094,268,127	1,157,188,724
Non-current accounts payable to related entities	(14)	21,788,861	7,653,136
Non-current provisions for employee benefits	(17)	12,401,746	12,044,195
Other non-current non-financial liabilities	(13)	3,495,776	3,182,039
TOTAL NON-CURRENT LIABILITIES		**1,131,954,510**	**1,180,068,094**
TOTAL LIABILITIES		**1,313,257,170**	**1,307,867,762**
EQUITY			
Issued capital	(20)	2,001,000,847	1,776,047,711
Accumulated profits (losses)	(20)	(213,052,888)	(141,311,634)
Other reserves	(20)	33,378,961	34,957,071
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT		**1,821,326,920**	**1,669,693,148**
Non-controlling interests	(20)	(10,645)	(10,645)
TOTAL EQUITY		**1,821,316,275**	**1,669,682,503**
TOTAL LIABILITIES AND EQUITY		**3,134,573,445**	**2,977,550,265**

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME BY FUNCTION

For the years ended December 31, 2013 and 2012
(In thousands of Chilean pesos)

INCOME STATEMENT	NOTE	ACCUMULATED	
		01-01-2013 12-31-2013	01-01-2012 12-31-2012
PROFITS (LOSSES)			
Revenues	(21)	250,180,455	238,396,080
Cost of sales	(21)	(261,996,387)	(200,579,375)
Gross profit		33,184,068	37,816,705
Other income, by function	(21)	2,238,150	1,011,688
Administrative expenses	(21)	(25,210,187)	(25,880,405)
Other expenses, by function	(21)	(1,197,031)	(217,537)
Other profits (losses)	(21)	2,991,289	(7,157,923)
Financial income	(21)	9,036,050	8,470,231
Financial expense	(21)	(50,031,846)	(50,640,762)
Exchange differences	(21)	(27,113,161)	31,346,031
Income from indexation units	(21)	(16,825,205)	(19,431,166)
Profit (loss) before taxes		(72,927,873)	(24,683,138)
Income tax expenses			
Profit (loss) from ongoing operations		(72,927,873)	(24,683,138)
Profit (loss)		(72,927,873)	(24,683,138)
PROFIT (LOSS) ATTRIBUTABLE TO			
Profit (loss) attributable to the owners of the parent		(72,927,873)	(24,683,138)
Profit (loss) attributable to non-controlling interests			
Profit (loss)		(72,927,873)	(24,683,138)
COMPREHENSIVE INCOME STATEMENT			
Profit (loss)		(72,927,873)	(24,683,138)
Other comprehensive income		(391,491)	(426,064)
Total comprehensive income		(73,319,364)	(25,109,202)
COMPREHENSIVE INCOME ATTRIBUTABLE TO			
Comprehensive income attributable to the owners of the parent		(73,319,364)	(25,109,202)
Comprehensive income attributable to non-controlling Interests			
TOTAL COMPREHENSIVE INCOME		**(73,319,364)**	**(25,109,202)**

CONSOLIDATED STATEMENTS OF CHANGES TO NET EQUITY

As of December 31, 2013 and 2012
(In thousands of Chilean pesos)

CONCEPTOS	ISSUED CAPITAL	OTHER RESERVES				ACCUMULATED PROFITS (LOSSES)	EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT	NON-CONTROLLING INTERESTS	TOTAL NET EQUITY
		VARIOUS OTHER RESERVES	REVALUATION SURPLUS	RESERVE FOR PROFITS AND LOSSES ON DEFINED BENEFITS PLANS	TOTAL OTHER RESERVES				
OPENING BALANCE CURRENT PERIOD 01-01-2013	**1,776,047,711**	**30,336,377**	**4,620,694**		**34,957,071**	**(141,311,634)**	**1,669,693,148**	**(10,645)**	**1,669,682,503**
Profit (loss)						(72,927,873)	(72,927,873)		(72,927,873)
Other comprehensive income				(391,491)	(391,491)		(391,491)		(391,491)
Comprehensive income							(73,319,364)		(73,319,364)
Issuance of shares	224,953,136						224,953,136		224,953,136
Changes due to transfers and other changes			(1,578,110)	391,491	(1,186,619)	1,186,619			
FINAL BALANCE CURRENT PERIOD 12-31-2013	**2,001,000,847**	**30,336,377**	**3,042,584**		**33,378,961**	**(213,052,888)**	**1,821,326,920**	**(10,645)**	**1,821,316,275**
OPENING BALANCE PREVIOUS PERIOD 01-01-2012	**1,571,086,742**	**30,336,377**	**4,620,694**		**34,957,071**	**(116,202,432)**	**1,489,841,381**	**(10,645)**	**1,489,830,736**
Profit (loss)						(24,683,138)	(24,683,138)		(24,683,138)
Other comprehensive income				(426,064)	(426,064)		(426,064)		(426,064)
Comprehensive income							(25,109,202)		(25,109,202)
Issuance of equity	204,960,969						204,960,969		204,960,969
Changes due to transfers and other changes				426,064	426,064	(426,064)			
FINAL BALANCE PREVIOUS PERIOD 12-31-2012	**1,766,047,711**	**30,336,377**	**4,620,694**		**34,957,071**	**(141,311,634)**	**1,669,693,148**	**(10,645)**	**1,669,682,503**

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2013 and 2012
(In thousands of Chilean pesos)

STATEMENT OF CASH FLOWS - DIRECT METHOD	01-01-2013 12-31-2013	01-01-2012 12-31-2012
STATEMENT OF CASH FLOWS		
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES		
Classes of cash receipts from operating activities		
Receipts from sales of goods and rendering of services	247,287,377	228,647,554
Other receipts from operating activities	5,268,082	3,852,428
Payments to suppliers for goods and services	(105,273,278)	(107,577,438)
Cash payments to and on behalf of employees	(59,885,371)	(55,134,452)
Other payments for operating activities	(6,069,482)	(5,473,961)
NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	**81,327,288**	**64,314,131**
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(181,236,319)	(145,378,478)
Purchases of intangible assets	(82,447)	(277,142)
Other payments for the adquisition of debt instruments of other entities	(37,864,628)	(30,483,224)
NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	**(219,183,394)**	**(176,138,844)**
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		
Cash from shares issued	219,200,000	195,600,000
Cash from long-term loans		34,419,012
Loans from related entities	19,888,861	5,753,136
Loan repayments	(52,042,864)	(85,325,708)
Interest paid	(50,124,782)	(49,940,472)
Other cash inflows (outflows)	(6,648,843)	30,313,130
NET CASH FLOW FROM (USED IN) FINANCING ACTIVITIES	**130,272,372**	**128,819,098**
Net increase (decrease) in cash and cash equivalents before accounting for exchange rate changes	(7,583,734)	16,994,385
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	**4,828,353**	**(3,111,393)**
Net increase in cash and cash equivalents	(2,755,381)	13,882,992
Cash and cash equivalents at beginning of the period	132,034,481	118,151,489
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**129,279,100**	**132,034,481**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(In thousands of Chilean pesos)

1. GENERAL INFORMATION

Empresa de Transporte de Pasajeros Metro S.A., (hereinafter referred to as the Company) is a Chilean State-owned Enterprise created by Law 18,722 on January 28, 1989 as the legal successor, in all the rights and obligations, to the Dirección General de Metro.

The Company is a stock corporation bound by the principles applicable to open stock corporations, and has its legal domicile at 1414 Avenida Libertador Bernardo O'Higgins, Santiago, Chile.

The Company is registered on the Register of Securities under file number 421 and is subject to the supervision by the Chilean Superintendency of Securities and Insurance (Superintendencia de Valores y Seguros, or SVS).

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

The Company's consolidated financial statements for the year ended as of December 31, 2012, were approved by its Board of Directors at meeting held on March 25, 2013 and were subsequently presented at the Ordinary Shareholders' Meeting held on April 26, 2013, where they were approved.

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

2. SUMMARY OF MAIN ACCOUNTING POLICIES

The main accounting policies adopted in the preparation of these consolidated financial statements, as required by IAS 1, have been designed in accordance with International Financial Reporting Standards (hereinafter "IFRS") in effect as of December 31, 2013 and have been applied on a consistent basis to all the periods presented in the financial statements.

2.1. Preparation basis

The consolidated financial statements comprise the statements of financial position as of December 31, 2013 and December 31, 2012 and the comprehensive income statements, statements of changes in equity and statements of cash flows for the years ended as of December 31, 2013 and 2012, which have been prepared in accordance with IFRS, issued by the International Accounting Standards Board (hereinafter the "IASB") and specific instructions issued by the SVS. Through Ordinary Official Letter No. 6158 dated March 5, 2012, the Company was authorized by the SVS to exceptionally apply Public Sector International Public Sector Accounting Standard (hereinafter "IPSAS") 21, instead of IAS 36. Note 2.8 provides more details regarding this exception.

These consolidated financial statements were approved by the Board on March 10, 2014, authorizing their publication by management.

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

The preparation of consolidated financial statements in accordance with IFRS requires the use of certain critical accounting estimates, necessary for the quantification of certain assets, liabilities, income and expenses.

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

The Company's financial statements have originally been issued in Spanish. Since the Company issued and placed bonds in the international market, issued under rule 144A and regulation S of the United States Securities Act, these financial statements were translated from Spanish into English.

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2.2. Consolidation basis
Subsidiary Transub S.A. is consolidated as of the date on which control of the Company was transferred. and up to the date on which that control no longer exists. Consolidation contains the financial statements of the parent company and its subsidiary which includes all assets, liabilities, income, expenses and cash flows of the subsidiary, once the adjustments and eliminations for intra-group transactions have been made.

The value of the non-controlling interest of the consolidated subsidiary is presented under shareholders' equity, in non-controlling interests, in the consolidated statement of financial position and in income (loss) attributable to non-controlling interest in the consolidated income statement.

The Suburban Passenger Transport Company (Transub S.A.) is in a pre-operational stage and has not yet registered any activity since its creation to the present date and was consolidated under the guidelines of SVS Memo 1819 of November 14, 2006.

TAX ID NO.	COMPANY NAME	SHARE PERCENTAGE 12-31-2013 - 12-31-2012		
		DIRECT	INDIRECT	TOTAL
96.850.680-3	Transub S.A.	66.66		66.66

Participation in this subsidiary is not subject to joint control.

The Company does not have interests in joint ventures or in associated investments.

2.3. Foreign Currency Transactions

2.3.1. Functional and presentation currency
The entries included in the consolidated financial statements are presented using the currency of the main jurisdiction in which the reporting entity operates in (functional currency). The Company's functional currency is the Chilean peso, all information is presented in thousands of Chilean pesos rounded to the nearest unit (M$).

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

Exchange rate differences affecting financial assets classified at fair value with changes in income are included in gains or losses.

2.3.3. Exchange rates
Assets and liabilities in foreign currency and those negotiated in Unidades de Fomento (indexation units, or UF), are presented at the following exchange and conversion rates and closing values, respectively:

DATE	CH$/US$	CH$/EUR	CH$/UF
12-31-2013	524.61	724.30	23,309.56
12-31-2012	479.96	634.45	22,840.75
12-31-2011	519.20	672.97	22,294.03

Ch$	=	Chilean pesos
US$	=	US dollar
EUR	=	Euro
UF	=	Unidades de Fomento (indexation units)

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2.4. Property, plant and equipment

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

Subsequent valuation shall be calculated using the cost model discounting the corresponding accumulated depreciation and impairment losses, which are recorded in the comprehensive income statement.

Due to the adoption of IFRS during 2010, the Company's main assets have been recorded at acquisition cost, value that according to studies does not exceed the depreciated replacement value.

The concept of cost includes the acquisition cost and any and all concepts defined in IAS 16, as applicable.

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

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

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

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

Major maintenance costs of rolling stock, which consider among other things, replacement of parts and pieces, are capitalized as an asset that is independent from the main asset, as long as the conditions established for recognition in IAS 16 are fulfilled, and for that reason that cost is derecognized from the value of the main asset.

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

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

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

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

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

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

2.5. Investment properties

Investment properties are land and buildings held by the Company to obtain economic benefits derived from their rental or to obtain capital appreciation from holding on to them.

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

Investment properties that correspond to land and buildings are valued using the cost model.

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

Useful lives		
Useful lives of commercial premises	:	77 years on average.
Useful lives of other buildings	:	88 years on average.

2.6. Intangible assets

2.6.1. Easements

Easement rights are presented at historical cost. If those easements have indefinite useful lives, they are not subject to amortization. However, indefinite useful lives are subject to review at each reported period, to determine whether the consideration of indefinite useful life is still applicable. These assets are subject to periodic impairment tests.

2.6.2. Software

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

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

2.7. Finance income

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

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

2.8. Losses due to impairment of non-financial assets

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

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

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

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

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

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

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

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

2.9.1. Financial assets at fair value with changes in income
Are financial assets held for trading. A financial asset is classified in this category if it is acquired mainly for the purpose of selling it in the short-term. Derivatives are also classified as acquired for trading unless they have been designated as hedges. Assets in this category are classified as current assets.

2.9.2. Loans and accounts receivable
Are non-derivative financial assets, with fixed or determinable payments, that are not traded in the local financial market. They are included in current assets, except for those maturing in excess of 12 months as of the date of the statement of financial position, which are classified as non-current assets. Loans and accounts receivable include trade and other accounts receivable. These items are initially recorded at fair value plus any directly attributable transaction costs. These are subsequently valued at amortized cost, using the effective interest method less impairment losses.

2.9.3. Financial assets held to maturity
Are non-derivative financial assets, with fixed or determinable payments and fixed maturity date that the Company owns and which it has the intention and capacity to hold to maturity. They are valued at amortized cost.

2.9.4. Financial assets available-for-sale
Financial assets available-for-sale are non-derivative financial assets that are designated under this category or do not classify for any of the other categories. They are included in non-current assets unless management has the intention of disposing of the investment within the 12 months following the date of the statement of financial position.

2.9.5. Recognition and measurement of financial assets
Financial assets and liabilities are initially recognized at their fair value. In the case of assets and liabilities that are not accounted for at fair value through profit or loss, the fair value shall be adjusted by the cost of transactions that are directly attributable to their purchase or issuance.

Subsequent valuation depends on the category in which the asset has been classified.

Available-for-sale financial assets and financial assets at fair value through profit or loss, are subsequently accounted for at their fair value (with their counterpart in shareholders' equity and income respectively). Loans and accounts receivable and financial assets held to maturity, are recorded at amortized cost using the effective interest rate method.

Derivative financial instruments are initially recognized at their fair value, classified in a hierarchical manner in level 2 according to IAS 39. Costs of transaction attributable to those instruments are recognized in income as they are incurred.

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

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

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

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

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

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

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

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

2.11. Commercial debtors and other accounts receivable
Commercial accounts receivable are initially recognized at their fair value (nominal value that includes implicit interest) and thereafter at their amortized cost using the effective interest rate method, less impairment losses. An impairment loss provision is established for trade accounts receivable when there is objective evidence that the Company will not be able to collect all the amounts owed to it in accordance with the original terms of the account receivable. The amount of the provision is the difference between the carrying amount of the asset and the real value of estimated future cash flows discounted at the effective interest rate.

Commercial debtors are reduced through the allowance for doubtful accounts and the amount of losses is recognized with a charge to the consolidated income statement.

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

2.13. Share Capital
The capital stock of the Company is represented by Series A and Series B common shares.

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

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

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

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

In accordance with IFRS 7 “Financial Instrument Disclosures”, we consider that the carrying amounts of the Company’s financial liabilities, valued at their amortized cost are a reasonable approximation of their fair value. Therefore, as indicated in IFRS 7, it is not necessary to make disclosures related to the fair value of each financial liability, except for instruments with the public and foreign loans, as described in the note on risk management policies.

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

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

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

2.17. Employee benefits

2.17.1. Personnel vacations

The Company recognizes employee vacation expenses using the accrual method.

2.17.2. Provision for Severance Payment

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

The liability recognized is the present value of that obligation plus/minus adjustments on actuarial profits or losses and discounted debt service. The present value of the obligation is determined discounting estimated outgoing cash flows, at a market interest rate for long-term debt instruments that approximates the term of the termination benefits obligation up to their expiration date. During the 2013 period the Company has changed the way of accounting for defined benefits plans, including actuarial profits and losses as part of other comprehensive income, in accordance with what is established in the amendment of IAS19. Previously, and until December 31, 2012 they were recognized in income for the year.

2.17.3. Incentive bonuses

The Company has an annual incentive bonus plan for compliance with objectives, based on the individual conditions of each employment contract. These incentives consist of an percentage of the applicable monthly salary and are accrued on the basis of the estimated amount to be paid.

2.18. Provisions

The Company recognizes provisions when:

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

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

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

In the consolidated statement of financial position, balances are classified in function of their expiration date or maturity, as current those expiring in twelve months or less from the cut-off date of the consolidated financial statements and as non-current those in excess of that period.

