



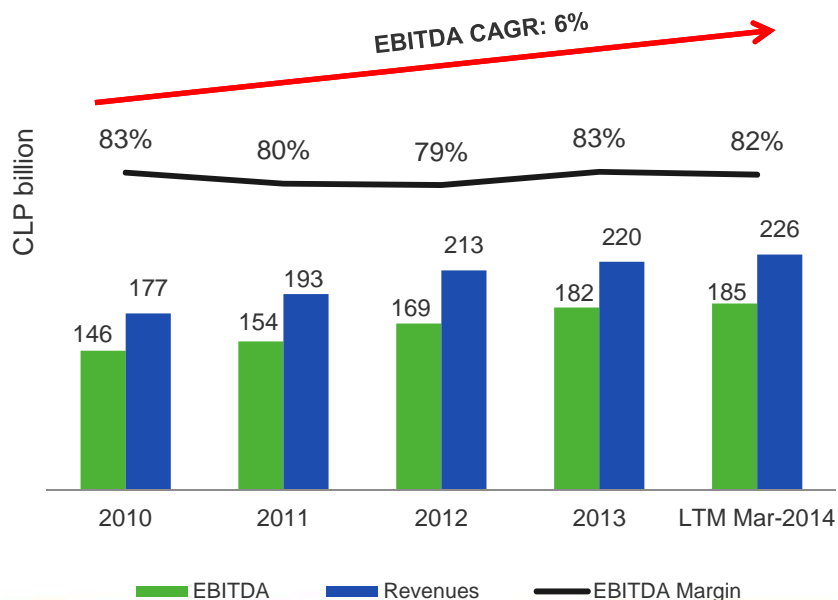
1Q 2014 Earnings

transelec

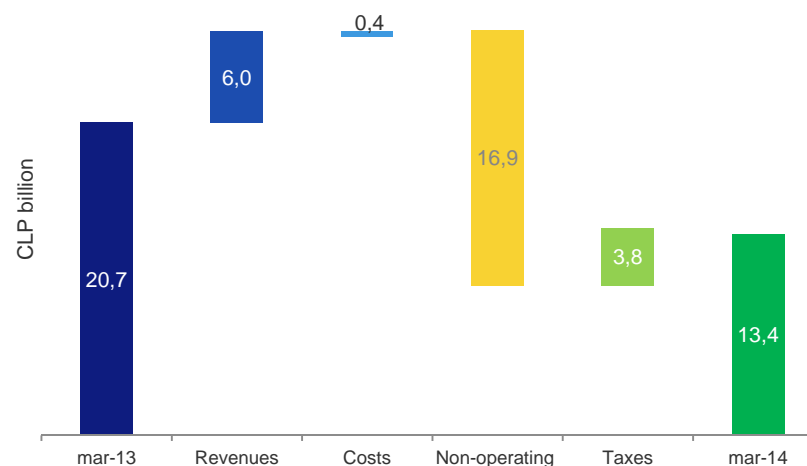
- Transelec is the largest transmission company in Chile with over 9,200 kilometers of transmission lines located in areas that serve approximately 98% of the Chilean population
- The Company also continues to generate stable cash flows, and recorded improvements in EBITDA margins (82% in March 2014 on a LTM basis)
- During the first quarter of 2014, the company added to its portfolio US\$93.5 million of new facilities:
 - US\$38.8 million of new trunk upgrades commissioned, and
 - Acquisition of Maitencillo – Cardones 2x220 kV trunk transmission line from Guacolda S.A with a VI of US\$54.7 million.
- As of March 31, 2014, Transelec recorded a net income of MCLP13,361 and an EBITDA of MCLP52,307.

- During the first quarter of 2014, Transelec recorded a net income 35.6% lower than the same period in 2013 mainly due to:
 - higher loss on indexed assets and liabilities (MCLP11,167 in 2014 and MCLP1,075 in 2013). Non-cash item arising from a relatively high local CPI compared to 1Q 2013.
 - higher loss on foreign exchange differences liabilities (MCLP4,711 in 2014 and MCLP161 in 2013) and,
- The company has maintained an EBITDA margin of approximately 80% driven by a low and stable cost structure mainly comprised of labor and maintenance expenses

