

### IAM S.A. ANNOUNCES RESULTS FOR THE FIRST NINE MONTHS OF 2012

(Santiago – Chile, November 28, 2012) Inversiones Aguas Metropolitanas S.A. “the Company” or “IAM”, controlling shareholder of Aguas Andinas S.A, the lead sanitation company in Chile, announced its consolidated results for the period ended September 30, 2012.

#### HIGHLIGHTS

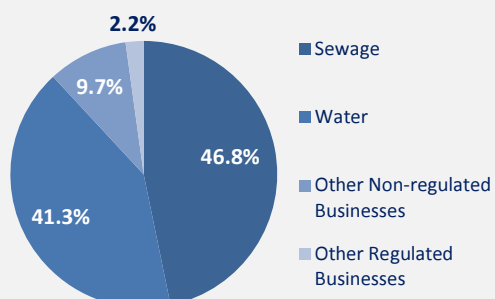
**Net Income as of September 30, 2012, reached to Ch\$43,709 million as compared to Ch\$38,049 million for the same period of 2011.**

- Operating revenues amounted to Ch\$278,685 million, Ch\$17,930 million (6.9%) higher than in the previous period. This increase is due to higher sales volumes and an increase in average tariffs compared to the same period of 2011.
- Consolidated EBITDA for the period amounted to Ch\$172,562 million, Ch\$12,763 million (8.0%) higher compared to the same period of the previous period. . This improved EBITDA can be attributed to an increase in revenue that was partially offset by a rise in costs of raw materials associated with measures taken to mitigate the impact of the drought and other overhead costs.
- The financial result as of September 30, 2012 was Ch\$(17,420 million), compared to the Ch\$(27,536 million) in the same period of the previous year. This difference is due mainly to the lower revaluation of debt issued in UF<sup>(2)</sup>.
- The provision for income tax reached Ch\$28,066 million as of September 30, 2012, Ch\$10,955 million higher compared to the same period of the previous year. This increase is related to new tax reforms passed by the Chilean Congress on September 27, 2012, which increased the annual tax and deferred tax provision.
- Earnings for the first nine months of 2012 reached Ch\$43,709 million, 14.9% higher than the same period of the previous year.

#### Principal Consolidated Figures (Million of Ch\$ as of each period)

	Sep. 12	Sep. 11	% Var
Revenues	278,685	260,755	6.9%
Operating Income (EBIT)	132,579	119,493	11.0%
EBITDA	172,562	159,799	8.0%
EBITDA Margin	61.9%	61.3%	
Net Income	43,709	38,049	14.9%

#### Revenue by Business



#### Operating Figures

Sales Volumen (Th. m <sup>3</sup> )	Sep. 12	Sep. 11	% Var.
Water	401,406	392,437	2.3%
Sewage Collection	392,315	382,239	2.6%
Sewage Treatment & Disposal	343,014	333,508	2.9%
Sewage Interconnection Services	90,421	87,862	2.9%
<b>Customers</b>	<b>Sep. 12</b>	<b>Sep. 11</b>	<b>% Var.</b>
Water	1,971,972	1,937,138	1.8%
Sewage Collection	1,931,206	1,895,241	1.9%

(1) All figures are in millions of Chilean pesos, unless otherwise stated. The consolidated financial statements of Inversiones Aguas Metropolitanas S.A. include its subsidiary Aguas Andinas S.A. “Aguas Andinas”.

(2) The UF is an inflation-indexed, peso-denominated unit that is linked to, and adjusted daily to reflect changes in, the previous month's Chilean consumer price index.