2.20. Revenue recognition

Ordinary income is recognized when it is probable that the economic benefit associated to the compensation received or to be received, will flow to the Company and their amount can be reliably measured. The Company recognizes revenues at their fair value, net of value added tax, returns, rebates and discounts.

a) Income from transportation of passengers is recognized when the service has been provided.

b) Income from operating leases is recognized on an accrual basis.

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

d) Income from interest is recognized using the effective interest rate method.

e) Other income is recognized when the services have been rendered.

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Expenses include both the losses and expenses that arise from the Company's ordinary activities. Expenses from ordinary activities include cost of sales, remuneration and depreciation. Generally, expenses represent an outflow or decrease in assets, such as cash and cash equivalent and inventory or property, plant and equipment.

2.21. Lease contracts
The Company has contracts that have the characteristics of a financial lease; therefore these have been recorded as established in IAS 17 "Leases". When assets are leased under a financial lease, the value of the lease payments is recognized as an account receivable. The difference between the gross amount receivable and the real value of the amount is recognized as financial yield of the principal.

Income from financial leases is recognized over the term of the lease using the net investment method, which reflects a constant periodic yield rate.

Contracts that do not fulfill the characteristics of a financial lease are classified as operating leases.

A lease is an operating lease when the lessor conserves a significant part of the risks and benefits derived from ownership of the leased goods.

2.22. New standards and interpretations issued but not yet effective
a) Standards early adopted by the Company.

No standards have been adopted or applied before their official publication.

b) Accounting pronouncements with effective application as of January 1, 2014 y thereafter:

The improvements and modifications to the IFRS, as well as the interpretations that have been published during the period are detailed below. As of the date of these financial statements, these standards are still not effective and the Company has not early adopted them.

	NEW STANDARDS	MANDATORY APPLICATION DATE
IFRIC 21	Levies	January 1, 2014
IFRS 9	Financial Instruments	TBD

IFRIC 21 "Levies"
IFRIC 21 is an interpretation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligation event). The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC 21 is effective for annual periods beginning on or after January 1, 2014.

IFRS 9 "Financial Instruments"
This standard introduces new requirements for the classification and measurements of financial assets and liabilities and for hedge accounting. Originally the IASB decided that the mandatory application date is January 1 2015. However, the IASB decided that this date would not allow sufficient time for entities to prepare to apply the new standard, consequently it was decided that a new date should be decided upon when the entire project is closer to completion. That is why the effective date is still to be determined; however, entities may choose to apply IFRS 9 immediately.

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	NEW STANDARDS	MANDATORY APPLICATION DATE
IFRS 10	Consolidated Financial Statements	January 1, 2014
IFRS 12	Disclosure of Interest in Other Entities	January 1, 2014
IAS 27	Separate Financial Statements	January 1, 2014
IAS 32	Financial Instruments: Presentation	January 1, 2014
IAS 36	Impairment of Assets	January 1, 2014
IAS 39	Financial Instruments: Recognition and Measurement	January 1, 2014
IAS 19	Employee Benefits	July 1, 2014
IFRS 3	Business Combinations	July 1, 2014
IAS 40	Investment Property	July 1, 2014

IFRS 10 “Consolidated Financial Statements”, IFRS 12 “Disclosure of Interest in Other Entities”, IAS 27 “Separate Financial Statements”
Modifications to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interest in Other Entities and IAS 27 Separate Financial Statements are the result of the IASB’s project on investment entities, published in August 2011. These modifications define an investment entity and introduce an exception for consolidating certain subsidiaries pertaining to investment entities. These modifications require that an investment entity accounts these subsidiaries at fair value with changes in profit and loss according to IFRS 9 Financial Instruments in its consolidated and separate financial statements. The modifications also establish new disclosure requirements related to investment entities in IFRS 12 and IAS 27. Entities are required to apply these modifications for annual periods beginning January 1, 2014. Early adoption is permitted.

IAS 32 “Financial Instruments: Presentation”
The amendments to IAS 32, issued in December 2011, provide clarifications on the application of the offsetting and by this way reduce the existing differences in practice.

These modifications are effective for annual periods beginning on or after January 1, 2014 and early adoption is permitted.

IAS 36 “Impairment of Assets”
In May 2013 the IASB issued amendments to IAS 36 in regards to the disclosure of information on the recoverable amount of impaired assets, if this amount is based on fair value less disposal cost. These modifications are related to IFRS 13 Fair Value Measurement and have to be applied retrospectively for annual periods beginning on or after January 1, 2014. Early adoption is permitted when the entity has also already applied IFRS 13.

IAS 39 “Financial Instruments: Recognition and Measurement”
Amendments to IAS 39, issued in June 2013, provide an exception to the requirement to discontinue hedge accounting in situations where the over-the-counter derivatives designated in hedge relationships are directly or indirectly novated to a central counterparty as a consequence of laws and regulations or the introduction of laws and regulations. Entities have to apply these modifications for annual periods beginning on or after January 1, 2014. Early adoption is permitted.

IAS 19 “Employee Benefits”
The modifications to IAS 19, published in November 2013, apply to contributions from employees or third parties to defined benefit plans. The objective is to simplify the accounting for contributions that are independent of the number of years of employee service, employee contributions that are calculated according to a fixed percentage of salary. The amendments are effective from July 1, 2014 with early application permitted.

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IFRS 3 “Business Combinations”
“Annual Improvements cycle 2010–2012”, published in December 2013, clarifies certain aspects of accounting for contingent consideration in a business combination. The IASB noted that IFRS 3 Business Combinations requires the subsequent measurement of contingent consideration to be at fair value and therefore eliminates the reference to IAS 37 Provisions, Contingent Liabilities and Contingent Assets and other IFRS which potentially have different measurement bases that are not fair value. The reference to IFRS 9 Financial Instruments is maintained, however, IFRS 9 is modified in order to clarify that contingent consideration that is a financial asset or financial liability can only be measured at fair value, with changes in fair value being presented in either profit or loss or other comprehensive income depending on the requirements of IFRS 9. These amendments are effective beginning July 1, 2014. Early application is permitted.

IAS 40 “Investment Property”
“Annual Improvements cycle 2011–2013”, published in December 2013, clarifies that judgment is needed to determine whether the acquisition of investment property is the acquisition of an asset, a group of assets or a business combination in the scope of IFRS 3 and that this judgment is based on the guidance in IFRS 3. The IASB concludes that IFRS 3 Business Combinations and IAS 40 Investment Property are not mutually exclusive and that it takes judgment in order to determine whether the transaction is only the acquisition of an investment property or the acquisition of a group of assets or a business combination that includes an investment property. These amendments are applicable beginning July 1, 2014. Early adoption is permitted.

The company is still evaluating the impact which the application of the new and modified standards will have on the consolidated financial statements of Metro S.A. and its subsidiary.

As a consequence of and due to the application of the amendments to IAS 19, effective beginning January 1, 2013, the Company changed the manner of accounting for defined benefits plans, including actuarial profits and losses, which until December 31, 2012 were recognized in income for the year, and which must now be recognized as part of other comprehensive income and excluded permanently from profit or loss for the year.

The amendments to IAS 19, required the retrospective application of associated effects, which implied the reformulation of the financial statements for previous years, only for comparison purposes. These changes do not affect the determination of the Company’s shareholders’ equity or comprehensive income.

The main amendments issued originally and implemented, measured in terms of changes, in respect to the consolidated financial statements of the Company are detailed as follows.

As of December 31, 2012

STATEMENT OF FINANCIAL POSITION (IN THOUSANDS OF CHILEAN PESOS)	ORIGINAL ISSUED	REFORMULATED	VARIANCE
	01-01-2012 12-31-2012	01-01-2012 12-31-2012	01-01-2012 12-31-2012
SHAREHOLDERS’ EQUITY			
Retained earnings (accumulated losses)	(141,311,634)	(140,885,570)	(426,064)
Increase (decrease) from transfers and other changes (IAS 19R)		(426,064)	426,064
TOTAL RETAINED EARNINGS (ACCUMULATED LOSSES)	**(141,311,634)**	**(141,311,634)**	
Other various reserves	30,336,377	30,336,377	
Revaluation surplus	4,620,694	4,620,694	
Reserves for profits (losses) on defined benefit plans (IAS 19R)		(426,064)	426,064
Increase (decrease) from transfers and other changes		426,064	(426,064)
TOTAL OTHER RESERVES	**34,957,071**	**34,957,071**	

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INCOME STATEMENT BY FUNCTION (IN THOUSANDS OF CHILEAN PESOS)	ORIGINAL ISSUED	REFORMULATED	VARIANCE
	01-01-2012 12-31-2012	01-01-2012 12-31-2012	01-01-2012 12-31-2012
PROFITS (LOSSES)			
Administrative expenses	(201,005,439)	(200,579,375)	426,064
Profit (loss) for the period	(25,109,202)	(24,683,138)	426,064
COMPREHENSIVE INCOME STATEMENT			
Profit (loss)	(25,109,202)	(24,683,138)	426,064
Other comprehensive income		(426,064)	(426,064)
TOTAL COMPREHENSIVE INCOME	**(25,109,202)**	**(25,109,202)**	

3. MANAGEMENT VALUATION AND ACCOUNTING CRITERIA

The estimates and criteria used by management are continuously assessed and are based on historical experience and other factors, including the expectation of occurrence of future events that are considered reasonable based on the circumstances.

The most relevant management estimates and criteria are detailed as follows:

3.1. Obligations for severance payments

The Company recognizes the liability for the agreed upon obligations for severance payments using an actuarial methodology that considers factors such as the discount rate, effective turnover and other factors inherent to the Company. Any change in these factors and assumptions, shall have an impact on the carrying amount of the severance obligation.

The Company determines the most appropriate discount rate at the end of each year considering the market conditions as of the valuation date. This interest rate is used to determine the present value of estimated future cash outflows foreseen to be required to settle the severance obligation. When determining interest rates, the Company considers representative rates of financial instruments that are denominated in the currency in which the obligation is expressed and which have expiry terms that are close to the payment terms of such obligation.

3.2. Useful life of property, plant and equipment

Property, plant and equipment and intangible assets with finite useful lives are depreciated using the straight-line method on the basis of an estimated useful life. This useful life estimate considers technical aspects, nature and conditions of use of those assets. This estimate might vary significantly as a consequence of technological innovations or other variables, which will imply adjusting the remaining useful lives, recognizing higher or lower depreciation, as applicable. Likewise, residual values are determined based on technical aspects that might vary in accordance with the specific conditions of each asset.

3.3. Litigation and other contingencies

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

3.4. Change of Accounting Criteria for Land Valuation

In the process of convergence to IFRS, the Company adopted as accounting policy for the valuation of its land the use of the attributed cost determined as of the transition date, with subsequent measurements to be carried out using the revaluation model and/or their fair value.

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In general terms the revaluation model establishes that land must be valued on the basis of the value determined through appraisals performed by an independent expert when its fair value experiences significant changes.

During the closing process for the 2012 financial statements, the Company adopted a voluntary change in accounting policy in reference to the type of valuation applicable to land subsequent to the initial recognition, from the revaluation model to the cost model. This change in accounting criteria is basically founded on preventing these items from experiencing significant and volatile changes in their fair value.

This change in accounting policy did not involve retroactive accounting effects, since Metro S.A. has maintained the values of its land since 2010, date on which it issued its first financial statements under IFRS.

3.5. Measurements and/or valuations at fair value

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

To measure fair value the following must determine:

a) the concrete asset or liability to be measured

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

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

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

Market value hierarchies for items at fair value:

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

Level 1, corresponds to methodologies using market units (without adjustment) in active markets and considering the same assets and liabilities valued.

Level 2, corresponds to methodologies using market trading data, not included in Level 1, which are observable for the assets and liabilities valued, whether directly (prices) or indirectly (derived from prices).

Level 3, corresponds to methodologies using valuation techniques, which include data on the assets and liabilities valued, which are not supported on observable market data.

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

The Company hierarchically classifies its measurement of fair value under level 2, as established in IAS 39, and the costs of transactions attributable to those instruments are recognized in income as they are incurred.

In all cases changes in the fair value of these items are considered components of net income for the period.

Valuation techniques used to measure fair value for assets and liabilities.

The valuation techniques used by the Company are appropriate under the circumstances and there is sufficient data available on the Company's assets and liabilities to measure their fair value, maximizing the use of observable variables and minimizing the use of non-observable variables. The specific technique used by the Company to valuate and/or measure the fair value of its assets (derivative financial instruments) is the market focus.

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Entry data for fair value measurement.

- Quoted prices for similar assets in active markets.
- Quoted prices for identical or similar assets in markets that are not active.
- Variables other than quoted prices that are observable for the asset.
- Interest rates and observable yield curves at commonly quoted intervals.
- Implicit volatilities.

Items where profits (losses) are recognized on fair value measurements.

Income items where profits (losses) are recognized on fair value measurements are under other profits (losses).

Fair value measurement for assets and liabilities

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

The characteristics include the following elements, for example:

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

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

On the basis of the previous methodologies, inputs and definitions the Company has determined the following market levels for the financial instruments portfolio that it holds as of December 31, 2013:

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE, CLASSIFIED BY HIERARCHY WITH EFFECTS ON INCOME	12-31-2013		
	LEVEL 1 M$	LEVEL 2 M$	LEVEL 3 M$
FINANCIAL ASSETS			
Cross Currency Swap		6,404,827	
FINANCIAL LIABILITIES			
Cross Currency Swap		5,407,987	

FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE, CLASSIFIED BY HIERARCHY WITH EFFECTS ON INCOME	12-31-2012		
	LEVEL 1 M$	LEVEL 2 M$	LEVEL 3 M$
FINANCIAL ASSETS			
Cross Currency Swap		9,019,111	
FINANCIAL LIABILITIES			
Cross Currency Swap		12,665,753	

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3.6. Reclassifications

These financial statements incorporate some reclassifications as of December 31, 2012, due to the existence of financial investments with maturity dates over 90 days.

The relevant modifications realized are presented in the following, shown as variations in regards to the originally issued consolidated financial statements financial statement of Metro S.A.

STATEMENT OF FINANCIAL POSITION (IN M$) BALANCE SHEET	ORIGINALLY ISSUED	RESTATED	VARIANCE
	01-01-2012 12-31-2012	01-01-2012 12-31-2012	01-01-2012 12-31-2012
Cash and cash equivalents	162,517,705	132,034,481	30,483,224
Other current financial assets	910,355	31,393,579	(30,483,224)
TOTAL CURRENT ASSETS	179,362,814	179,362,814	

CASH FLOW STATEMENT (IN M$) CASH FLOW FROM OPERATING ACTIVITIES	ORIGINALLY ISSUED	RESTATED	VARIANCE
	01-01-2012 12-31-2012	01-01-2012 12-31-2012	01-01-2012 12-31-2012
Other payments to acquire debt instruments from other entities		30,483,224	30,483,224
Cash flow from operating activities	(145,655,620)	(176,138,844)	(30,483,224)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	162,517,705	132,034,481	(30,483,224)

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4. CASH AND CASH EQUIVALENTS

Balances of cash and cash equivalents are detailed as follows:

ITEMS	CURRENCY	BALANCE AS OF	
		12-31-2013 M$	12-31-2012 M$
AVAILABLE			
Cash	Ch$	24,636	25,021
	US$	3,190	627
	EUR	724	3,060
Banks	Ch$	1,927,131	174,865
	US$	36,330	24,360
TOTAL AVAILABLE		**1,992,011**	**227,933**
Term deposits	Ch$	78,263,970	86,150,638
	US$	34,761,481	27,909,086
TOTAL TERM DEPOSITS		**113,025,451**	**114,059,724**
Repurchase agreements	Ch$	9,260,383	16,135,074
	US$		960,000
	EUR		651,750
TOTAL REPURCHASE AGREEMENTS		**9,260,383**	**17,746,824**
Promissory notes Central Bank	Ch$	5,001,255	
TOTAL PROMISSORY NOTES CENTRAL BANK		**5,001,255**	
TOTAL CASH AND CASH EQUIVALENTS		**129,279,100**	**132,034,481**
Subtotal by currency	Ch$	94,477,375	102,485,598
	US$	34,801,001	28,894,073
	EUR	724	654,810

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Cash equivalents: correspond to short-term highly liquid investments such as term deposits and fixed income investments – repurchase agreements- that are easily convertible into cash, and are subject to insignificant risk of changes in value, which are maintained to comply with short-term payment commitments, which are detailed as follows as of December 31, 2013 and 2012:

Term deposits

INVESTMENT TYPE	CURRENCY	CAPITAL IN CURRENCY OF ORIGIN M$ - MUS$	AVERAGE ANNUAL RATE	AVERAGE DAYS TO MATURITY	CAPITAL IN LOCAL CURRENCY M$	INTEREST ACCRUED IN LOCAL CURRENCY M$	BOOK VALUE 12-31-2013 M$
Term deposit	Ch$	78,073,833	4.63%	40	78,073,833	190,137	78,263,970
Term deposit	US$	66,238.08	0.34%	17	34,749,159	12,322	34,761,481
TOTAL					112,822,992	202,459	113,025,451

