

Independent Auditor's Report (Translation of the report originally issued in Spanish)

Shareholders and Directors
Transelec S.A.

We have audited the accompanying consolidated financial statements of Transelec S.A. and subsidiaries ("the Company"), which comprise the consolidated statement of financial position as of December 31, 2014, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management of Transelec S.A. is responsible for the preparation and fair presentation of these consolidated financial statements in conformity with instructions and standards of preparation and presentation of financial information issued by *Superintendencia de Valores y Seguros* described in Note 2.1 to the consolidated 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 audit. We conducted our audit 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 of 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 consolidated 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 consolidated 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 on the Regulatory Basis of Accounting

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Transelec S.A. and subsidiaries as of December 31, 2014 and the results of their operations and their cash flows for the year then ended in conformity with instructions and standards of preparation and presentation of financial information issued by the *Superintendencia de Valores y Seguros* described in Note 2.1 to the consolidated financial statements.

Basis of Accounting

As described in Note 2.1 to the consolidated financial statements, on October 17, 2014 the *Superintendencia de Valores y Seguros* under its authority issued Circular No. 856 instructing entities under its supervision, to record the differences in assets and liabilities for deferred taxes arising as a direct effect of the changes in the tax rates introduced by Law 20.780 against equity, thereby changing the conceptual accounting framework for the preparation and presentation of financial information adopted until that date, from the previous framework (International Financial Reporting Standards) which is required to be adopted in comprehensive and explicit manner and without reservations. The quantification of the change of the accounting framework as of December 31, 2014 and for the year then ended is also described in Note 22. Our opinion is not modified with respect to this matter.

Other Matters

Previously, we have audited, in accordance with auditing standards generally accepted in Chile, the consolidated financial statements of Transelec S.A. and subsidiaries as of and for the year ended on December 31, 2013, in which we expressed an unmodified audit opinion on those consolidated financial statements in our report dated February 26, 2014.



Marek Borowski

EY LTDA.

Santiago, March 11, 2015