## MATERIAL EVENTS

- On January 12, 2012, Aguas Andinas issued UF 1.65 million in single bond series, Series Q, on the Chilean market. The bond has a bullet term of 20.5 years and an effective interest rate of 3.92%, corresponding to a spread of 115 bps. The funds raised will be used to finance investments for both the company and its subsidiaries.
- In April 2012, the Supreme Court notified Aguas Andinas of the court's final ruling in the Pudahuel-La Farfana case. The company was instructed to pay damages of Ch\$2 million to each of the 534 residents of Pudahuel named in the suit for odors stemming from the La Farfana's Sewage Treatment Plant between 2003 and 2005. On April 26, Ch\$1,068 million was deposited with the court.
- On April 17, 2012, the board of directors approved the distribution of Ch\$77,222,258,000, or Ch\$12.62 per share, as a final dividend. The dividend was paid on May 23, 2012.
- On April 19, 2012, Aguas Andinas issued UF 3.3 million (US\$153 million) of series R and S bonds in the Chilean market. The Series R bond (UF 1 million) has a term of 7 years and an effective rate of 3.50%, corresponding to a spread of 106 bps; while the Series S bond (UF 2.3 million) has a term of 23 years and effective rate of 3.89%, corresponding to a spread of 110 bps.
- On May 4, 2012, the State Development Corporation (CORFO) sold 387,676,815 shares, representing approximately 40.46%, of Empresa de Servicios Sanitarios de Los Lagos (ESSAL), leaving CORFO with a 5% holding. On June 20, ESSAL held an extraordinary shareholders meeting to renew the board of directors.
- On July 31, 2012, Victor de la Barra Fuenzalida, Chief Executive Officer of Aguas Andinas left his position for personal reasons. The board of directors appointed Jesús García García as the new CEO.
- ESSAL's ordinary shareholders meeting held on April 13, 2012, authorized the board of directors to set the timing for dividend payments. The Board of Directors of ESSAL at its meeting held on August 27, 2012, approved an additional and final dividend (No.23) of Ch\$ 2.4407 per share paid on September 13, 2012.

## SUBSEQUENT EVENTS

- On October 24, 2012, the Company reported to the SVS that the Board of Directors of the Company, meeting in an ordinary session on that day, agreed to pay and distributed an interim dividend of Ch\$ 17.764.400.000, or Ch\$17,7644 per share, to be charged to profits for the 2012 fiscal year. This interim dividend is dividend number 19 and was paid on November 15, 2012.
- On October 23, 2012, Aguas Andinas S.A. reported to the SVS that the Board of Directors of the Company, meeting in an ordinary session on that day, agreed to pay and distributed an interim dividend of Ch\$35,456,343,620, or Ch\$5.7945 per share, to be charged to profits for the 2012 fiscal year. This interim dividend is dividend number 55 and was paid on November 13, 2012.
- On November 26, 2012, Aguas Cordillera S.A. reported to the SVS that the Board of Directors of the Company, meeting in an ordinary session on that day, agreed to pay and distributed an interim dividend of Ch\$6,000,001,392, or Ch\$119,696 per share, to be charged to profits for the 2012 fiscal year. This interim dividend is dividend number 12 and will be paid on December 14, 2012.

The management of the company and subsidiaries is unaware of any other relevant subsequent events as of the date of issue of this report.

## INCOME STATEMENT

	Sep. 12 MM\$	Sep. 11 MM\$	% Var.
Revenues	278,685	260,755	6.9%
Operating Costs & Expenses	(146,106)	(141,262)	3.4%
Operating Income (EBIT)	132,579	119,493	11.0%
EBITDA <sup>(1)</sup>	172,562	159,799	8.0%
EBITDA Margin	61.9%	61.3%	
Financial Expenses	(16,657)	(20,140)	(17.3%)
Financial Result <sup>(2)</sup>	(17,421)	(27,536)	(36.7%)
Net Income	43,709	38,049	14.9%

(1) Operating revenues + Operating Costs & Expenses + Personnel expenses + Other expenses (by nature)

(2) Includes financial income, financial expenses, exchange differences and results of indexation units.

## Revenues

Operating revenues as of September 30, 2012, reached Ch\$278,685 million, Ch\$17,930 million (6.9%) more than in the same period of the previous year.

By business line, operating revenues for the period are as follows<sup>(1)</sup>:

	Sep. 12		Sep. 11	
	Sales (Mio. Ch\$)	%	Sales (Mio. Ch\$)	%
Water	115,074	41.3%	108,214	41.5%
Sewage	130,292	46.8%	120,764	46.3%
Other Regulated Businesses	6,072	2.2%	6,143	2.4%
Other Non-regulated Businesses	27,247	9.7%	25,634	9.8%
<b>Total</b>	<b>278,685</b>	<b>100%</b>	<b>260,755</b>	<b>100%</b>

<sup>(1)</sup> Includes revenues from IAM.