INVESTMENT TYPE	CURRENCY	CAPITAL IN CURRENCY OF ORIGIN M$ - MUS$	AVERAGE ANNUAL RATE	AVERAGE DAYS TO MATURITY	CAPITAL IN LOCAL CURRENCY M$	INTEREST ACCRUED IN LOCAL CURRENCY M$	BOOK VALUE 12-31-2012 M$
Term deposit	Ch$	85,951,226	5.42%	27	85,951,226	199,412	86,150,638
Term deposit	US$	58,129	0.88%	13	27,899,618	9,468	27,909,086
TOTAL					113,850,844	208,880	114,059,724

Repurchase agreements

CODE	DATES		COUNTERPART	ORIGIN CURRENCY	SUBSCRIPTION VALUE M$	ANNUAL RATE %	FINAL VALUE M$	INSTRUMENT IDENTIFICATION	BOOK VALUE 12-31-2013 M$
	BEGINNING	END							
CRV	12-26-2013	01-02-2014	BCI Corredor de Bolsa	Ch$	1,800,000	4.44%	1,801,554	PAGARE R	1,801,110
CRV	12-27-2013	01-02-2014	BCI Corredor de Bolsa	Ch$	1,450,000	4.80%	1,451,160	PAGARE R	1,450,773
CRV	12-30-2013	01-03-2014	BCI Corredor de Bolsa	Ch$	4,000,000	5.04%	4,002,240	PAGARE R	4,000,560
CRV	11-06-2013	01-14-2014	ITAU Corredor de Bolsa	Ch$	1,000,000	4.85%	1,009,292	PAGARE NR	1,007,407
CRV	12-27-2013	01-02-2014	BCI Corredor de Bolsa	Ch$	1,000,000	4.80%	1,000,800	PAGARE R	1,000,533
TOTAL					9,250,000		9,265,046		9,260,383

CODE	DATES		COUNTERPART	ORIGIN CURRENCY	SUBSCRIPTION VALUE M$	ANNUAL RATE %	FINAL VALUE M$	INSTRUMENT IDENTIFICATION	BOOK VALUE 12-31-2012 M$
	BEGINNING	END							
CRV	12-20-2012	01-02-2013	Banco Estado Corredores de Bolsa	Ch$	4,300,000	5.64%	4,308,758	PAGARE	4,307,410
CRV	12-27-2012	01-02-2013	Banco del Estado de Chile	Ch$	4,400,000	4.08%	4,402,992	DPF	4,401,995
CRV	12-24-2012	01-03-2013	Banco Estado Corredores de Bolsa	Ch$	1,400,000	5.64%	1,402,193	PAGARE	1,401,536
CRV	12-26-2012	01-07-2013	Banco Estado Corredores de Bolsa	Ch$	1,000,000	5.76%	1,001,920	PAGARE	1,000,800
CRV	11-26-2012	01-25-2013	Banco del Estado de Chile	Ch$	5,000,000	4.80%	5,040,000	DPF	5,023,333
CRV	12-27-2012	01-03-2013	Banco del Estado de Chile	EUR	121,151	0.00%	121,371	DPF	121,371
CRV	12-27-2012	01-03-2013	Banco del Estado de Chile	EUR	529,417	0.00%	530,421	DPF	530,379
CRV	12-21-2012	02-21-2013	Banco del Estado de Chile	US$	950,040	0.30%	959,816	DPF	960,000
TOTAL					17,700,608		17,767,471		17,746,824

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Promissory notes

INVESTMENT TYPE	CURRENCY	CAPITAL IN CURRENCY OF ORIGIN M$ - MUS$	AVERAGE ANNUAL RATE	AVERAGE DAYS TO MATURITY	CAPITAL IN LOCAL CURRENCY M$	INTEREST ACCRUED IN LOCAL CURRENCY M$	BOOK VALUE 12-31-2013 M$
Promissory note Central Bank	Ch$	4,995,611	0.33%	16	4,995,611	5,644	5,001,255
TOTAL					**4,995,611**	**5,644**	**5,001,255**

5. COMMERCIAL DEBTORS AND OTHER CURRENT ACCOUNTS RECEIVABLE

The breakdown of this line item as of December 31, 2013 and December 31, 2012 is as follows:

COMMERCIAL DEBTORS AND OTHER ACCOUNTS RECEIVABLE, GROSS	BALANCE AS OF	
	12-31-2013 M$	12-31-2012 M$
COMMERCIAL DEBTORS AND OTHER ACCOUNTS RECEIVABLE, GROSS	**11,355,034**	**6,035,165**
Commercial debtors, Gross	4,759,813	3,653,168
Sales channel accounts receivable, Gross	5,258,068	1,599,085
Other accounts receivable, Gross	1,337,153	782,912

COMMERCIAL DEBTORS AND OTHER ACCOUNTS RECEIVABLE, NET	BALANCE AS OF	
	12-31-2013 M$	12-31-2012 M$
COMMERCIAL DEBTORS AND OTHER ACCOUNTS RECEIVABLE, NET	**10,427,899**	**5,532,994**
Commercial debtors, Net	3,832,678	3,150,997
Sales channel accounts receivable, Net	5,258,068	1,599,085
Other accounts receivable, Net	1,337,153	782,912

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

As of December 31, 2013 and December 31, 2012 the analysis of net trade and other accounts receivable by age and expiration date is detailed as follows:

COMMERCIAL DEBTORS, NET	BALANCE AS OF	
	12-31-2013 M$	12-31-2012 M$
Maturity up to 3 months	2,500,164	2,774,460
Maturity from 3 months to 1 year	973,483	375,837
Maturity more than 1 year	359,031	700
TOTAL	**3,832,678**	**3,150,997**

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SALES CHANNEL ACCOUNTS RECEIVABLE, NET	BALANCE AS OF	
	12-31-2013 M$	12-31-2012 M$
Maturity up to 3 months	5,256,774	1,599,085
Maturity from 3 months to 1 year	1,294	
TOTAL	**5,258,068**	**1,599,085**

OTHER ACCOUNTS RECEIVABLE, NET	BALANCE AS OF	
	12-31-2013 M$	12-31-2012 M$
Maturity up to 3 months	1,256,181	183,056
Maturity from 3 months to 1 year	80,972	599,856
TOTAL	**1,337,153**	**782,912**

Movements in the impairment provision and bad debt write-offs are detailed as follows:

EXPIRED AND UNPAID COMMERCIAL DEBTORS WITH IMPAIRMENT	M$
BALANCE AS OF DECEMBER 31, 2012	**502,171**
Increase (reduction) in the period	424,964
BALANCE AS OF DECEMBER 31, 2013	**927,135**

The Company establishes a provision using the evidence of impairment of commercial debtors.

Once pre-judicial and judicial collection measures have been exhausted the assets are written-off against the provision recorded. The Company only uses the provision method and no direct write-offs, for a better control of this item.

6. INVENTORIES

Inventory balances are composed as follows:

INVENTORY TYPES	12-31-2013 M$	12-31-2012 M$
Inventories and stock	1,659,083	879,473
Maintenance parts and accessories	5,385,272	6,239,117
Imports in transit and others	247,262	227,695
TOTAL	**7,291,617**	**7,346,285**

As of December 31, 2013 and 2012, inventory consumption was charged to the statement of income under the cost of sales line item of the comprehensive income statement, in the amount of M$6,999,287 and M$7,242,869, respectively.

As of December 2013 there are no inventory write-offs recognized in expenses, whereas as of the same date the previous year there was M$1,261. Based on the analysis performed by management there is no objective evidence of impairment of spare parts, maintenance accessories and supplies inventory that are included in this group.

There is no inventory items pledged or subject to any lien in the period.

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7. INTANGIBLE ASSETS OTHER THAN GOODWILL

Intangible assets other than goodwill correspond to licenses and software and transit easements. They are accounted for using the acquisition cost and subsequently valued at the net cost of the corresponding accumulated amortization and impairment losses which they may have experienced.

Licenses and software is amortized using the straight-line method over the applicable useful life, which is generally estimated at four years. For easements, the contracts are established in perpetuity, considered with undefined useful life, and therefore they are not amortized.

At the balance sheet date, the Company found no objective evidence of impairment for this type of asset, in accordance with what is described in Note 2.6.

The items of the comprehensive income statement that include amortization of intangible assets with finite useful lives are the cost of sales and administrative expenses line items.

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

a) Intangible assets other than goodwill as of December 31, 2013 and December 31, 2012 are detailed as follows:

ITEM	12-31-2013			12-31-2012		
	GROSS INTANGIBLE M$	ACCUMULATED AMORTIZATION M$	NET INTANGIBLE M$	GROSS INTANGIBLE M$	ACCUMULATED AMORTIZATION M$	NET INTANGIBLE M$
Licenses and Software	4,566,853	(2,184,917)	2,381,936	4,055,888	(1,682,186)	2,373,702
Easements	949,310		949,310	581,002		581,002
TOTAL	**5,516,163**	**(2,184,917)**	**3,331,246**	**4,636,890**	**(1,682,186)**	**2,954,704**

b) Movements of intangible assets other than goodwill for the year ended December 31, 2013 are detailed as follows:

MOVEMENTS	LICENSES AND SOFTWARE M$	EASEMENTS M$	NET TOTAL INTANGIBLES M$
Opening balance 01-01-2013	2,373,702	581,002	2,954,704
Additions	510,966	368,308	879,274
Amortization	(502,732)		(502,732)
Closing balance 12-31-2013	2,381,936	949,310	3,331,246
Average remaining useful live	3 years	Perpetual	

c) Movements of intangible assets other than goodwill for 2012 are detailed as follows:

MOVEMENTS	LICENSES AND SOFTWARE M$	EASEMENTS M$	NET TOTAL INTANGIBLES M$
Beginning balance 01-01-2012	1,994,676	581,002	2,575,678
Additions	791,735		791,735
Amortization	(412,709)		(412,709)
Closing balance 12-31-2012	2,373,702	581,002	2,954,704
Average remaining useful live	4 years	Perpetual	

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8. PROPERTY, PLANT AND EQUIPMENT

a) Property, plant and equipment items are detailed as follows:

PROPERTY, PLANT AND EQUIPMENT, BY TYPE	12-31-2013 M$	12-31-2012 M$
CLASSES OF PROPERTY, PLANT AND EQUIPMENT, NET		
PROPERTY, PLANT AND EQUIPMENT, NET	2,822,197,875	2,683,391,400
Work in progress, net	203,211,577	78,814,062
Land, net	83,397,592	57,386,998
Civil works, net	1,431,439,815	1,448,580,862
Buildings, net	73,383,899	74,884,040
Rolling stock, net	719,209,832	697,915,106
Electrical equipment, net	272,965,702	293,575,353
Machinery and equipment, net	14,011,576	14,275,255
Other, net	24,577,822	17,959,724
CLASSES OF PROPERTY, PLANT AND EQUIPMENT, GROSS		
PROPERTY, PLANT AND EQUIPMENT, GROSS	3,149,850,297	2,941,716,360
Work in progress, gross	203,211,577	78,814,062
Land, gross	83,397,592	57,386,998
Civil works, gross	1,517,834,953	1,516,901,916
Buildings, gross	82,613,905	82,185,626
Rolling stock, gross	843,060,738	795,874,598
Electrical equipment, gross	371,719,300	370,749,113
Machinery and equipment, gross	23,434,350	21,844,323
Other, gross	34,577,882	17,959,724
CLASSES OF ACCUM. DEP. & IMP. OF PROPERTY, PLANT & EQUIPMENT		
TOTAL ACCUM. DEP. AND IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT	327,652,422	258,324,960
Accumulated depreciation of civil works	86,395,138	68,321,054
Accumulated depreciation of buildings	9,230,006	7,301,586
Accumulated depreciation of rolling stock	123,850,906	97,959,492
Accumulated depreciation of electrical equipment	98,753,598	77,173,760
Accumulated depreciation machinery and equipment	9,422,774	7,569,068

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b) Property, plant and equipment movements during the years ended December 31, 2013 and 2012 are detailed as follows:

	2013 MOVEMENT	WORK IN PROGRESS	LAND	CIVIL WORKS	BUILDINGS	ROLLING STOCK	ELECTRICAL EQUIPMENT	MACHINERY AND EQUIPMENT	OTHER	PROPERTY, PLANT & EQUIPMENT, NET
	Beginning bal. as of January 1, 2013	78,814,062	57,386,998	1,448,580,862	74,884,040	697,915,106	293,575,353	14,275,255	17,959,724	2,683,391,400
Movements	Additions	145,424,166	27,889,839	176,940		32,871,626	571,846	691,560	6,618,158	214,244,135
	Transfers	(21,022,535)		756,097	428,279	17,723,013	916,161	936,708		(262,277)
	Derecognition or sales	(4,116)	(1,879,245)			(155,724)	(264,102)	(1,976)		(2,305,163)
	Depreciation expense			(18,074,084)	(1,928,420)	(29,144,189)	(21,833,556)	(1,889,971)		(72,870,220)
	TOTAL MOVEMENTS	124,397,515	26,010,594	(17,141,047)	1,500,141)	21,294,726	(20,609,651)	(263,679)	6,618,158	138,806,475
	CLOSING BAL. AS OF DECEMBER 31, 2013	203,211,577	83,397,592	1,431,439,815	73,383,899	719,209,832	272,965,702	14,011,576	24,577,882	2,822,197,875

	2012 MOVEMENT	WORK IN PROGRESS	LAND	CIVIL WORKS	BUILDINGS	ROLLING STOCK	ELECTRICAL EQUIPMENT	MACHINERY AND EQUIPMENT	OTHER	PROPERTY, PLANT & EQUIPMENT, NET
	Beginning bal. as of January 1, 2012	38,057,681	56,965,858	1,463,876,383	76,168,250	666,024,366	311,795,233	14,779,689	17,694,830	2,645,362,290
Movements	Additions	58,993,227	421,140	131,223		50,076,000	548,821	629,755	264,894	111,065,360
	Transfers	(18,236,846)		2,629,844	647,046	10,123,783	3,274,356	755,651		(806,166)
	Derecognition or sales					(1,091,127)	(105,704)	(20,806)		(1,217,637)
	Depreciation expense			(18,056,588)	(1,931,256)	(27,218,216)	(21,937,353)	(1,869,034)		(71,012,447)
	TOTAL MOVEMENTS	40,756,381	421,140	(15,295,521)	(1,284,210)	31,890,740	(18,219,880)	(504,434)	264,894	38,029,110
	CLOSING BAL. AS OF DECEMBER 31, 2012	78,814,062	57,386,998	1,448,580,862	74,884,040	697,915,106	293,575,353	14,275,255	17,959,724	2,683,391,400

c) The useful life of the main assets that compose property, plant and equipment are detailed as follows:

The main useful lives used to depreciate the following assets are detailed as follows:

ITEMS	ESTIMATED USEFUL LIFE IN YEARS
Railway network	60
Stations	100
Tunnels	100
Rolling stock	40

d) Impairment

As of the date of the statement of financial position, the Company did not find objective evidence of impairment of its property, plant and equipment assets as described in Note 2.8.

e) Collateral contract and insurance agreement on rolling stock

To guarantee the financial loan signed on January 23, 2004 granted by a syndicate of banks, whose bank agent is BNP Paribas, an immovable pledge agreement was signed on 26, NS93 model train cars. These assets are covered by fire insurance issued by Mapfre Seguros Generales in accordance with Policy No. 101-13-00132077 brokered by Orbital JLT Corredores de Seguros Ltda.

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f) Investment Projects (not audited)

As of December 31, 2013, the estimated balances necessary to carry out the authorized projects that form part of the Company's expansion plan which ends in the year 2018, is approximately MM$ 1,377,855 detailed as follows by type of investment: MM$ 770,870 for civil works, MM$ 319,786 for systems and equipment and MM$ 287,199 for rolling stock.

g) Parts and accessories

As of December 31, 2013 spare parts and accessories and maintenance materials reached M$ 23,220,925 and M$ 17,434,027 as of December 31, 2012. These values include spare parts that have not moved for over four years, based on which obsolescence provisions were established in the amount of M$ 2,263,990 as of December 31, 2013 and as of December 31, 2012.

h) Disclosures of revalued assets (first-time adoption of IFRS1)

1. TINSA Consultants were hired as independent experts on land valuation during the convergence process.

2. The comparison method was used (regarding commercial market value).

3. Fair value was directly determined based on prices observable in an active market.

4. Reserve funds were created for the revaluation of lands, which are recorded in equity in the balance sheet.

i) Other disclosures

1. There are no property, plant and equipment items that are out of service.

   The gross carrying amount of property, plant and equipment that is fully amortized and is still in use is M$9,922,924 as of December 31, 2013 and M$7,960,193 as of December 31, 2012.

2. There is no material property, plant and equipment elements that have been removed and not classified, that are recorded as held for sale in accordance with IFRS 5.