## Principal Operating Figures<sup>(1)</sup>

Sales Volumen (Th. m <sup>3</sup> )	Sep. 12	Sep. 11	% Var.
Water	401,406	392,437	2.3%
Sewage Collection	392,315	382,239	2.6%
Sewage Treatment & Disposal	343,014	333,508	2.9%
Sewage Interconnection Services	90,421	87,862	2.9%
<b>Customers</b>	<b>Sep. 12</b>	<b>Sep. 11</b>	<b>% Var.</b>
Water	1,971,972	1,937,138	1.8%
Sewage Collection	1,931,206	1,895,241	1.9%



### Regulated Businesses:

1. **Water:** This business line includes revenues from the production and distribution of potable water. Revenues in this business line rose Ch\$6,860 million (6.3%) year over year reaching Ch\$115,074 million, explained by a higher sales volume (8.9 million m<sup>3</sup>) and a higher average tariff compared to the first nine months of 2011.
2. **Sewage:** This business line includes revenues from the collection, treatment, disposal and interconnection services of sewage. Revenues from these services increased Ch\$9,528 million due to:
  - i. Higher collection revenue of Ch\$4,069 million (Ch\$63,813 million as of September 30, 2012 compared to Ch\$59,744 million in the third quarter of 2011), due to a higher sales volume of 10.0 million m<sup>3</sup> and a higher average tariff during the first nine months of 2012 compared to the first nine months of 2011.
  - ii. Higher sewage treatment revenues of Ch\$4,381 million (Ch\$52,837 million as of September 30, 2012 compared to Ch\$48,456 million in the same period of 2011), due to a higher sales volume of 9.5 million m<sup>3</sup> and a higher average tariff during the first nine months of 2012 compared to the first nine months of 2011.
  - iii. Higher revenues from sewage interconnection services of Ch\$1,078 million (Ch\$13,642 million as of September 30, 2012 compared to Ch\$12,564 million in the same period of the previous year), due mainly to higher sales volumes of 2.5 million m<sup>3</sup> as well as a higher average tariff during the first nine months of 2012 compared to the first nine months of 2011.

During 2011, the indexes used to set tariffs increased resulting in higher rates throughout the year. As of January 1, 2012, a lower tax rate came into effect, which in turn adjusted tariffs downward. This tax-related adjustment affected all tariff groups.

3. **Other regulated businesses:** This item includes revenues from fixed charges, revenues relating to disconnection and reconnection charges and provisions for unbilled consumption. These revenues decreased by Ch\$71 million, mainly due to a lower revenue provision of Ch\$443 million and Ch\$51 million for disconnection and reconnection charges, partly offset by higher revenues from fixed charges of Ch\$450 million.

### Non-regulated Businesses:

Revenues in this segment increased Ch\$1,613 million during the first nine months of 2012, due mainly to:

- **Sanitation Services:** Revenues in this segment increased Ch\$33 million mainly due to higher revenues from rural potable water, partially offset by easements granted in 2011.
- **Non-Sanitation Services:** Revenues in this segment increased Ch\$1,580 million mainly due to higher revenues in EcoRiles S.A. (operation of treatment plants and treatment of industrial liquid waste), higher sales of materials in Gestión y Servicios S.A. and higher sales in ANAM S.A.



## **Cost of Sales**

Costs of raw and secondary materials reached Ch\$21,903 million in the first nine months of 2012, Ch\$2,030 million higher than the costs recorded in the same period of 2011. The increase in costs is related to the purchase of water rights, which were acquired to mitigate the effects of the drought in the Santiago area. Additionally, there were higher costs in Gestión y Servicios associated to the sale of materials.

## **Personnel Expenses**

The first nine months of 2012 registered personnel costs of Ch\$28,910 million, Ch\$1,313 million higher than the figured posted in the same period of last year, mainly due to higher personnel compensation and benefits, both linked to inflation adjustments.

## **Depreciation and Amortization**

Depreciation and amortization for the first nine months of 2012 reached Ch\$39,983 million, Ch\$528 million higher than the same period of the previous year. This increased is related to new investments made by the company that began operating the first nine months of the year.

## **Impairment Losses**

This item varied Ch\$852 million in the first nine months of 2012 compared to the same period of 2011, related to the closure of Aguas Manquehue S.A. plants in 2011.

## **Other Expenses, by Nature**

Other expenses for the first nine months of 2012 reached Ch\$55,309 million, Ch\$1,825 million higher than the figure registered in the same period of 2011. This increase corresponds to higher general expenses of Ch\$902 million, equipment maintenance of Ch\$907 million, other services of Ch\$861 million, network maintenance of Ch\$816 million, and increased client services of Ch\$406 million. This increase is partly offset by lower costs of waste sludge removal for Ch\$2,196 million.

Equipment maintenance costs include the repair of the Archimedes screw of La Farfana Sewage Treatment Plant. The malfunction of this screw jeopardizes the normal functioning of the plant. However, the Company expects to resolve this problem in the coming months, and La Farfana should resume its normal operations at that time.

## **Other Earnings (Losses)**

Other earnings for the first nine months of 2012 reached Ch\$443 million, Ch\$1,489 million lower than the earnings recorded in the same period of the previous year. This difference is related to an insurance Aguas Manquehue S.A. received in 2011 for damages caused by the earthquake in February 2010.

## **Financial Income**

As of September 30, 2012, financial income amounted to Ch\$6,656 million, Ch\$1,096 million higher than the figured registered in the same period of last year, mainly explained by higher interest revenue due to higher cash surpluses.



## **Financial Costs**

During the first nine months of 2012, the financial costs reached Ch\$16,657 million, Ch\$3,483 million lower than the financial costs recorded in the same period of the previous year. This difference is mainly due to increased capitalized interest from investments (mainly the Mapocho sewage treatment plant), partially offset by higher interest expenses due to higher debt level.

## **Indexation Adjustment**

As of September 30, 2012, the results of indexation reached Ch\$7,418 million, Ch\$5,545 million lower than the same period of 2011. This difference is the result of a lower revaluation of debt in UF.

## **Income Tax Charge (Credit)**

The provision for income tax reached Ch\$28,066 million as of September 30, 2012, Ch\$10,955 million higher compared to the same period of the previous year. This increase is related to new tax reforms passed by the Chilean Congress on September 27, 2012. These reforms outlined, among other measures, an increase in the corporate tax rate from 18.5% to 20%. The impact on the income statement related to these reforms was a higher tax provision of Ch\$1,747 million.

Additionally, differed taxes were revalued according to the tax reform in order to comply with the new tax rate. The impact of this revaluation was slightly higher given that the differed taxes were calculated at a 17% rate, which was the rate initially approved for 2013 onwards. This revaluation was Ch\$5,717 million for the Aguas Group.

Finally, taxes for the first nine months of 2012 were higher than the same period of last year given higher operating results.

## **Earnings (Loss)**

Earnings for the first nine months of 2012 reached Ch\$43,709 million, 14.9% higher than the same period of the previous year.

## **BALANCE SHEET**

(In Millions of Ch\$)	Sep. 12	Dec. 11	% Var
<b><u>Assets</u></b>			
Current Assets	124,753	84,248	48.1%
Long-Term Assets	1,672,928	1,658,776	0.9%
<b>Total Assets</b>	<b>1,797,628</b>	<b>1,743,024</b>	<b>3.1%</b>
<b><u>Liabilities &amp; Shareholders' Equity</u></b>			
Current Liabilities	140,731	198,707	-29.2%
Long-Term Liabilities	696,661	593,216	17.4%
Total Liabilities	837,391	791,923	5.7%
Minority Interest	374,779	371,389	0.9%
Shareholders' Equity	585,511	579,712	1.0%
<b>Total Liabilities &amp; Equity</b>	<b>1,797,628</b>	<b>1,743,024</b>	<b>3.1%</b>

### **Assets**

Total consolidated assets as of September 30, 2012 were Ch\$1,797,682 million, an increase of 3.1% compared to December 31, 2011 when total assets were Ch\$1,743,024 million.