3. There are no useful life revaluations.

j) Financing costs

During the 2013 and 2012 periods the Company did not capitalize any interest costs attributable to property, plant and equipment.

9. INVESTMENT PROPERTIES

Investment properties correspond mainly to commercial spaces, land and buildings that are held by the Company to be exploited them under operating leases.

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

Total investment properties as of December 31, 2013, amount to M$13,308,911 (M$13,496,309 as of December 31, 2012).

INVESTMENT PROPERTIES	COMMERCIAL STORES	LAND	BUILDINGS	TOTAL
BALANCE AS OF 01-01-2013	3,866,971	607,816	9,021,522	13,496,309
Additions	31,014			31,014
Withdrawals				
CLOSING BALANCE	3,897,985	607,816	9,021,522	13,527,323
Depreciation for the period	(118,002)		(100,410)	(218,412)
Loss due to impairment				
BALANCE AS OF 12-31-2013	3,779,983	607,816	8,921,112	13,308,911

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INVESTMENT PROPERTIES	COMMERCIAL STORES	LAND	BUILDINGS	TOTAL
BALANCE AS OF 01-01-2012	**3,981,872**	**607,816**	**8,216,763**	**12,806,451**
Additions			897,569	897,569
Withdrawals				
CLOSING BALANCE	**3,981,872**	**607,816**	**9,114,332**	**13,704,020**
Depreciation for the period	(114,901)		(92,810)	(207,711)
Loss due to impairment				
BALANCE AS OF 12-31-2012	**3,866,971**	**607,816**	**9,021,522**	**13,496,309**

As established by IAS 40, the fair value of investment properties measured at costs has to be disclosed. For this reason, we have realized this calculation by means of internal valuations and based on discounted future cash flow projections. It is estimated that fair value as of December 31, 2013 is M$ 84,091,443 (as of December 31, 2012 M$ 73,307,540).

CONCEPT	YEAR 2013 M$	YEAR 2012 M$
Commercial stores	53,061,295	49,331,484
Land	24,475,589	21,092,471
Buildings	6,554,559	2,883,585
TOTAL	**84,091,443**	**73,307,540**

Operating income and expenses of investment properties as of December 2013 and 2012 are detailed as follows:

INVESTMENT PROPERTY INCOME AND EXPENSES	ACCUMULATED	
	12-31-2013 M$	12-31-2012 M$
Commercial stores	3,834,757	3,776,898
Land	1,754,770	1,586,888
Buildings	547,894	299,706
TOTAL LEASE INCOME AMOUNT	**6,137,421**	**5,663,492**
Commercial stores	(111,470)	(103,610)
Land	(37,330)	(16,313)
Buildings	(87,963)	(84,990)
TOTAL LEASE EXPENSE AMOUNT	**(236,763)**	**(204,913)**

The Company has not evidenced indications of impairment of investment properties.

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

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

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10. OTHER FINANCIAL ASSETS, CURRENT AND NON-CURRENT

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

ITEM	12-31-2013		12-31-2012	
	CURRENT M$	NON-CURRENT M$	CURRENT M$	NON-CURRENT M$
Financial investments, over 3 months	68,347,854		30,483,224	
Hedge operations	776,236	5,628,591	887,788	8,131,323
Financial lease	27,132	1,526,916	22,567	1,421,783
Promissory notes receivable		359,408		339,016
Other accounts receivable		1,511		
TOTAL	69,151,222	7,516,430	31,393,579	9,892,122

Financial investments, over 3 months

Term deposits

INVESTMENT TYPE	CURRENCY	CAPITAL IN CURRENCY OF ORIGIN M$ - MUS$	AVERAGE ANNUAL RATE	AVERAGE DAYS TO MATURITY	CAPITAL IN LOCAL CURRENCY M$	INTEREST ACCRUED IN LOCAL CURRENCY M$	BOOK VALUE 12-31-2013 M$
Term deposit	Ch$	51,673,427	5.04%	60	51,673,427	619,725	52,293,152
Term deposit	US$	27,569.59	0.43%	23	14,463,284	15,646	14,478,930
TOTAL					66,136,711	635,371	66,772,082

INVESTMENT TYPE	CURRENCY	CAPITAL IN CURRENCY OF ORIGIN M$ - MUS$	AVERAGE ANNUAL RATE	AVERAGE DAYS TO MATURITY	CAPITAL IN LOCAL CURRENCY M$	INTEREST ACCRUED IN LOCAL CURRENCY M$	BOOK VALUE 12-31-2012 M$
Term deposit	Ch$	30,307,562	6.17%	150	30,307,562	175,662	30,483,224
TOTAL					30,307,562	175,662	30,483,224

Repurchase agreements

DATES		COUNTERPART	ORIGIN CURRENCY	SUSCRIPTION VALUE M$	ANNUAL RATE %	FINAL VALUE M$	INSTRUMENT IDENTIFICATION	BOOK VALUE 12-31-2013 M$
BEGINNING	END							
09-11-2013	01-23-2014	Banco Estado	US$	1,520,400	5.28%	1,576,173	Fixed rent	1,575,772
TOTAL				1,520,400		1,576,173		1,575,772

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Hedge Operations
Financial assets as of December 31, 2013

TAX ID NO.	NAME	CTRY	TAX ID NO.	NAME	COUNTRY	CURRENCY	NOMINAL RATE	AMORTIZATION	CURRENT			NON-CURRENT			
									MATURITY		TOTAL CURRENT 12-31-2013 M$	MATURITY			TOTAL NON-CURRENT 12-31-2013 M$
									UP TO 90 DAYS M$	90 DAYS TO 1 YEAR M$		1 TO 3 YEARS M$	3 TO 5 YEARS M$	5 YEARS & OVER M$	
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual		2,769	2,769				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual		227	227				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.56750%	biannual		979	979				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.54550%	biannual		352	352				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56750%	biannual	292		292				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.55350%	biannual		4,425	4,425				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.56680%	biannual		7,414	7,414				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual		9,459	9,459				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.56550%	biannual		1,483	1,483				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.54550%	biannual		201	201				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.55540%	biannual		236	236				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual		610	610				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.55350%	biannual		151	151				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56650%	biannual		4,832	4,832				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56620%	biannual		1,875	1,875				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.55350%	biannual		92	92				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.56550%	biannual		737	737				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.58740%	biannual	934		934				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.54550%	biannual		405	405				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.59550%	biannual	14,275		14,275				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.54990%	biannual		2,162	2,162				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.59450%	maturity	49,780		49,780				
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argen-taria	Chile	US$	0.59450%	maturity	17,795		17,795				
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argen-taria	Chile	US$	0.59550%	biannual	14,082		14,082				
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	US$	0.56550%	biannual		20,571	20,571				
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US$	4.19000%	biannual	620,098		620,098	2,597,811	1,731,874	1,298,906	5,628,591
						TOTAL			717,256	58,980	776,236	2,597,811	1,731,874	1,298,906	5,628,591

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Financial assets as of December 31, 2012

									CURRENT			NON-CURRENT			
									MATURITY			MATURITY			
TAX ID NO.	NAME	CTRY	TAX ID NO.	NAME	COUNTRY	CURRENCY	NOMINAL RATE	AMORTIZATION	UP TO 90 DAYS M$	90 DAYS TO 1 YEAR M$	TOTAL CURRENT 12-31-2012 M$	1 TO 3 YEARS M$	3 TO 5 YEARS M$	5 YEARS & OVER M$	TOTAL NON-CURRENT 12-31-2012 M$
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.82040%	biannual		5,085	5,085				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.82040%	biannual		417	417				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.84065%	biannual		1,858	1,858				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.72700%	biannual		553	553				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.84065%	biannual		588	588				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.73800%	biannual		6,747	6,747				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.82590%	biannual		12,354	12,354				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.82040%	biannual		17,367	17,367				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.82040%	biannual		2,722	2,722				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank e	Chile	US$	0.72800%	biannual		349	349				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.72650%	biannual		395	395				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.82040%	biannual		1,120	1,120				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.72300%	biannual		264	264				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.84065%	biannual		9,185	9,185				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.80390%	biannual		3,206	3,206				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.72300%	biannual		161	161				
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	US$	0.82040%	biannual		1,353	1,353				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.89470%	biannual	1,823		1,823				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.72700%	biannual		635	635				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.92370%	biannual	25,323		25,323				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.72700%	biannual		3,397	3,397				
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	US$	0.91815%	Maturity	70,337		70,337				
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	US$	0.91815%	Maturity	25,143		25,143				
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	US$	0.92370%	biannual	24,980		24,980				
61.219.000-3	Metro S.A.	Chile	97.951.000-4	HSBC Bank Chile	Chile	US$	0.92700%	biannual		1,462	1,462				
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	US$	0.82040%	biannual		38,226	38,226				
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US$	4.19000%	biannual		632,738	632,738	3,049,246	2,032,831	3,049,246	8,131,323
						TOTAL			147,606	740,182	887,788	3,049,246	2,032,831	3,049,246	8,131,323

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Financial Leasing

From August 1, 2004 to July 31, 2034, the Company leases to Chilectra S.A. each and every one of the components of the SEAT Rectification Substations, Vicente Valdés and the 20 KV networks up to their arrival to the verifying spots. The useful life of the assets have the same duration as the respective lease contract, therefore and in accordance with IAS 17, it is a financial lease. For that reason, machinery and equipment was derecognized from property, plant and equipment and recognized in accounts receivable at the time of adoption of IFRS.

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

The Company issues an annual invoice to Chilectra S.A., during the first 15 days of July, which shall be paid 30 days after that invoice is received. The payments that the tenant makes are divided into two parts, one that represents the financial burden and another which reduces the existing debt. The total financial burden is distributed among the periods that constitute the term of the lease.

There are no unguaranteed residual value amounts accrued in favor of the lessor.

There is no accumulated provision for minimum payments on uncollectible leases.

There are no contingent leases recognized as income for the period.

UNPAID FUTURE MINIMUM LEASE PAYMENTS	12-31-2013			12-31-2012		
	GROSS AMOUNT M$	INTEREST M$	CURRENT VALUE M$	GROSS AMOUNT M$	INTEREST M$	CURRENT VALUE M$
Up to 1 year	165,942	138,810	27,132	151,820	129,253	22,567
More than 1 year but less than 5 years	829,719	647,503	182,216	759,100	607,548	151,552
More than 5 years	2,323,210	978,510	1,344,700	2,277,300	1,007,069	1,270,231
TOTAL	**3,318,871**	**1,764,823**	**1,554,048**	**3,188,220**	**1,743,870**	**1,444,350**

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11. OTHER NON-FINANCIAL ASSETS, CURRENT AND NON-CURRENT

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

OTHER CURRENT NON-FINANCIAL ASSETS	12-31-2013 M$	12-31-2012 M$
Prepaid expenses	147,869	33,504
Advances to suppliers and personnel	3,325,745	2,550,740
TOTAL	3,473,614	2,584,244

OTHER NON-CURRENT NON-FINANCIAL ASSETS	12-31-2013 M$	12-31-2012 M$
Funds allocated to pay for expropriations of new lines	44,609,507	65,019,448
VAT tax credit (*)	21,345,681	21,143,333
Advance payment	842,578	799,471
TOTAL	66,797,766	86,962,252

(*) The calculation base for the proportional part of the VAT fiscal credit was questioned through administrative resolution issued by the SII for which Metro S.A. filed a complaint. The complaint is currently in process at the Supreme Court, by virtue of the recourse filed by Metro S.A. against the second instance sentence dictated by the Court of Appeals of Santiago on June 27, 2013. That appeal was accepted for process on July 24, 2013.

On January 27, 2014 the hearing of the case by appeal took place in which the deductible of Metro was revised. It was agreed on the result and the transcript of the verdict was designated.

In the face of the current conviction and the opinion of our legal advisors, it is possible that there is an obligation that will require an outflow of resources for the Company, which would imply a decrease in the remaining VAT tax credit. However, given that the executed sentence has not yet been dictated, the amount of the impact is not determinable as of the date of the emission of these financial statements. Additionally, amounts which potentially would not be recoverable according to the resolution of the lawsuit would be part of the cost of fixed assets, without having any effect on the Company's income statement.

12. OTHER FINANCIAL LIABILITIES, CURRENT AND NON-CURRENT

The breakdown of this line item is as follows:

ITEM	12-31-2013		12-31-2012	
	CURRENT M$	NON-CURRENT M$	CURRENT M$	NON-CURRENT M$
Loans and accrued interest	89,847,634	261,902,332	50,143,308	322,062,679
Bonds	25,827,031	827,651,167	21,368,637	823,280,403
Hedge operations	693,359	4,714,628	820,111	11,845,642
TOTAL	116,368,024	1,094,268,127	72,332,056	1,157,188,724

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Loans with accrued interest

Biannual and equivalent loans that have accrued interest as of December 31, 2013

TAX ID NO.	NAME	COUNTRY	TAX ID NO.	NAME	COUNTRY	CURRENCY	EFFECTIVE RATE	CURRENT			NON-CURRENT			
								MATURITY		TOTAL CURRENT 12-31-2013 M$	MATURITY			TOTAL NON-CURRENT 12-31-2013 M$
								UP TO 90 DAYS M$	90 DAYS 1 YEAR M$		1 TO 3 YEARS M$	3 TO 5 YEARS M$	5 YEARS AND OVER M$	
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US$	1.88%	30,935,626	56,318,618	87,254,244	143,178,081	34,837,829	9,410,794	187,426,704
61.219.000-3	Metro S.A.	Chile	O-E	Natixis Banques	France	US$	0.71%	496,361	1,750,379	2,246,740	6,672,495	4,448,330	15,645,158	26,765,983
61.219.000-3	Metro S.A.	Chile	O-E	Natixis Banques	France	EUR	2.00%	7,921	49,783	57,704	170,907	113,938	209,899	494,744
61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Société Générale	France	US$	1.79%	104,031		104,031	15,738,300			15,738,300
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Banco Bilbao Vizcaya Argentaria	Chile	US$	2.03%	148,128	36,787	184,915	31,476,601			31,476,601
						TOTAL		31,692,067	58,155,567	89,847,634	197,236,384	39,400,097	25,265,851	261,902,332

Biannual and equivalent loans that have accrued interest as of December 31, 2012

TAX ID NO.	NAME	COUNTRY	TAX ID NO.	NAME	COUNTRY	CURRENCY	EFFECTIVE RATE	CURRENT			NON-CURRENT			
								MATURITY		TOTAL CURRENT 12-31-2012 M$	MATURITY			TOTAL NON-CURRENT 12-31-2012 M$
								UP TO 90 DAYS M$	90 DAYS 1 YEAR M$		1 TO 3 YEARS M$	3 TO 5 YEARS M$	5 YEARS AND OVER M$	
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US$	1.77%	7,837,800	39,890,926	47,728,726	158,226,621	74,122,489	19,511,124	251,860,234
61.219.000-3	Metro S.A.	Chile	O-E	Natixis Banques	France	US$	0.72%	453,376	1,601,410	2,054,786	6,104,593	4,069,729	16,348,450	26,522,772
61.219.000-3	Metro S.A.	Chile	O-E	Natixis Banques	France	EUR	2.00%	7,008	43,588	50,596	149,706	99,804	233,763	483,273
61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Société Générale	France	US$	2.10%	112,176		112,176	14,398,800			14,398,800
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Banco Bilbao Vizcaya Argentaria	Chile	US$	2.28%	157,913	39,111	197,024		28,797,600		28,797,600
						TOTAL		8,568,273	41,575,035	50,143,308	178,879,720	107,089,622	36,093,337	322,062,679

Restrictions on Loans with accrued interest:

- Loan from Natixis Bank (financial protocol of the French Government to the Chilean government) in the amount of US$ 87,793,769.88. As of December 31, 2013 it has been fully used, leaving a principal balance of US$ 55,260,379.03.

- Loan from Natixis Bank (financial protocol of the French Government to the Chilean government) in the amount of € 1,573,093.76. As of December 31, 2013 it has been fully used, leaving a principal balance of € 761,719.90.

- Financial Loan Agreement for the Metro Line 4 Project, with a syndicate of banks led by BNP Paribas, in the amount of US$150,000,000, which is State guaranteed. As of December 31, 2013 it has been fully used, leaving a principal balance of US$17,647,058.80.

- Buyer Credit Facility Agreement for the Metro Line 4 Project, with a syndicate of banks led by BNP Paribas, in the amount of US$340,000,000, which is State guaranteed. As of December 31, 2013 it has been fully used, leaving a principal balance of US$99,698,857.74.

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- Buyer Credit Facility Agreement for the acquisition of rolling stock, with a syndicate of banks led by BNP Paribas in the amount of US$46,855,822.64, without guarantees. As of December 31, 2013 it has been fully used, leaving a principal balance of US$ 20,112,917.53.

- Buyer Credit Facility Agreement for the Lines 2 and 5 Extension Project, with a syndicate of banks led by BNP Paribas, in the amount of US$99,965,926, which is State guaranteed. As of December 31, 2013 it has been fully used, leaving a principal balance of US$ 358,991.94.