Current assets were Ch\$124,753 million as of September 30, 2012, an increase of Ch\$40,505 million compared to December 31, 2011. This increase was mainly due to an increase in cash and cash equivalents, as a result of bond issuances in April 2012 for UF 3.3 million. This increase was offset by lower accounts receivable of Ch\$3,000 million, related to seasonality of sales.

As of September 30, 2012, non-current assets increased Ch\$14,153 million compared to December 31, 2011, due to net increases in property, plant and equipment of Ch\$13,257 million.

The following are the main investments during the period:

<b>Investments (Millions of Ch\$)</b>	<b>Accumulated as of Sep. 12</b>
Mapocho Sewage Treatment Plant	21,337
Farfana - Trebal Sewage Interceptor	3,263
Exploratory Drilling Cerro Negro	2,658
External Platform for Sludge Disposal	1,710

## Liabilities

As of September 30, 2012, total liabilities were Ch\$837,392 million, an increase of 5.7% compared to the Ch\$791,923 million as of December 31, 2011.

Current liabilities decreased by Ch\$57,976 million from December 31, 2011, mainly explained by lower bonds obligations of Ch\$36,499 million related to the repayment of the Series E bonds and payments to suppliers of Ch\$28,170 million.

Long-term liabilities increased by Ch\$103,445 million compared to December 2011, mainly due to the issuance of Series Q bonds in January 2012 for UF 1.65 million, Series R bonds for UF 1.0 million and Series S bonds for UF 2.3 million in April 2012.

Total shareholder's equity as of September 2012 increased by Ch\$9,189 million compared to December 2011. Equity attributable to shareholders of the controller increased by Ch\$5,799 million, explained by dividend payments of Ch\$37,110 million which was partially compensated by retained earnings of the period.

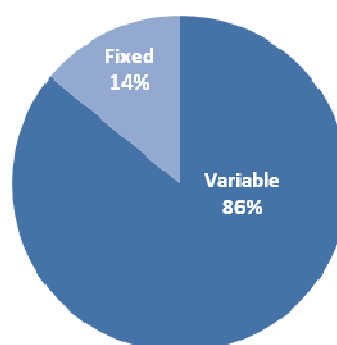
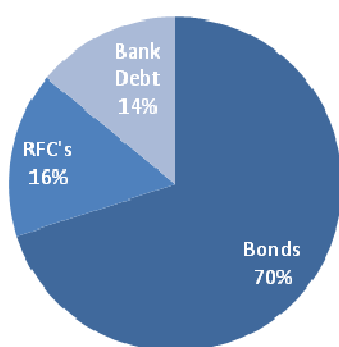
The table below outlines the amortization profile of consolidated debt as of September 30, 2012 (figures in millions of Ch\$ in nominal terms):

		Total	Less than 1 yr.	1-3 yrs.	3-5 yrs.	More than 5 yrs.
Bonds	UF	475,732	19,405	102,315	73,474	280,539
Bank Debt	Ch\$	94,899	18,197	27,895	38,945	9,861
RFC's <sup>(1)</sup>	UF	112,202	8,451	9,998	21,166	72,587
<b>Total <sup>(2)</sup></b>		<b>682,833</b>	<b>46,053</b>	<b>140,208</b>	<b>133,585</b>	<b>362,987</b>

<sup>(1)</sup> Promissory Notes.

<sup>(2)</sup> The figure considers the accrued financial expenses as of March 31, 2012.

## Financial Liabilities Structure





## CONSOLIDATED CASH FLOWS

Consolidated Cash Flow (Millions of Ch\$)	Sep. 12	Sep. 11	% Var.
Net Cash Flow from Operating Activities	156,416	137,890	13.4%
Net Cash Flow from Investment Activities	(85,104)	(84,217)	1.1%
Net Cash Flow from Financing Activities	(27,697)	(48,505)	(42.9%)
Net Cash Flow of the Period	43,615	5,168	743.9%
Closing Balance of Cash & Cash Equivalent	50,168	12,628	297.3%

The net cash flow from operating activities increased by Ch\$18,526 million for the first nine months of 2012 compared to the same period of the previous year. This increase is due mainly to the sale of goods and collection of payment for services for Ch\$25,715 million, directly related to higher volume of water and sewage services and higher average tariffs as well as lower interest payments of Ch\$4,548 million. This increase was partially offset by increased payments to suppliers for Ch\$9,406 million related to investments in property, plant and equipment.

Investment activities as of September 30, 2012 produced a negative net cash flow of Ch\$85,104 million, mainly associated with the increase of property, plant and equipment for Ch\$4,195 million and the capitalization of interest of Ch\$4,861 million.

The cash flow from financing activities showed a variation of Ch\$20,808 million, due mainly to the repayment of bond Series E and dividend payment of Ch\$8,037, which was partially offset by increased long term debt of Ch\$53,930 million, related to the issuance of bonds (Series Q, R and S for UF 4.95 million).

## FINANCIAL RATIOS

		Sep. 12	Sep. 11	Dec. 11
<b>DEBT</b>				
Total Liabilities	Ch\$	837,391	780,372	791,923
Financial Liabilities	Ch\$	692,911	610,603	625,727
Total Liabilities/Shareholders' Equity	times	0.87	0.82	0.83
Current Liabilities/Total Liabilities	times	0.17	0.19	0.25
Financial Liabilities/Shareholders' Equity	times	0.72	0.64	0.66
Other Current Financial Liabilities/Shareholders' Equity	times	0.06	0.07	0.09
Other Long Term Financial Liabilities/Shareholders' Equity	times	0.67	0.57	0.57
Interest Coverage Ratio	times	10.36	8.84	7.93
<b>LIQUIDITY</b>				
Liquidity	times	0.89	0.53	0.42

**Total Liabilities:** Current Liabilities plus Long Term Liabilities.

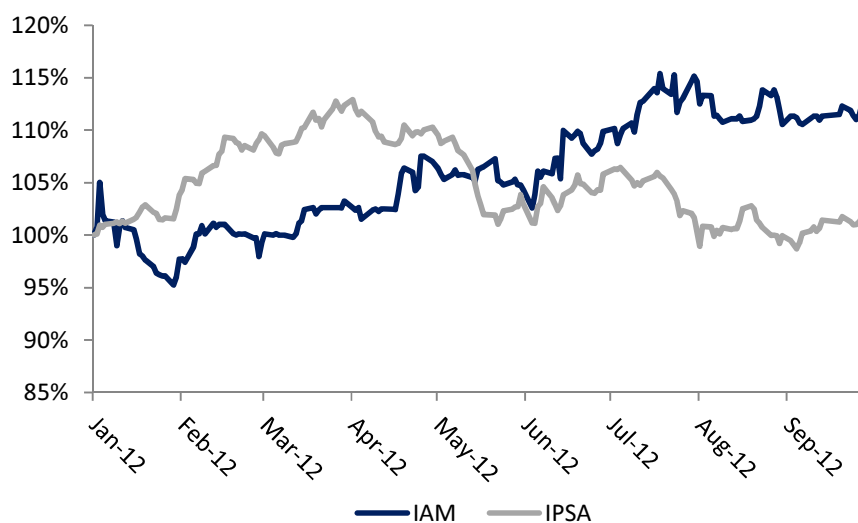
**Financial Liabilities:** Other current financial liabilities plus other long term financial liabilities

**EBITDA:** Operating revenues + Consumption of raw materials & secondary materials + Personnel expenses + Other expenses (by nature)  
Earnings before interest, taxes, depreciation, and amortization