- Financial Loan Agreement to finance part of the Line 4 Project to Extend Line 2 to the North on Recoleta, with a syndicate of banks led by BNP Paribas, in the amount of US$200,000,000, which is secured by a lien on model NS 93 trains. As of December 31, 2013 it has been fully used, leaving a principal balance of US$ 45,999,052.80.

  That agreement establishes that during 2013 the maximum debt/equity ratio must not exceed 2.0. As of December 31, 2013 this debt/equity ratio is 0.72.

- Financial Loan Agreement for Extension Projects on Line 5 to Maipú and Extension of Line 1 to Los Dominicos, with a syndicate of international banks headed by BNP Paribas, in the amount of US$260,000,000. As of December 31, 2013 there is an amount to be used of US$17,421,404.67 and a principal balance left of US$ 167,424,313.06.

- Financial Loan Agreement for Extension Projects on Line 5 to Maipú and Extension of Line 1 to Los Dominicos, with a syndicate of international banks headed by BNP Paribas, in the amount of US$130,000,000, without guarantees. As of December 31, 2013 it has been fully used, leaving a principal balance of US$ 81,250,000.

  That agreement establishes that as of December 31, 2013, the maximum debt/equity ratio must be equal to or less than 1.70 with minimum equity of MM$700, a relation of EBITDA/income from operating activities equal or above 32% and an interest coverage ratio of at least 1.1. As of December 31, 2013 this debt/equity ratio is 0.72, equity reaches MM$1,821, the relation EBITDA/income from operating activities is 33.09% and the interest coverage ratio is 1.98, calculated as set forth in the relevant loan agreement.

- Debt Restructuring Loan Agreement, with BNP Paribas, in the amount of US$90,000,000 (Bullet payment at maturity date). This financing is state guaranteed in the amount of US$60,000,000. As of December 31, 2013 it has been fully used, leaving a principal balance of US$90,000,000.

  That agreement establishes that as of December 31, 2013, the maximum debt/equity ratio must be equal to or less than 1.70 with minimum equity of MM$700, a relation of EBITDA/income from operating activities equal or above 32% and an interest coverage ratio of at least 1.1. As of December 31, 2013 this debt/equity ratio is 0.72, equity reaches MM$1,821, the relation EBITDA/income from operating activities is 33.09% and the interest coverage ratio is 1.98, calculated as set forth in the relevant loan agreement.

- Debt Restructuring Credit Agreement, with Société Générale, in the amount of US$30,000,000. This financing is not guaranteed. As of December 31, 2013 it has been fully used, leaving a principal balance of US$30,000,000.

  That agreement establishes that as of December 31, 2013, the maximum debt/equity ratio must be equal to or less than 1.70 with minimum equity of MM$700, a relation of EBITDA/income from operating activities equal or above 32% and an interest coverage ratio of at least 1.1. As of December 31, 2013 this debt/equity ratio is 0.72, equity reaches MM$1,821, the relation EBITDA/income from operating activities is 33.09% and the interest coverage ratio is 1.98, calculated as set forth in the relevant loan agreement.

- Debt Restructuring Loan Agreement, with Banco Bilbao Vizcaya Argentaria, for US$ 60,000,000. This financing does not have any guarantees. As of December 31, 2013 it has been fully used, leaving a principal balance of US$60,000,000.

  That agreement establishes that as of December 31, 2013, the maximum debt/equity ratio must be equal to or less than 1.70 with minimum equity of MM$700, a relation of EBITDA/income from operating activities equal or above 32% and an interest coverage ratio of at least 1.1. As of December 31, 2013 this debt/equity ratio is 0.72, equity reaches MM$1,821, the relation EBITDA/income from operating activities is 33.09% and the interest coverage ratio is 1.98, calculated as set forth in the relevant loan agreement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Bonds

The breakdown of this line item in M$ is as follows:

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

SERIES	DEBTOR TAX ID NO.	NAME	DEBTOR COUNTRY	BANK TAX ID NO.	RTB BANK AND PAYER	CNTRY.	CURRENCY	NOMINAL RATE	EFFECTIVE RATE	TYPE OF AMORTIZATION	CURRENT			NON-CURRENT			
											MATURITY		TOTAL CURRENT 12-31-2013 M$	MATURITY			TOTAL NON-CURRENT 12-31-2013 M$
											UP TO 90 DAYS M$	90 DAYS - 1 YEAR M$		1 TO 3 YEARS M$	3 TO 5 YEARS M$	5 YEARS & OVER M$	
A	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.6%	6.3%	biannual	3,958,997	1,631,670	5,590,667	9,790,017	9,790,038	64,879,282	84,459,337
B	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.6%	5.9%	biannual	815,835	1,236,437	2,052,272	5,710,843	5,710,842	31,659,132	43,080,817
C	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.5%	5.5%	biannual	3,809,181	1,553,971	5,363,152	9,323,826	7,769,854	69,839,888	86,933,568
D	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.1%	biannual	3,886,947	1,553,971	5,440,918	9,323,826	6,215,884	77,230,007	92,769,717
E	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	4.9%	biannual		1,540,319	1,540,319	6,526,678	4,351,119	56,286,834	67,164,631
F	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.0%	biannual	1,108,164		1,108,164	4,428,817	2,952,545	38,735,666	46,117,028
G	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	4.5%	3.1%	biannual	855,269		885,269	4,351,119	4,351,119	64,915,769	73,618,007
H	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.3%	4.5%	biannual	457,312		457,312	9,323,824	9,323,824	4,469,303	23,116,951
I	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.7%	4.8%	biannual	1,423,204		1,423,204		6,039,289	59,702,070	65,741,359
J	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.5%	4.5%	biannual		495,632	495,632			92,830,206	92,830,206
K	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	3.8%	4.0%	biannual	1,326,037		1,326,037			117,178,891	117,178,891
L	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	3.9%	3.8%	biannual		174,085	174,085			34,640,655	34,640,655
							TOTAL				17,640,946	8,186,085	25,827,031	58,778,950	56,504,514	712,367,703	827,651,167

The Company's biannual liabilities in Chile as of December 31, 2012

SERIES	DEBTOR TAX ID NO.	NAME	DEBTOR COUNTRY	BANK TAX ID NO.	RTB BANK AND PAYER	CNTRY.	CURRENCY	NOMINAL RATE	EFFECTIVE RATE	TYPE OF AMORTIZATION	CURRENT			NON-CURRENT			
											MATURITY		TOTAL CURRENT 12-31-2012 M$	MATURITY			TOTAL NON-CURRENT 12-31-2012 M$
											UP TO 90 DAYS M$	90 DAYS - 1 YEAR M$		1 TO 3 YEARS M$	3 TO 5 YEARS M$	5 YEARS & OVER M$	
A	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.6%	6.3%	biannual	3,960,820	1,598,853	5,559,673	9,593,117	7,994,263	68,007,914	85,595,294
B	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.6%	5.9%	biannual	799,426	1,226,287	2,025,713	4,796,558	3,997,132	34,921,253	43,714,943
C	61.219.000-3	Metro S.A.	Chile	97.080.000-K	Banco Bice	Chile	UF	5.5%	5.5%	biannual	3,808,772	1,522,717	5,331,489	9,136,302	6,090,868	72,993,422	88,220,592
D	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.1%	biannual	2,286,055		2,286,055	9,136,302	6,090,868	78,933,030	94,160,200
E	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	4.9%	biannual		443,440	443,440	5,329,509	4,263,608	57,501,257	67,094,374
F	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	5.5%	5.0%	biannual	1,085,876		1,085,876	2,893,162	2,893,162	39,531,456	45,317,780
G	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	4.5%	3.1%	biannual	838,068		838,068	2,131,804	4,263,608	66,318,396	72,713,808
H	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.3%	4.5%	biannual	448,115		448,115	4,568,150	9,136,300	8,895,511	22,599,961
I	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.7%	4.8%	biannual	1,394,580		1,394,580			64,352,953	64,352,953
J	61.219.000-3	Metro S.A.	Chile	97.036.000-K	Banco Santander	Chile	UF	4.5%	4.5%	biannual		485,663	485,663			90,938,938	90,938,938
K	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	3.8%	4.0%	biannual	1,299,367		1,299,367			114,642,038	114,642,038
L	61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	3.9%	3.8%	biannual		170,598	170,598			33,929,522	33,929,522
							TOTAL				15,921,079	5,447,558	21,368,637	47,584,904	44,729,809	730,965,690	823,280,403

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On July 31, 2001, December 5, 2001, August 9, 2002, September 3, 2003, June 23, 2004 and September 14, 2005, the Company placed Series A to G bonds in the domestic market, all calculated on the basis of a 360-day year, at a 25-year term with 10 years of grace period for the principal payment, with biannual interest payments and without early redemption. The par value is expressed in M$.

On September 3, 2008, the Company placed Series H and I bonds in the domestic market, calculated on the basis of a 360-day year, with a 12-year term and 7 years of grace period for series H and a 21-year term with 10 years of grace period for Series I, with biannual interest payments and early redemption. The par value is expressed in M$.

On November 18, 2009, the Company placed Series J bonds in the domestic market, calculated on the basis of a 360-day year, at a 25-year term with 10 years of grace period, with biannual payment of interest and without early redemption. The par value is expressed in M$.

On October 6, 2011, the Company placed series K bonds in the domestic market, calculated on the basis of a 360-day year, at a 21-year term with 16 years of grace period for principal payment, with semiannual interest payments and early redemption. The par value is expressed in M$.

On May 24, 2012, the Company placed Series L bonds in the domestic market, calculated on the basis of a 360-day year, at a 21-year term with 21 years of grace period for principal payment, with payment of biannual interest and early redemption. The par value is expressed in M$.

The Series A and B bonds are have a State guarantee, in accordance with DL 1,263 and laws 18,196, 18,382 and 19,702, in Exempt Decree 117, issued by the Ministries of Finance and Economy and of Development and Reconstruction, and Supreme Decree 389 issued by the Ministry of Finance, both on April 20, 2001.

The Series C bonds are guaranteed by the State, in accordance with DL 1,263 and laws 18,196, 18,382 and 19,774, in Exempt Decree 274 issued by the Ministries of Finance and Economy and of Development and Reconstruction, and Supreme Decree 363 issued by the Ministry of Treasury, both on May 13, 2002.

The Series D and E bonds are guaranteed by the State, in accordance with DL 1,263 and laws 18,196 and 19,847, Exempt Decree 222 dated April 29, 2003 issued by the Ministries of Finance and Economy and of Development and Reconstruction, and Supreme Decree 356 issued by the Ministry of Finance on May 7, 2003.

The Series F bonds are guaranteed by the State, in accordance with DL 1,263 and laws 18,196 and 19,847. The authorization to issue and guarantee bonds in the domestic market was authorized by Supreme Decree 1,024, dated November 11, 2003 issued by the Ministries of Finance and Economy and of Development and Reconstruction.

The Series G bonds are guaranteed by the State, in accordance with DL 1,263 and laws 18,196 and 19,847. The authorization to issue and guarantee bonds in the domestic market was authorized by Supreme Decree 592, dated May 11, 2005 issued by the Ministries of Finance and Economy and of Development and Reconstruction.

The Series H, I, J, K and L bonds are not guaranteed, notwithstanding the creditors' general pledge right set forth in Chilean law.

The Company is not subject to any financial or other restrictive covenants under the instruments governing its Series A to G bonds. For the Series H, I, J, K and L bonds, the Company is required during each calendar year to maintain a debt/equity ratio that is lower than 1.7, equity in excess of MM$700 and an interest coverage ratio greater than 1.0. Those covenants are calculated and determined using the financial statements prepared as of December 31 of each calendar year and filed with the SVS.

As of December 31, 2013 the debt/equity ratio is 0.72, equity reaches MM$ 1,821, and interest coverage ratio is 1.98, calculated as established by agreements of those bond emissions.

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Hedge Operations

The breakdown of this line item is as follows:
Financial liabilities as of December 31, 2013

TAX ID NO.	NAME	COUNTRY.	TAX ID NO.	NAME	COUNTRY	CURRENCY	NOMINAL RATE	TYPE OF AMORTIZATION	CURRENT			NON-CURRENT			
									MATURITY		TOTAL CURRENT 12-31-2013 M$	MATURITY			TOTAL NON-CURRENT 12-31-2013 M$
									UP TO 90 DAYS M$	90 DAYS - 1 YEAR M$		1 TO 3 YEARS M$	3 TO 5 YEARS M$	5 YEARS & OVER M$	
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	1.97%	biannual		10,238	10,238	139,445			139,445
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.40%	biannual		1,071	1,071	21,009			21,009
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.35%	biannual		4,340	4,340	55,061			55,061
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	biannual		1,701	1,701	93,544			93,544
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.30%	biannual	1,315		1,315	23,838			23,838
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.63%	biannual		22,811	22,811	411,249	137,083		548,332
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.59%	biannual		37,251	37,251	487,647	162,549		650,196
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.63%	biannual		46,987	46,987	596,387			596,387
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.41%	biannual		6,778	6,778	94,408			94,408
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	biannual		1,008	1,008	59,062			59,062
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	biannual		1,164	1,164	42,146			42,146
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.40%	biannual		2,857	2,857	53,147			53,147
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.40%	biannual		727	727	28,124			28,124
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.09%	biannual		19,021	19,021	251,511			251,511
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.08%	biannual		7,349	7,349	115,813			115,813
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.32%	biannual		428	428	16,649			16,649
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.42%	biannual		3,480	3,480	62,679			62,679
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.38%	biannual	4,052		4,052	41,575			41,575
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	biannual		1,955	1,955	107,532			107,532
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.75%	biannual	70,770		70,770	421,452	140,484		561,936
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.27%	biannual		9,803	9,803	402,039			402,039
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	3.10%	Maturity	276,034		276,034	2,645,691			2,645,691
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.91%	Maturity	53,339		53,339	(525,742)			(525,742)
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.97%	biannual	43,464		43,464	(311,379)	(51,896)		(363,275)
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	1.93%	biannual		65,416	65,416	(1,006,479)			(1,006,479)
						TOTAL			448,974	244,385	693,359	4,326,408	388,220		4,714,628

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Financial liabilities as of December 31, 2012

TAX ID NO.	NAME	COUNTRY.	TAX ID NO.	NAME	COUNTRY	CURRENCY	NOMINAL RATE	TYPE OF AMORTIZATION	CURRENT			NON-CURRENT			
									MATURITY		TOTAL CURRENT 12-31-2012 M$	MATURITY			TOTAL NON-CURRENT 12-31-2012 M$
									UP TO 90 DAYS M$	90 DAYS - 1 YEAR M$		1 TO 3 YEARS M$	3 TO 5 YEARS M$	5 YEARS & OVER M$	
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	1.97%	biannual		13,878	13,878	289,787	48,298		338,085
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.40%	biannual		1,451	1,451	35,336	5,889		41,225
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.35%	biannual		5,954	5,954	107,117	17,853		124,970
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	biannual		2,145	2,145	132,973	44,324		177,297
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.30%	biannual		1,912	1,912	50,662			50,662
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.63%	biannual		27,940	27,940	613,219	408,813		1,022,032
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.59%	biannual		45,627	45,627	697,040	464,693		1,161,733
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.63%	biannual		63,692	63,692	1,155,489	192,582		1,348,071
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.41%	biannual		9,188	9,188	181,051	30,175		211,226
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	biannual		1,409	1,409	81,541	27,180		108,721
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.46%	biannual		1,596	1,596	70,157	11,693		81,850
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.40%	biannual		3,873	3,873	91,098	15,183		106,281
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.40%	biannual		1,043	1,043	59,011			59,011
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.09%	biannual		26,093	26,093	502,575	83,762		586,337
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.08%	biannual		9,477	9,477	191,696	63,899		255,595
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.32%	biannual		615	615	35,198			35,198
61.219.000-3	Metro S.A.	Chile	97.036.000-k	Santander Chile	Chile	UF	2.42%	biannual		4,717	4,717	108,323	18,054		126,377
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.38%	biannual	5,558		5,558	81,171	13,529		94,700
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.39%	biannual		2,466	2,466	152,858	50,953		203,811
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.75%	biannual	86,684		86,684	659,155	439,436		1,098,591
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	2.27%	biannual		12,480	12,480	579,090	193,029		772,119
61.219.000-3	Metro S.A.	Chile	96.929.050-2	Deutsche Bank	Chile	UF	3.10%	Maturity	270,483		270,483			4,198,717	4,198,717
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.91%	Maturity	52,266		52,266			(26,111)	(26,111)
61.219.000-3	Metro S.A.	Chile	97.032.000-8	Bilbao Vizcaya Argentaria	Chile	UF	1.97%	biannual	53,237		53,237	(36,785)	(18,393)		(55,178)
61.219.000-3	Metro S.A.	Chile	97.951.000-4	HSBC Bank Chile	Chile	UF	2.39%	biannual		3,761	3,761	(19,217)			(19,217)
61.219.000-3	Metro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	1.93%	biannual		89,741	89,741	(219,824)	(36,637)		(256,461)
61.219.000-3	Metro S.A.	Chile	59.046.320-5	BNP Paribas	France	US$	0.15%	biannual	22,825		22,825				
						TOTAL			491,053	329,058	820,111	5,598,721	2,074,315	4,172,606	11,845,642

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

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

CURRENT	12-31-2013 M$	12-31-2012 M$
Real estate taxes	8,832,099	11,032,722
Deferred income	481,096	382,337
Guarantees received	163,691	183,908
TOTAL	**9,476,886**	**11,598,967**

NON-CURRENT	12-31-2013 M$	12-31-2012 M$
Deferred income (*)	3,495,776	3,182,039
TOTAL	**3,495,776**	**3,182,039**

(*) Corresponds to long-term operational leases.

14. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Notes and accounts receivable:

As of December 31, 2013 and December 2012, the Company has no outstanding balances of receivable from related parties.

Notes and accounts payable:

Correspond to capital contributions received from the Government of Chile for network expansion projects. As of December 31, 2013, contributions pending capitalization reached M$21,788,861 (M$7,653,136 as of December 31, 2012).

Transactions:

During 2013, the Company received contributions from the Ministry of Public Works in the amount of M$239,088,861, of which M$224,953,136 were capitalized. Therefore the balance pending capitalization as of December 31, 2013 amounts to M$21,788,861 composed of contributions received during 2013 in the amount of M$19,888,861 and M$1,900,000, corresponding to previous years.

During 2012, the Company received contributions from the Ministry of Public Works in the amount of M$201,353,136, of which M$204,960,969 were capitalized in 2012. Therefore the balance pending capitalization as of December 31, 2012 amounts to M$7,653,136 composed of contributions received during 2012 in the amount of M$5,753,136 and M$1,900,000, corresponding to previous years.

Key management employees

Key employees of the Company are those that have authority and responsibility for planning, directing and controlling the activities inherent to the entity. The Company has determined that key management employees are composed of Directors, the General Manager and Managers of the Company's different areas.

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

Directors' income are detailed as follows:

DIRECTORS' INCOME	ACCUMULATED	
	12-31-2013 M$	12-31-2012 M$
Travel and per diems		4,218
Fixed income	110,475	106,152
Fees	30,216	29,522
Other fees	22,948	22,907
TOTAL	**163,639**	**162,799**

Board of Directors expenses
During 2013 there were no disbursements for transportation, whereas in the same period in 2012 the disbursement was in the amount of M$3,638.

There were no disbursements for per diems in 2013, whereas in the same period in 2012 the disbursement was in the amount of M$580.

Remunerations of the General Manager and Other Managers:
During 2013 the compensation paid to the General Manager amounted to M$183,677 (M$183,062 in 2012) and compensation paid to Other Managers amounted to M$1,125,266 (M$1,263,196 in the corresponding period in 2012).

15. COMMERCIAL CREDITORS AND OTHER ACCOUNTS PAYABLE

The breakdown of this line item is as follows:

ITEM	12-31-2013 M$	12-31-2012 M$
Debts from purchases, projects and services received	32,552,983	28,621,321
Accounts payable – Transantiago system	9,924,840	4,770,491
Retentions	1,837,149	1,581,271
Other accounts payable	296,786	259,976
TOTAL	**44,611,758**	**35,233,059**

16. INFORMATION BY SEGMENTS

The Company reports information by segment in accordance with what is established in IFRS 8 "Operating Segments". IFRS 8 stipulates that this Standard must be applied by entities the capital stock or debt securities of which are publicly traded or by entities that are in the process of issuing securities to be traded in public markets.

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

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

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

17. PROVISIONS FOR EMPLOYEE BENEFITS

Current

ITEM	12-31-2013 M$	12-31-2012 M$
Obligations vacations	3,209,736	2,683,304
Obligations personnel benefits	1,770,132	1,674,180
Obligations productivity bonus	4,678,974	3,183,099
TOTAL	**9,658,842**	**7,540,583**

No corrientes

ITEM	12-31-2013 M$	12-31-2012 M$
Provision for dismissal	12,983,723	13,133,525
Provision for mortality	78,641	378,204
Provision for resignations	940,879	86,528
Advance payments	(1,601,497)	(1,554,062)
TOTAL	**12,401,746**	**12,044,195**

Reconciliation of movement of the provision for severance payments

ITEM	M$
LIABILITIES AS OF 01-01-2013	**12,044,195**
Service interest	667,742
Benefits paid	(701,682)
Actuarial (profits) losses	391,491
LIABILITIES AS OF 12-31-2013	**12,401,746**

ITEM	M$
LIABILITIES AS OF 01-01-2012	**12,441,579**
Service interest	724,374
Benefits paid	(1,547,822)
Actuarial (profits) losses	426,064
LIABILITIES AS OF 12-31-2012	**12,044,195**

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Sensitivity analysis

CONCEPTS	LOW	MEDIUM	HIGH	LOW	HIGH
Discount rates	5.04%	5.54%	6.04%	100.08%	99.17%
Increase in salary	3.53%	4.03%	4.53%	99.82%	100.20%
Labor rotation	0.95%	1.45%	1.95%	99.88%	100.13%
Mortality	-25.00%	RV-2009	25.00%	100.24%	99.77%

Projection of the actuarial calculation for the following year

The projected calculation for the following year amounts to M$12,960,385.

Estimate of expected cash flows for the following year

The Company estimates that for the following year there will be expected payment flows for obligations on a monthly average of MM$ 55 as of December 31, 2013 and MM$ 58 as of December 31, 2012.

Actuarial revaluation of obligations

The company has realized a revaluation of its obligations as of December 31, 2013, determining a profit due to demographical parameters of M$ 184,875 (M$ 24,014 in 2012), a loss due to the update of financial parameters of M$ 529,538 (M$ 214,341) and a loss due to experience of M$ 46,828 (M$ 235,737 in 2012).

CONCEPT / PROFIT (LOSS)	12-31-2013 M$	12-31-2012 M$
Revaluation of demographical parameters	184,875	24,014
Revaluation of financial parameters	(529,538)	(214,341)
Revaluation due to experience	(46,828)	(235,737)
TOTAL DEVIATION OF THE PERIOD	**(391,491)**	**(426,064)**
SUMMARY		
Due to hypotheses	(344,663)	(190,327)
Due to experience	(46,828)	(235,737)
TOTAL DEVIATION OF THE PERIOD	**(391,491)**	**(426,064)**

General considerations

The Company has benefits that are agreed upon with its active employees, which require actuarial valuation and it has collective agreements, which include benefits for the concept of termination, voluntary retirement and death of an employee. In agreements with its unions, the Company froze the benefits accrued by employees on different dates.

Frozen indemnity

Corresponds to the severance benefits established in the respective collective agreements of the Company. The benefit is based on the various reasons for termination of the employment contract, such as resignation and death.

The freezing dates established in the agreements depend on the union and the reason for the termination. These dates are set at: May 31, 2002, August 31, 2003 and November 30, 2003.

Legal indemnity

The company does not record liabilities associated to legal severance pay since this qualifies under IAS 19 as a termination benefit and it is an uncertain obligation.

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Actuarial Assumptions
Actuarial assumptions are long-term assumptions and should there be sufficient substantive evidence, they must be updated.

1. Mortality
The RV-2009 men and RV-2009 women's mortality tables were used to calculate termination benefits. These tables have been established by the Chilean SVS.

2. Workforce Rotation
The rotation tables were prepared using information available to the Company, and constant ratios may be observed in the following table:

REASON	RATE %
Dismissal	1.26
Resignation	0.12
Other reasons	0.70

3. Discount rate
The real annual discount rates used for each period are as follows:

PERIOD	RATE %
12/31/2010	3.4105
12/31/2011	2.7400
12/31/2012	2.7400
12/31/2013	2.4700

4. Termination
The estimated maximum average termination ages are:

GENDER	AGE IN YEARS
Women	62
Men	68

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18. INCOME TAXES

The Company had a negative first category (corporate) tax base of M$505,486,914 as of December 2013, (M$411,232,209 as of December 2012), determined in accordance with current legal provisions, therefore no income tax provision has been recognized as of these dates.

Because the Company has consistently recorded tax losses since the 1996 taxable year, the Company considers that it is unlikely that there will be sufficient future taxable profits to allow it to reverse deferred tax assets, therefore these have been recognized up to the amount of deferred tax liabilities (1).

TEMPORARY DIFFERENCE	TAX ASSETS		TAX LIABILITIES	
	12-31-2013 M$	12-31-2012 M$	12-31-2013 M$	12-31-2012 M$
Provision for bad debts	185,427	95,263		
Deferred income	795,374	712,873		
Provision for vacations	641,947	450,362		
Severance payments	898,066	898,881		
Provision for lawsuits	237,430	219,001		
Provision for maintenance	276,603	242,291		
Provision for employee benefits	354,026	334,836		
Provision for replacements	452,798	452,798		
Irrecoverable VAT on loan for extensions			59,200,236	54,283,909
Capitalized expenses			15,347,016	13,817,065
Fixed asset	55,455,567	42,079,280		
Tax loss	101,097,383	82,246,441		
Other events	500,150	380,087		
SUBTOTAL	**160,894,771**	**128,112,113**	**74,547,252**	**68,100,974**
Net deferred tax asset	86,347,519	60,011,139		
Reduction of deferred tax asset (1)	(86,347,519)	(60,011,139)		
DEFERRED NET TAX				

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19. PROVISIONS, CONTINGENCIES AND GUARANTEES

As of December 31, 2013 the Company is involved in legal proceedings (civil and labor), which include subsidiary lawsuits, which are not provisioned because of the application of IAS 37, due to their almost non-existent probability of loss.

The following are the current cases included in the provisions for lawsuits:

TYPE OF CASE	FILE NAME	MATTER	COURT	CASE NO.	CURRENT STATUS
OTS	Martinez Munilla, Jorge	Infraction claim and civil complaint	Local Police Court of Las Condes	1434-2013	1
CIP	Soto Valencia, Agustina	Damage indemnity	27th Civil Court of Santiago	25700-2011	1
L	Abarca Vega, Jaime with NIT S.A.	Unlawful termination & collection of services	S/N Labor and Pension Collection Court	C-3152-2013	1
L	Casanova Gutiérrez, Elisa with Comercializadora Recarga Conmigo Ltda.	Unlawful termination & collection of services	1st Labor Court of Santiago	M-1639-2013	1
L	Calderón Sanhueza, Nicolás with Nit Chile S.A.	Unlawful termination & collection of services	2nd Labor Court of Santiago	M-2070-2013	5
CIP	Meléndez Salas, Maria	Damage indemnity	14th Civil Court of Santiago	3342-2011	1
OTS	Álvarez Abarca, Carolina	Infraction claim and civil complaint	Local Police Court of San Ramón	15386-2013	2
CIP	Molina Cabrera, Felicia	Damage indemnity	11th Civil Court of Santiago	17.771-2011	1
CIP	Elizondo Uribe, Ángel	Damage indemnity	2nd Civil Court of Santiago	1998-2010	5
CIP	Santander Herrera, Roxana	Damage indemnity	12th Civil Court of Santiago	8386-2011	1
CIP	Soto Fernandez, Amdrea	Damage indemnity	23rd Civil Court of Santiago	10752-2013	1
CIP	Riffo Padilla, Uberlinda	Damage indemnity	23rd Civil Court of Santiago	8093-2010	5
L	Soto Leiva, Daniel with NIT Chile S.A.	Unlawful termination & collection of services	2nd Labor Court of Santiago	O-4578-2013	1
CIP	Donoso Bravo, Patricio	Damage indemnity	18th Civil Court of Santiago	21783-2012	1
L	Engber Saavedra, Miguel with Comercializadora Recarga Conmigo Ltda.	Unlawful termination & collection of services	1st Labor Court of Santiago	O-3114-2013	1
CO	Neira Utreras, Fabián	Damage indemnity	4th Civil Court of Santiago	4888-2013	1
CIP	Sepúlveda Aro, Moisés	Damage indemnity	7th Civil Court of Santiago	6480-2007	1
L	Reyes Becerra, Mauricio	Unlawful termination & collection of services	1st Labor Court of Santiago	O-5082-2013	1
L	Barrera Ramirez, David	Unlawful termination & collection of services	2nd Labor Court of Santiago	O-4376-2013	1
L	Velazquez Chacón, Felipe	Unlawful termination & collection of services	2nd Labor Court of Santiago	O-4339-2013	1
CIP	Nova Manquiel, Estela and other, and Construcciones Especializadas Ltda.	Damage indemnity	13th Civil Court of Santiago	8415-2013	1
CIP	Castillo Calderon Jorge	Damage indemnity	20th Civil Court of Santiago	6866-2011	2
L	Cruz Torres, Elisa with Comercializadora Recarga Conmigo Ltda.	Unlawful termination & collection of services	2nd Labor Court of Santiago	M-1719-2013	1
CIP	Ramos Urbina, Guillermo	Damage indemnity	15th Civil Court of Santiago	28472-2011	1
L	Pantoja Yurisch, Alexandra with Comercializadora Recarga Conmigo Ltda.	Maternity, leave, unlawful termination & collection of services	2nd Labor Court of Santiago	M-1764-2013	1
L	Irribarra Pérez, Javier and other with NIT Chile S.A:	Unlawful termination & collection of services	2nd Labor Court of Santiago	O-4652-2013	1
L	Morales Muñoz, Mónica with Wackenhut-VALCORP Servicios S.A.	Executive sentence collection	S/N Labor and Pension Collection Court	10-2007	1
L	Muñoz Céspedes, Marcelo	Unlawful termination & collection of services	1st Labor Court of Santiago	O-4765-2013	1
L	Pavez Riveros, Gustavo	Unlawful termination & collection of services	2nd Labor Court of Santiago	O-4058-2013	1
L	Donoso Soto, Tulio	Labor sentence executive collection	S/N Labor and Pension Collection Court	J-783-2011	1
L	Rozas Bustamente, David	Unlawful termination & collection of services	1st Labor Court of Santiago	O-5042-2013	1
CIP	Lecaros Lefain, José	Damage indemnity	8th Civil Court of Santiago	4275-2013	1

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TYPE OF CASE	FILE NAME	MATTER	COURT	CASE NO.	CURRENT STATUS
CIP	Herrera Herrera, Máximo Arturo	Damage indemnity	12th Civil Court of Santiago	32443-2011	1
CIP	Méndez Vargas, Yolanda	Damage indemnity	13th Civil Court of Santiago	10867-2012	1
CIP	Serrano Díaz, Jaime and Municipalidad de Las Condes	Damage indemnity	17th Civil Court of Santiago	470-2013	1
CIP	Quinchavil Aguirre, Gabriel	Damage indemnity	27th Civil Court of Santiago	28528-2012	1
L	Carreño Miranda, Christian	Unlawful termination & collection of services	1st Labor Court of Santiago	O-4578-2013	1
L	Álvarez Pineda, Luis and others	Charge for payments due to violation of collective labor agreement	2nd Labor Court of Santiago	O-4776-2013	1
CIP	Ramos Pontillo, Julia	Damage indemnity	26th Civil Court of Santiago	22647-2012	1
CIP	Rodríguez Duarte, Alioska with Balfour Beatty Chile S.A.	Damage indemnity	5th Civil Court of Santiago	10191-2009	5
CIP	Almazán Sepúlveda, Manuel	Damage indemnity	8th Civil Court of Santiago	46954-2012	1
OTS	Sandoval Vidal, Ximena	Infraction claim and civil complaint	2nd Local Police Court of Lo Prado	9510-2012	12
L	Vargas Valverde, Gladys and others with Comercializadora Recarga Conmigo Ltda.	Unlawful termination & collection of services	2nd Labor Court of Santiago	O-3119-2013	1
CIP	Madrid Jaña, Corina with Const. Huarte Andina and Metro S.A.	Damage indemnity	29th Civil Court of Santiago	15856-2009	1
CIP	Gutiérrez Urrutia, Claudia with Delgado Sánchez, Luis; OHL S.A.	Damage indemnity	5th Civil Court of Santiago	16182-2005	1
CIP	Comunidad Edificio Plaza Santa Ana	Damage indemnity and recovery of the real estate	17th Civil Court of Santiago	2121-2012	1
L	Garriman Rubio, Alfredo	Labor sentence executive collection	S/N Labor and Pension Collection Court	J-1761-2011	1
CO	González Barrera, Wilson y Other with Conama, Municipalidad de Puente Alto	Annulment of public right	18th Civil Court of Santiago	14201-2005	5

Type of Lawsuit

L Labor
CIP Civil – Indemnity for Damages
CO Civil – Others
OTS Other

Current Status

1 At first instance discussion and evidence
2 At first instance for sentencing
3 At first instance with favorable sentence
4 At first instance with unfavorable sentence
5 At second instance after hearing the cause
6 At second instance in agreement
7 At second instance with favorable sentence
8 At second instance with unfavorable sentence
9 Appeal cause heard
10 Appeal with favorable sentence
11 Appeal with unfavorable sentence
12 Incidental compliance

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The Company has been sued and the lawsuits are recorded in current liabilities provision items, detailed as follows:

OTHER SHORT-TERM PROVISIONS	12-31-2013 M$	12-31-2012 M$
Lawsuit provision	1,187,150	1,095,003
TOTAL	**1,187,150**	**1,095,003**

A provision is a liability for which there is uncertainty regarding its amount or expiration date.