**Interest Coverage Ratio:** EBITDA / Financial Costs

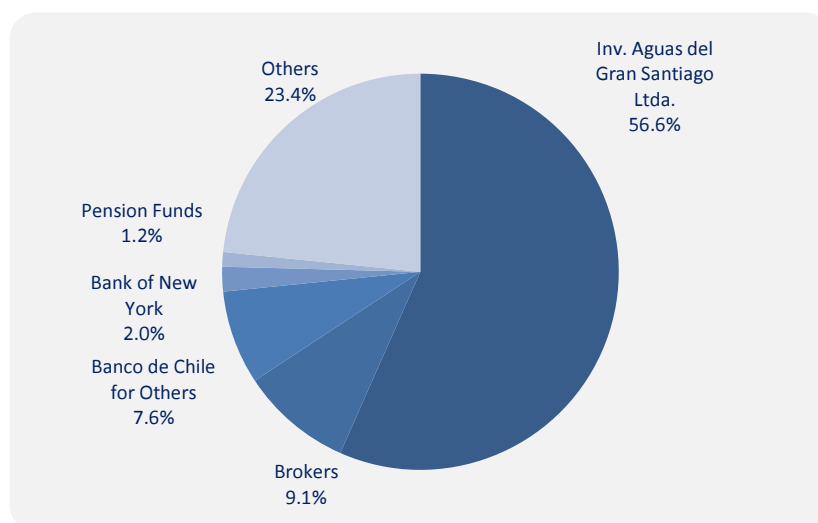
**Liquidity:** Current Assets / Current Liabilities

### EVOLUTION OF IAM SHARE PRICE / IPSA 9M12 (BASE 100)



Source: Bloomberg

### INVERSIONES AGUAS METROPOLITANAS S.A. Shareholders as of September 30, 2012



Total subscribed and paid shares: 1,000,000,000  
Number of shareholders: 344

For further information contact:  
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## BALANCE SHEET

(IFRS, in thousands of Ch\$ as of each period)

<b>ASSETS</b>	<b>Sep. 12</b>	<b>Dec. 11</b>
Cash & Cash Equivalents	50,167,626	6,553,176
Other Non-financial Current Assets	522,428	1,389,612
Trade Accounts & Other Accounts Receivables (net)	67,209,122	70,207,638
Accounts Receivable from Related Companies	8,623	8,997
Inventories	4,419,536	3,005,481
Income Taxes	2,425,502	3,082,596
<b>TOTAL CURRENT ASSETS</b>	<b>124,752,837</b>	<b>84,247,500</b>
Other Financial Non-current Assets	7,367,236	7,238,651
Other Non-financial Non-current Assets	465,888	460,475
Trade Accounts & Other Accounts Receivables (net)	1,812,740	2,018,870
Other Intangible Assets	224,010,817	223,106,257
Goodwill	307,940,996	307,940,996
Property, Plant & Equipment	1,131,018,453	1,117,761,721
Deferred Taxes	312,216	249,422
<b>TOTAL LONG TERM ASSETS</b>	<b>1,672,928,346</b>	<b>1,658,776,392</b>
<b>TOTAL ASSETS</b>	<b>1,797,681,183</b>	<b>1,743,023,892</b>
<b>LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>Sep. 12</b>	<b>Dec. 11</b>
Other Current Financial Liabilities	53,907,392	84,776,754
Accounts Payable	50,371,122	65,093,945
Accounts Payable to Related Companies	30,908,034	42,332,651
Other Accruals	1,448,492	1,482,989
Income Taxes	1,000,103	329,736
Severance obligations	2,080,069	3,653,745
Other Current Non-financial Liabilities	1,015,427	1,036,883
<b>TOTAL CURRENT LIABILITIES</b>	<b>140,730,639</b>	<b>198,706,703</b>
Other Long Term Financial Liabilities	639,003,741	540,949,948
Other Accruals	1,555,283	1,570,602
Deferred Taxes	1,081,301	1,066,784
Accounts Payable	39,091,698	34,354,152
Severance obligations	8,553,800	7,927,200
Other Long Term Non-financial Liabilities	7,374,682	7,347,230
<b>TOTAL LONG TERM LIABILITIES</b>	<b>696,660,505</b>	<b>593,215,916</b>
Paid-in Capital	468,358,402	468,358,402
Retained Earnings	154,420,776	148,621,915
Other Reserves	(37,268,417)	(37,268,417)
<b>Net Shareholders' Equity Attributable to the Parent Company</b>	<b>585,510,761</b>	<b>579,711,900</b>
<b>Minority Interest</b>	<b>374,779,278</b>	<b>371,389,373</b>
<b>SHAREHOLDERS' EQUITY</b>	<b>960,290,039</b>	<b>951,101,273</b>
<b>TOTAL LIABILITY AND SHAREHOLDERS' EQUITY</b>	<b>1,797,681,183</b>	<b>1,743,023,892</b>