A liability is a present obligation of the entity, arising due to past events, which settlement the entity expects will require an outflow of resources.

The information recorded in this note, corresponds to provisions for lawsuits where there is uncertainty regarding the amount involved and its payment will be made in the short-term, involving certain legal complaints filed against the Company by suppliers, employees, individuals affected by termination of contract or services provided and the timeframes will depend on the legal proceedings. Movements of provisions are detailed as follows:

ITEM	AMOUNT M$
Balance 01-01-2012	1,162,247
Accrued provisions	1,171,651
Provision reversals	(1,238,895)
BALANCE AS OF 12-31-2012	**1,095,003**
Accrued provisions	582,200
Provision reversals	(490,053)
BALANCE AS OF 12-31-2013	**1,187,150**

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Direct Guarantees

The guarantees granted by the Company are in UF and pesos, expressed in thousands of Chilean pesos as of December 31, 2013.

TYPE OF GUARANTEE	N° OF GUARANTEE	ISSUING ENTITY	CURRENCY	AMOUNT	DATE OF ISSUING	DATE OF MATURITY	STATUS	PARITY M$
Note	282542	Santander Bank	Ch$	11,811	08-23-2013	03-26-2014	effective	11,811
Note	287557	Santander Bank	UF	820	11-07-2013	02-01-2015	effective	19,114
Note	23461	Santander Bank	UF	1,000	10-02-2013	09-24-2014	effective	23,310
Note	23462	Santander Bank	UF	5,000	10-02-2013	09-24-2014	effective	116,548
Note	23471	Santander Bank	UF	5,000	10-02-2013	09-24-2014	effective	116,548
Note	23470	Santander Bank	UF	5,000	10-02-2013	09-24-2014	effective	116,548
Note	23469	Santander Bank	UF	5,000	10-02-2013	09-24-2014	effective	116,548
Note	23468	Santander Bank	UF	5,000	10-02-2013	09-24-2014	effective	116,548
Note	23467	Santander Bank	UF	5,000	10-02-2013	09-24-2014	effective	116,548
Note	23466	Santander Bank	UF	5,000	10-02-2013	09-24-2014	effective	116,548
Note	23465	Santander Bank	UF	5,000	10-02-2013	09-24-2014	effective	116,548
Note	23464	Santander Bank	UF	5,000	10-02-2013	09-24-2014	effective	116,548
Note	23463	Santander Bank	UF	5,000	10-02-2013	09-24-2014	effective	116,548
Note	291110	Santander Bank	Ch$	136,000	12-19-2013	12-31-2014	effective	136,000

As of the closing date of the financial statements there are no balances pending payment, since they are Performance Guarantees.

20. CHANGES TO NET EQUITY

2013 capital increase

At an Extraordinary Shareholders' Meeting held on December 23, 2013, the shareholders of the Company agreed to:

- Increase the issued and subscribed capital stock of the Company by capitalizing government contributions in an aggregate amount of M$125,753,136, nominal value, through the issuance of 3,508,737,054 Series A common shares, which the Government and CORFO will subscribe prorated to their equity interest ownership.

At an Extraordinary Shareholders' Meeting held on June 25, 2013, the shareholders of the Company agreed to:

- Increase the issued and subscribed capital stock of the Company by M$99,200,000, nominal value, through the issuance of 2,684,709,066 Series A common shares, which CORFO will subscribe and pay for by December 31, 2013 at the latest.

On August 26, 2013, CORFO made the government capital contributions related to the capital increased authorized on June 25, 2013.

2012 capital increase

At an Extraordinary Shareholders' Meeting held on December 27, 2012, the shareholders of the Company agreed to:

- Increase the issued and subscribed capital stock of the Company by capitalizing government contributions in an aggregate amount of M$109,360,969, nominal value, through the issuance of 2,932,715,714 Series A common shares subscribed and paid by the Government of Chile and CORFO prorated to their equity interest ownership.

On November 26, 2012 Corfo paid the government contributions subscribed on September 11, 2012.

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An Extraordinary Shareholders' Meeting was held on September 11, 2012 where the shareholders agreed to:

- Increase issued and subscribed capital, by the sum of M$ 95,600,000, nominal value, through the issuance of 2,531,779,661 Series A cash shares that Corfo will subscribe and pay by December 31, 2012 at the latest.

a. Paid-in capital

The paid-in capital of the Company as of December 31, 2013 is represented by 31,838,378,329 and 19,163,677,063 Series A and B registered shares without par value, respectively, with 31,446,308,704 shares corresponding to CORFO and 19,555,746,688 shares corresponding to the Government of Chile.

The paid-in capital of the Company as of December 31, 2012 was represented by 25,644,932,209 and 19,163,677,063 Series A and B registered shares without par value, respectively, with 26,598,112,371 shares corresponding to CORFO and 18,210,496,901 shares corresponding to the Government of Chile.

Series A shares correspond to founders' capital and to capital increases subscribed and paid by the Government of Chile and by CORFO and cannot be disposed of. Series B shares correspond to capital increases that could allow the incorporation of other shareholders.

Shareholders are detailed as follows:

SHAREHOLDERS	12-31-2013		12-31-2012	
	NUMBER OF SHARES AND PERCENTAGES			
	SUBSCRIBED AND PAID-UP SHARES	% OWNERSHIP	SUBSCRIBED AND PAID-UP SHARES	% OWNERSHIP
Chilean Economic Development Agency	31,446,308,704	61.66%	26,598,112,371	59.36%
Chilean State – Ministry of Finance	19,555,746,688	38.34%	18,210,496,901	40.64%
TOTAL	**51,002,055,392**		**44,808,609,272**	
Chilean Economic Development Agency				
Series A	19,342,837,398		14,494,641,065	
Series B	12,103,471,306		12,103,471,306	
TOTAL	**31,446,308,704**		**26,598,112,371**	
Chilean State – Ministry of Finance				
Series A	12,495,540,931		11,150,291,144	
Series B	7,060,205,757		7,060,205,757	
TOTAL	**19,555,746,688**		**18,210,496,901**	

b. Distribution of net income and dividends

The Company's dividends policy is in accordance with current legislation according to which at least 30% of net profits for the year must be distributed as cash dividends, unless otherwise resolved by the Shareholders' Meeting by the unanimous vote of the outstanding shares issued.

At the Ordinary Shareholders' Meeting held on April 25, 2013, the shareholders resolved not to distribute net income or dividends.

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c. Non-controlling Interests

Non-controlling interests correspond to the recognition by the Company of the share in the equity and net income of its subsidiary not directly or indirectly attributable to the Company. For the years ended December 31, 2013 and 2012, these are detailed as follows:

SUBSIDIARIES	PERCENTAGE NON-CONTROLLING INTEREST		EQUIT NON-CONTROLLING INTEREST		SHARE OF INCOME INCOME (LOSS)	
	2013 %	2012 %	2013 M$	2012 M$	2013 M$	2012 M$
Suburban Passenger Transport Company S.A. (Transub S.A.)	33.33	33.33	(10,645)	(10,645)		

d. Other reserves

Other reserves are composed of revaluation of paid-in capital for the period of transition to IFRS, revaluation surplus (first-time adoption) of land and adjustments originating from the change in accounting standard, as stated in Circular 456 issued by the SVS.

OTHER RESERVES	12-31-2013 M$	12-31-2012 M$
Inflation adjustment paid-up capital	30,336,377	30,336,377
Revaluation surplus	3,042,584	4,620,694
TOTAL	**33,378,961**	**34,957,071**

Additional and complementary information is presented in the consolidated statement of changes in net equity.

21. INCOME AND EXPENSES

Revenue

Revenue for the years ended as of December 31, 2013 and 2012, is detailed as follows:

REVENUE	ACCUMULATED	
	01-01-2013 12-31-2013 M$	01-01-2012 12-31-2012 M$
Revenues from passenger transportation services	206,056,662	204,431,311
Sales channel income	24,908,055	15,811,305
Leases of commercial stores, spaces and advertising	12,196,674	11,790,594
Leases in intermodal terminals	1,832,440	1,462,369
Other income	5,186,624	4,900,501
TOTAL	**250,180,455**	**238,396,080**

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Other income other than revenue

Other income for the years ended as of December 31, 2013 and 2012 is detailed as follows:

OTHER INCOME	ACCUMULATED	
	01-01-2013 12-31-2013 M$	01-01-2012 12-31-2012 M$
Income from fines and indemnization	836,947	453,422
Revenue from fines and indemnities	320,177	272,052
Welfare revenue	100,995	90,693
Sale of proposals	980,031	195,521
TOTAL	**2,238,150**	**1,011,688**

Expenses by nature

Cost of sales, administrative expenses and other expenses by function for the years ended as of December 31, 2013 and 2012 are detailed as follows:

EXPENSES BY NATURE	ACCUMULATED	
	01-01-2013 12-31-2013 M$	01-01-2012 12-31-2012 M$
Energy purchases	(30,275,190)	(29,256,281)
Personnel expenses	(61,144,965)	(54,324,795)
Maintenance and operating expenses	(38,636,591)	(36,055,728)
Depreciation and amortization	(73,548,394)	(71,561,903)
General expenses and others	(39,798,465)	(35,478,610)
TOTAL	**(243,403,605)**	**(226,677,317)**

Personnel expenses

Personnel expenses for the years ended as of December 31, 2013 and 2012 are detailed as follows:

PERSONNEL EXPENSES	ACCUMULATED	
	01-01-2013 12-31-2013 M$	01-01-2012 12-31-2012 M$
Wages and salaries	(40,090,653)	(35,663,037)
Other benefits	(17,560,689)	(14,528,091)
Expenses on social and collective benefits	(1,857,506)	(2,574,153)
Social security contribution	(1,636,117)	(1,559,514)
TOTAL	**(61,144,965)**	**(54,324,795)**

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Maintenance and operating expenses

For the years ended as of December 31, 2013 and 2012, the breakdown for this line item is detailed as follows:

MAINTENANCE AND OPERATING EXPENSES	ACCUMULATED	
	01-01-2013 12-31-2013 M$	01-01-2012 12-31-2012 M$
Maintenance of rolling stock, stations and others	(28,014,502)	(24,087,934)
Parts	(7,037,662)	(7,530,102)
Repairs, leases and others	(3,584,427)	(4,437,692)
TOTAL	**(38,636,591)**	**(36,055,728)**

Depreciation and amortization

For the years ended as of December 31, 2013 and 2012, depreciation and amortization are detailed as follows:

DEPRECIATION AND AMORTIZATION	ACCUMULATED	
	01-01-2013 12-31-2013 M$	01-01-2012 12-31-2012 M$
Depreciation	(73,045,662)	(71,149,194)
Amortization	(502,732)	(412,709)
TOTAL	**(73,548,394)**	**(71,561,903)**

General and other expenses

For the years ended as of December 31, 2013 and 2012, general and other expenses are detailed as follows:

GENERAL EXPENSES AND OTHERS	ACCUMULATED	
	01-01-2013 12-31-2013 M$	01-01-2012 12-31-2012 M$
Service contracts	(14,899,970)	(12,366,740)
Complementary transportation expenses	(3,837,275)	(8,831,382)
Property taxes	(1,010,873)	(957,025)
Corporate image expenses	(1,330,443)	(1,518,698)
Sales channel operator expenses	(14,164,932)	(8,685,525)
Insurance, materials and others	(4,554,972)	(3,119,240)
TOTAL	**(39,798,465)**	**(35,478,610)**

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Financial result and exchange differences
The Company's financial result and exchange differences for the years ended as of December 31, 2013 and 2012 are detailed as follows:

FINANCIAL RESULT	ACCUMULATED	
	01-01-2013 12-31-2013 M$	01-01-2012 12-31-2012 M$
FINANCIAL INCOME		
Interest on cash and other cash equivalent	5,821,784	4,843,936
Financial income from swaps	3,052,900	3,401,732
Other financial income	161,366	224,563
SUBTOTAL	**9,036,050**	**8,470,231**
FINANCIAL EXPENSES		
Interest and expenses on bank loans	(9,949,389)	(10,949,066)
Interest and expenses on bonds	(39,386,565)	(38,664,595)
Other financial expenses	(695,892)	(1,027,101)
SUBTOTAL	**(50,031,846)**	**(50,640,762)**
PROFIT (LOSS) FINANCIAL RESULT	**(40,995,796)**	**(42,170,531)**

EXCHANGE DIFFERENCE AND INDEXATION UNITS	ACCUMULATED	
	01-01-2013 12-31-2013 M$	01-01-2012 12-31-2012 M$
FOREIGN CURRENCY TRANSLATION		
Profit (loss) on foreign currency translation (foreign loan and inv.)	(27,113,161)	(31,346,031)
TOTAL FOREIGN CURRENCY TRANSLATION	**(27,113,161)**	**(31,346,031)**
Profit (loss) on indexation units (bonds)	(16,825,205)	(19,431,166)
TOTAL INDEXATION UNITS	**(16,825,205)**	**(19,431,166)**

Other profits (losses)
Other profits (losses) of the Company for the years ended as of December 31, 2013 and 2012 are detailed as follows:

OTHER PROFITS (LOSSES)	ACCUMULATED	
	01-01-2013 12-31-2013 M$	01-01-2012 12-31-2012 M$
Net present value swaps US$	18,914,504	14,661,907
Net present value swaps UF	(15,923,215)	(21,819,830)
TOTAL	**2,991,289**	**(7,157,923)**

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Other comprehensive income
For the years ended as of December 31, 2013 and 2012, other comprehensive income is detailed as follows:

OTHER COMPREHENSIVE INCOME	ACCUMULATED	
	01-01-2013 12-31-2013 M$	01-01-2012 12-31-2012 M$
Actuarial profits (losses) on defined benefits plans	(391,491)	(426,064)
TOTAL	**(391,491)**	**(426,064)**

22. GUARANTEES RECEIVED FROM THIRD PARTIES

Guarantees received as of period closing are detailed as follows:

GRANTOR	GUAR. AMOUNT M$	ORIGINATING OPERATION	RELATIONSHIP
Alstom Chile S.A.	62,426,766	Service contract	Supplier
Alstom Transport S.A.	45,357,292	Service contract	Supplier
Ascensores Otis Chile Ltda.	4,722,674	Service contract	Supplier
Arcadis Chile S.A.	1,311,176	Seriousness/offer	Supplier
Ara Worleyparsons S.A.	1,305,988	Service contract	Supplier
Amec- Cade Ing y Des. De Proy	912,042	Seriousness/offer	Supplier
Abengoa Chile S.A.	9,790,404	Works and services contract	Supplier
Bitelco Diebold Chile Ltda.	2,396,594	Service contract	Supplier
Balfour Beatty Chile.S.A.	3,429,677	Service contract	Supplier
Bravo Energy Chile	1,583,340	Service contract	Supplier
Consorcio CVC Comao	1,016,665	Service contract	Supplier
Consorcio GSI SPA	932,382	Service contract	Supplier
Consorcio El-Ossa S.A.	20,273,723	Works contracts	Supplier
CAF Chile S.A.	113,077,626	Service contract	Supplier
Clas Ingeniería	1,281,726	Service contract	Supplier
CVC Comao S.A.	972,003	Service contract	Supplier
Const. y Auxiliar de Ferrocarriles	51,733,361	Service contract	Supplier
ECM Ingeniería S.A.	947,281	Service contract	Supplier
Esert Serv. Integrado de Seguridad	1.134,803	Service contract	Supplier
ETF	20,049,558	Works contract	Supplier
Eme Serv. Generales LTDA.	1,165,478	Service contract	Supplier
Empresa Constructora Metro L6	95,375,313	Service contract	Supplier
Eulen Seguridad S.A.	1,091,135	Service contract	Supplier
Flesan S.A.	1,220,180	Seriousness/offer	Supplier
Ferrovial Agroman Chile S.A.	13,771,223	Seriousness/offer	Supplier
GPMG Ingeniería y Construcción	5,439,386	Works contract	Supplier
Indra Sistemas Chile S.A.	19,719,212	Service contract	Supplier
Ingenieria Maquinaria y Construccion	1,626,177	Works contact	Supplier

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GRANTOR	GUAR. AMOUNT M$	ORIGINATING OPERATION	RELATIONSHIP
Ingeniería y Desarrollo Tecnológico	1,373,430	Service contract	Supplier
Ingeniería Siga- Poch Limitada	1,368,898	Service contract	Supplier
JC Decaux Chile S.A.	1,167,651	Service contract	Supplier
Neu Internacional Railways	1,401,376	Works contract	Supplier
MEC SPA	1,741,852	Service contract	Supplier
Obrascon Huarte Lain S.A Agenc.	30,635,165	Works contract	Supplier
Sait France SAS	1,173,405	Service Contract	Supplier
Systra	1.901,141	Service contract	Supplier
Systra Agencia En Chile	3,621,500	Seriousness/offer	Supplier
Salinis Spa Chile	91,827,489	Service contract	Supplier
Siemens S.A.	2,381,419	Service contract	Supplier
Thales Comunications & Segurity	1,206,214	Service contract	Supplier
Other	23,135,011	Works service contract	Supplier
TOTAL	**647,537,736**		

23. RISK MANAGEMENT POLICIES

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

23.1 Description of the market in which the company operates

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

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

- **Rates**

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

On December 14, 2012 a new transportation agreement was signed by the Company with the Ministry of Transportation and Telecommunications of Chile to replace the aforementioned Exhibit 1, which established a flat-rate technical tariff of Ch$302.06 per confirmed transported passenger, taking September 2012 as a base, and which is updated monthly by the indexation polynomial, included in this new agreement, which takes into consideration the variation of the variables that compose the Company's long-term cost structure (CPI, US dollar, euro, price of power and electric energy). This allows for a natural match in case of cost variations, due to an increase in any of the variables that compose the polynomial.

The fare paid by the public is different than the one received by the Company per transported passenger. In December 2013, customers paid Ch$680 at peak hours, Ch$620 at valley hours and Ch$570 at low hours, while, on average the Company received a technical tariff of Ch$306.99 per passenger on that month.

As from July 1, 2013 starts the new contract between the Ministry of Transportation and Telecommunication of Chile and Metro S.A. to provide additional services of emission and aftersales and of commercialization and charging of the public passenger transport system of Santiago.

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• Demand (not audited)

Today the Company is the structuring pillar of the Integrated System of Public Passengers Transportation (Transantiago) and during the period from January to December 2013 reached a level of 2.27 million trips on a business day, which means that currently 61% of the trips made daily in Santiago are made on the Metro. This figure is extrapolated from the breakdown of all the trips made, where 31% are made by only Metro users, 30% by users of Metro and bus and 39% by only bus users.

The risk related to the demand of Metro passengers is mainly associated to the country's level of economic activity, level of employment and quality of the ground passenger transportation service (buses). In fact, the demand for passenger transportation is derived from the rest of the economic activities. During the period from January to December 2013, we noted an increase of 18.1 million trips, in comparison to the same date in 2012, explained mainly by an 11.2% increase in affluence during April and 7.1% in July of this year, due to a higher amount of working days in those months.

23.2 Financial risks

The main risks to which the Santiago metro is exposed to and which arise from financial assets and liabilities are: market risk, liquidity risk and credit risk.

In loans with financial institutions, the nominal rate is similar to the effective rate since there are no additional transaction costs to be considered.

• Market risk

The technical tariff received by the Company is updated monthly by the indexation polynomial which takes into consideration changes in the variables that compose the Company's long-term cost structure (CPI, US dollar, euro, price of power and electric energy). This allows for a natural hedge in case of cost variations due to an increase in certain variables that compose the polynomial.

To reduce the Company's exposure to financial debt denominated in US dollars and to interest rate changes, the Company has a financial risks economic hedge policy. In the framework of this policy, the Company performed derivative transactions (Cross Currency Swap ("CCS")) in the amount of MMUS$179 as of December 31, 2013 (balance of MMUS$223 as of December 31, 2012), which do not meet the hedge accounting criteria.

In May 2012, the Company placed bonds in the local financial market in the amount of UF1.5 million at a rate of 3.88%, the best rate obtained among the issuances by the Company without State guarantee carried out by the Company.

Particularly, the Company is exposed to two market risks, which are: interest rate risk and foreign currency translation risk.

• Interest rate risk

Market risks include possible changes in the Libor rate, affecting foreign loans obtained by the Company at variable rates.

In order to mitigate the risks of interest rate fluctuation, the Company has entered into derivative transactions (cross currency swaps) and placed UF-denominated bonds in at a fixed rate.

As of December 2013, the share of the debt at a variable rate has not significantly changed in comparison to as of December 2012, as shown in the following table:

DEBT COMPOSITION	12-31-2013 %	12-31-2012 %
Fixed rate	83.6	83.4
Variable rate	16.4	16.6
TOTAL	100.0	100.0

When we analyze the sensitivity as of December 31, 2013 on the net debt at a variable Libor rate, not hedged by current derivatives, which amounts to MMUS$ 369, we note in the following table, the effect on income in a scenario where the Libor rate is increased by 100 base points, would be an annual increase in finance expenses in the amount of MMUS$ 3.7.

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SENSITIVITY ANALYSIS	EQUIVALENT IN MMUS$	TOTAL %
Total debt (equivalent to MMUS$)	2,259	100%
Debt at LIBOR rate	445	
IRS	103	
CCS	(179)	
Total variable rate debt	369	16%
Total variable LIBOR rate debt	369	
Total fixed rate debt	1,890	84%

VARIATION IN FINANCIAL EXPENSES	EQUIVALENT IN MMUS$
Impact on financial expenses of a variation of 100 base points in LIBOR	3.7

• Exchange Rate Risk

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

FINANCIAL DEBT STRUCTURE	12-31-2013 EQ, IN MMUS$	%	12-31-2012 EQ, IN MMUS$	%
Debt UF	1,769	78%	1,942	78%
Debt US$	490	22%	551	22%
TOTAL FINANCIAL DEBT	**2,259**	**100%**	**2,493**	**100%**

The structure of the financial debt as of December 31, 2013, is mainly denominated in UF (78%) and in US dollars (22%).

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

When we analyze the sensitivity of the comprehensive income statement as of December 31, 2013, in case of a possible 10% depreciation/appreciation of the Chilean peso in respect to the US dollar, leaving all the rest of the parameters constant, we estimate that a loss or profit of M$ 23,687,554 would be generated.

SENSIBILITY ANALYSIS EFFECT ON INCOME AS OF DECEMBER 2013	10% DEPRECIATION M$	10% APPRECIATION M$
Impact on income of a variation of 10% in the Ch$/US$ exchange rate	(23,687,554)	23,687,554

• Liquidity risk

Income from tariffs associated with Metro passenger transportation, based on the contracts signed with the Financial Administrator of Transantiago, are discounted daily from the funds collected by the Company's sales channel, generating the liquidity necessary to cover the Company's commitments. This income corresponds to 82% of total ordinary income.

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Additionally, the Company has duly approved bank credit lines, which reduces liquidity risk.

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

	UP TO 1 YEAR M$	1 TO 3 YEARS M$	3 TO 5 YEARS M$	5 YEARS & OVER M$	TOTAL M$
Capital	100,157,206	256,208,675	94,696,023	734,203,349	1,185,265,253
Interest	45,868,161	128,045,403	73,907,347	233,172,419	480,993,330
TOTAL	**146,025,367**	**384,254,078**	**168,603,370**	**967,375,768**	**1,666,258,583**

- **Financial liability structure**

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

FINANCIAL LIABILITIES	12-31-2013				
	UP TO 1 YEAR M$	1 TO 3 YEARS M$	3 TO 5 YEARS M$	5 YEARS & OVER M$	TOTAL M$
Bank loans	89,847,634	197,236,384	39,400,097	25,265,851	351,749,966
Bonds	25,827,031	58,778,950	56,404,514	712,367,703	853,478,198
Hedge Operations	693,359	4,326,407	388,221		5,407,987
TOTAL	**116,368,024**	**260,341,741**	**96,292,832**	**737,633,554**	**1,210,636,151**

FINANCIAL LIABILITIES	12-31-2012				
	UP TO 1 YEAR M$	1 TO 3 YEARS M$	3 TO 5 YEARS M$	5 YEARS & OVER M$	TOTAL M$
Bank loans	50,143,308	178,879,720	107,089,622	36,093,337	372,205,987
Bonds	21,368,637	47,584,904	44,729,809	730,965,690	844,649,040
Hedge Operations	820,111	5,598,721	2,074,315	4,172,606	12,665,753
TOTAL	**72,332,056**	**232,063,345**	**153,893,746**	**771,231,633**	**1,229,520,780**

In general, the Company's debt structure is composed mainly of long-term bank bonds and loans, focusing on ensuring financial stability and improving matching with the maturity period of the Company's assets.

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The book and market value of the debt in loans and bonds of the Company as of December 31, 2013 is detailed as follows.

	BOOK VALUE M$	MARKET VALUE M$
Loans	351,749,966	356,498,929
Bonds	853,478,198	925,856,150

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

• Accounts receivable
The risk of accounts receivable arising from commercial activities (passenger transportation) is limited, since 82% of the income received by the Company is received daily in cash, whereas the remaining 18% corresponds to income not related to the main business.

The maximum exposure to credit risk arises from commercial debtors.

COMMERCIAL DEBTORS AND OTHER ACCOUNTS RECEIVABLE	BALANCE AS OF	
	12-31-2013 M$	12-31-2012 M$
Commercial debtors, Gross	4,759,813	3,653,168
Impairment of commercial debtors	(927,165)	(502,171)
COMMERCIAL DEBTORS, NET	3,832,648	3,150,997
Other accounts receivable, Gross	5,258,068	1,599,085
Impairment of other accounts receivable	1,137,153	782,912
OTHER ACCOUNTS RECEIVABLE, NET	10,427,869	5,532,994

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

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

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

AGING OF COMMERCIAL DEBTORS, NET	BALANCE AS OF	
	12-31-2013 M$	12-31-2012 M$
Less than 3 months	2,500,164	2,774,460
From 3 months to 1 year	973,483	375,837
More than 1 year	359,031	700
TOTAL	**3,832,678**	**3,150,997**

AGING OF SALES CHANNEL ACCOUNTS RECEIVABLES, NET	BALANCE AS OF	
	12-31-2013 M$	12-31-2012 M$
Less than 3 months	5,256,774	1,599,085
From 3 months to 1 year	1,294	
TOTAL	**5,258,068**	**1,599,085**

AGING OF OTHER ACCOUNTS RECEIVABLES, NET	BALANCE AS OF	
	12-31-2013 M$	12-31-2012 M$
Less than 3 months	1,256,181	183,056
From 3 months to 1 year	80,972	599,856
TOTAL	**1,337,153**	**782,912**

- **Financial assets**

The level of exposure of financial assets to risk is established in the Company's financial investment policy.

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As of closing December 31, 2013 and December 31, 2012, balances of the Company's financial assets are detailed as follows:

FINANCIAL ASSETS	12-31-2013			
	UP TO 1 YEAR M$	1 A 5 YEARS M$	5 YEARS PLUS M$	TOTAL M$
CASH AND CASH EQUIVALENTS				
Available	1,992,011			1,992,011
Fixed-term deposits	113,025,451			113,025,451
Repurchase agreements	9,260,383			9,260,383
Promissory Notes Central Bank	5,001,255			5,001,255
SUBTOTAL	**129,279,100**			**129,279,100**
OTHER FINANCIAL ASSETS				
Financial investments	68,347,854			68,347,854
Hedge Operations	776,236	4,329,685	1,298,906	6,404,827
Financial leases	27,133	182,216	1,344,700	1,544,049
Promissory notes receivable		359,408		359,408
SUBTOTAL	**69,151,223**	**4,871,309**	**2,643,606**	**76,666,138**
TOTAL	**198,430,323**	**4,871,309**	**2,643,606**	**205,945,238**

FINANCIAL ASSETS	12-31-2012			
	UP TO 1 YEAR M$	1 A 5 YEARS M$	5 YEARS PLUS M$	TOTAL M$
CASH AND CASH EQUIVALENTS				
Available	227,933			227,933
Fixed-term deposits	114,059,724			114,059,724
Repurchase agreements	17,746,824			17,746,824
SUBTOTAL	**132,034,481**			**132,034,481**
OTHER FINANCIAL ASSETS				
Inversions financieras	30,483,224			30,483,224
Hedge Operations	887,788	5,082,077	3,049,246	9,019,111
Financial leases	22,567	151,552	1,270,231	1,444,350
Promissory notes receivable		339,016		339,016
SUBTOTAL	**31,393,579**	**5,572,645**	**4,319,477**	**41,285,701**
TOTAL	**163,428,060**	**5,572,645**	**4,319,477**	**173,320,182**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(In thousands of Chilean pesos)

The average period to maturity of financial investments as of December 31, 2013 is less than 90 days and they are invested in banks. None of them is a significant percentage.

The above is due to the Company's financial investment policy, which focuses on reducing the risks through diversifying the portfolio, establishing maximum limits to be invested by each bank, together with considering minimum risk ratings by issuer.

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

Through the Extraordinary Shareholders' Meeting the Company year after year capitalizes Government contributions and capital associated to the financing of its expansion projects.

The Company follows up on the capital structure through debt and equity ratios, which are detailed below:

	12-31-2013	12-31-2012
Leverage	0.72	0.78
Equity (MM$)	1,821,316	1,669,683

23.4 Commodities risk
- The Company's commodities risk factors include the supply of electric energy it requires for its operation and the need for continuity of service, in case of possible supply interruptions. In this respect, the Company has a supply system that allows it to decrease exposure in case of supply interruption by having two points of direct connection to the Central Interconnected System (SIC), which supply Lines 1, 2 and 5, as well as two points for supplying Line 4.

- In addition it should be noted that the electric energy supply systems are redundant and in the event either fails, there is always a back-up to ensure the Company maintains the energy supply for the operation of the network in a normal manner.

  The operating control systems are designed with redundant criteria, i.e. they operate on stand-by, therefore in case of absence of one of the systems, the other begins operating immediately, maintaining the normal operation of the network.

- In the case of Lines 1, 2 and 5, if there is an interruption in the SIC, the distribution company has defined replacement of the supply that feeds the civic neighborhood of Santiago as a first priority, which allows the Metro network to have energy almost immediately, since Metro is supplied by the same sources.

  Likewise it should be noted that in June 2004, the Company signed the Energy and Power Contract with distributor Chilectra S.A., which is in effect as of August 1, 2004 and allows the Company to ensure the current network's supply of electric energy for a period of 10 years. The aforementioned contract will end in March 2014, this is why Metro is in the stage of signing a new contract which guarantees energy supply starting April 2014.

23.5 Risk due to unforeseen events or force majeure
In addition to the above, the Company has risk management and control policies where the possible events related to the actions of nature or third parties which could affect the Company's operations are analyzed, for which there are emergency plans that are reviewed and updated periodically.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012
(In thousands of Chilean pesos)

24. ENVIRONMENT

Disbursements related to improvements and/or investments that directly or indirectly affect protection of the environment, for the years ended as of December 31, 2013 and 2012 are detailed as follows:

ITEM	ALLOCATED TO EXPENSES	
	01-01-2013 12-31-2013 M$	01-01-2012 12-31-2012 M$
Noise and Vibrations	34,100	82,914
Waste treatment	38,886	19,611
Run-off Water	102,438	97,969
Environmental Management	186,181	250,976
TOTAL	**361,605**	**451,470**

ITEM	ALLOCATED TO FIXED ASSETS	
	01-01-2013 12-31-2013 M$	01-01-2012 12-31-2012 M$
Noise and Vibration	8,709	109,548
Waste Treatment	45,791	
TOTAL	**54,500**	**109,548**

M$ 1,862,488 has been committed to these items in the future.

25. SANCTIONS

During 2013 and 2012, the Company has not been sanctioned by the SVS or any other supervising entity.

26. SUBSEQUENT EVENTS

As of February 4, 2014 Empresa de Transporte de Pasajeros Metro S.A. issued and placed bonds in the international market, issued under rule 144A and regulation S of the United States Securities Act, amounting to US$ 500,000,000.

During the period January 1, 2014 to March 10, 2014 there have not occurred any other significant events.

11 Statement of Responsibility

Statement of Responsibility

Pursuant to General Standards No. 30 of the Superintendencia de Valores y Seguros, the undersigned Directors and Chief Executive Officer of Empresa de Transporte de Pasajeros Metro S.A. ("Metro S.A.") state under oath their responsibility for the veracity of the information contained in the Metro S.A. 2013 Annual Report.

NAME	POSITION	ID	SIGNATURE
Fernando Cañas Berkowitz	Presidente Directorio	5.853.136-7	
José Luis Domínguez Covarrubias	Vicepresidente	6.372.293-6	
Domingo Arteaga Echeverría	Director	7.816.189-2	
Bernardo Fontaine Talavera	Director	6.371.763-0	
Clemente Pérez Errázuriz	Director	10.890.592-1	
Luis de Grange Concha	Director	12.487.883-7	
Francisco Silva Donoso	Director	4.858.635-K	
Ramón Cañas Cambiaso	Gerente General	7.460.288-6	

Santiago, March 24, 2014