## CONSOLIDATED STATEMENTS OF INCOME

(IFRS, in thousands of Ch\$ as of each period)

INCOME STATEMENT (ThCh\$)	Sep. 12	Sep. 11
Operating Revenues	278,684,898	260,754,533
Consumption of Raw & Secondary Materials	(21,903,969)	(19,874,225)
Personnel Expenses	(28,910,156)	(27,597,360)
Depreciation & Amortization	(39,982,834)	(39,454,450)
Impairment Loss	-	(851,589)
Other Expenses	(55,308,709)	(53,484,255)
<b>OPERATING INCOME</b>	<b>132,579,230</b>	<b>119,492,654</b>
Financial Income	6,655,558	5,560,034
Financial Expenses	(16,657,332)	(20,140,352)
Exchange Differences	(1,431)	7,361
Results of Indexation Units	(7,417,919)	(12,962,937)
<b>FINANCIAL RESULT</b>	<b>(17,421,124)</b>	<b>(27,535,894)</b>
Other Income	443,305	1,932,081
<b>NET INCOME (LOSS) BEFORE TAXES</b>	<b>115,601,411</b>	<b>93,888,841</b>
Income Taxes	(28,065,982)	(17,110,549)
<b>POST-TAX NET INCOME (LOSS)</b>	<b>87,535,429</b>	<b>76,778,292</b>
Minority Interest	43,826,799	38,729,532
<b>NET INCOME FOR THE PERIOD</b>	<b>43,708,630</b>	<b>38,048,760</b>

## CONSOLIDATED STATEMENTS OF CASH FLOWS

(IFRS, in thousands of Ch\$ as of each period)

<b>CONSOLIDATED STATEMENTS OF CASH FLOW (ThCh\$)</b>	<b>Sep. 12</b>	<b>Sep. 11</b>
Collection of trade account receivables	340,491,218	314,776,120
Collection from insurance contracts	201,437	2,034,232
Other operating income	1,803,739	1,410,594
Payment to suppliers	(89,370,942)	(79,964,386)
Payment to personnel	(31,480,196)	(30,283,152)
Payment of insurance contracts	(400,890)	(316,051)
Other operating payments	(33,083,542)	(29,447,747)
Interest paid	(11,788,602)	(16,337,352)
Interest received	2,905,764	2,065,853
Income tax refund (paid)	(21,221,234)	(22,737,378)
Other income (payment)	(1,641,658)	(3,310,473)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>156,415,094</b>	<b>137,890,260</b>
Proceeds from sales of PP&E	259,759	364,097
Addition of PP&E	(77,887,104)	(82,082,358)
Addition of intangible assets	(240,241)	(124,075)
Other income (payment)	(7,235,936)	(2,374,553)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(85,103,522)</b>	<b>(84,216,889)</b>
Long term loans (banks, bonds and other financing)	78,645,278	24,715,628
Short term loans (banks, bonds and other financing)	3,163,551	3,952,182
<b>Cash flow from loans</b>	<b>81,808,829</b>	<b>28,667,810</b>
Payment of loans and other financing disbursements	(30,203,598)	(6,552,182)
Dividend payment	(78,451,048)	(70,413,575)
Other income (payment)	(851,305)	(207,545)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(27,697,122)</b>	<b>(48,505,492)</b>
<b>TOTAL NET CASH FLOW FOR THE PERIOD</b>	<b>43,614,450</b>	<b>5,167,879</b>
<b>OPENING BALANCE OF CASH &amp; CASH EQUIVALENT</b>	<b>6,553,176</b>	<b>7,460,416</b>
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENT</b>	<b>50,167,626</b>	<b>12,628,295</b>