EBITDA and Revenues

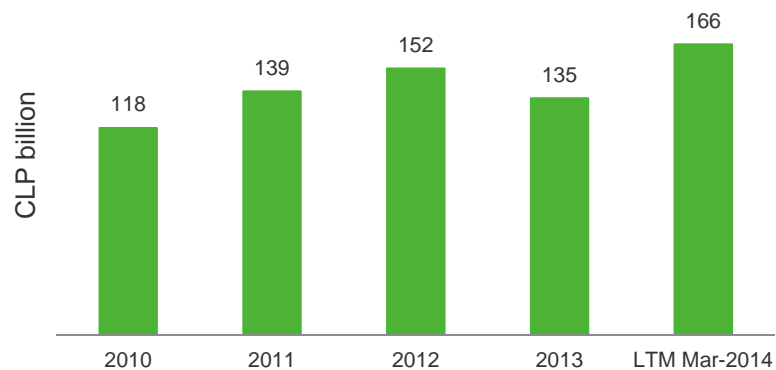


Net Income

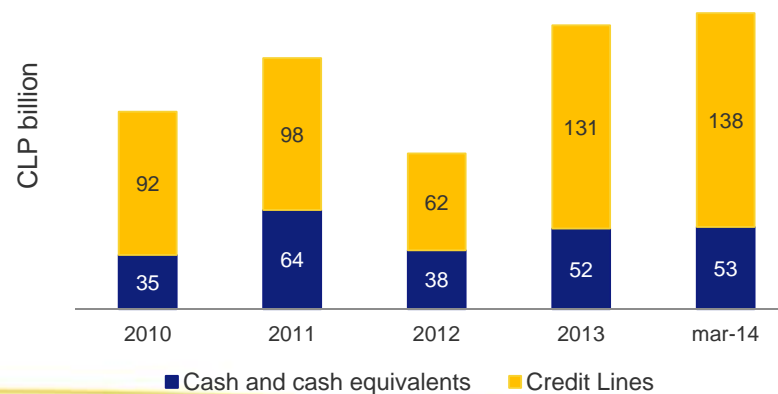


- In March 2014, Transelec's liquidity increased to CLP191 billion (USD350 million)
 - This includes USD250 million available on a committed revolving credit line (completely undrawn).
 - Furthermore, the Company's bonds have a 6-month DSRA, supported by standby letter of credits, which have been fully funded by its shareholders.
- In addition, the company generated in the Last Twelve Months (LTM) as of March 31, 2014, CLP155 million of funds from operations (FFO) and CLP166 billion of cash flow from operations (CFO)
- Transelec also has UF 16.9 million (USD762 million) available under its UF 20 million (USD902 million) local shelf registration program.

Cashflow From Operations

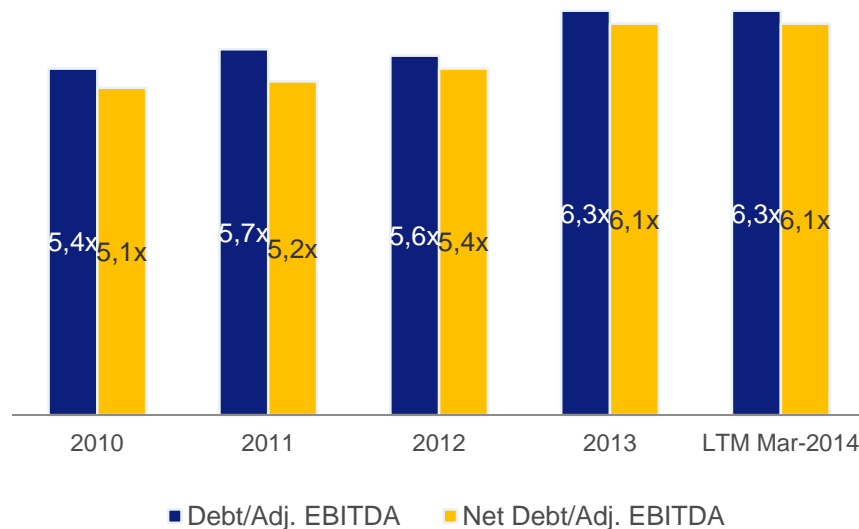


Liquidity

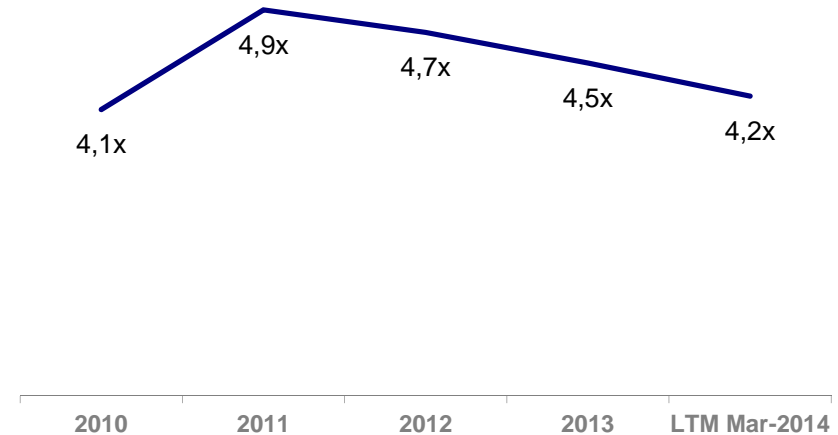


- The company also maintains a stable and conservative capital structure
- Debt to EBITDA ratio stays in 6.3x, while Interest Expense Coverage has maintained over 4.0x in the past five years.

Leverage



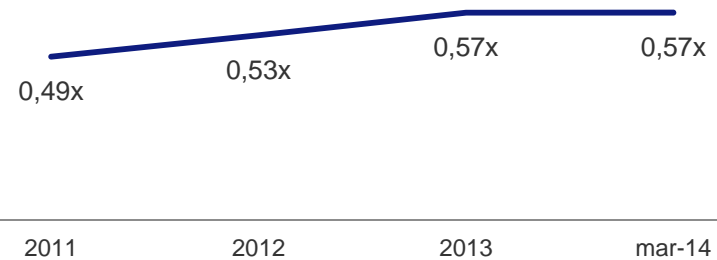
Interest Expense Coverage



Our financial covenants (included in the local bond indentures) are balance sheet focused, which provides significant cushion against short term fluctuations in financial results.

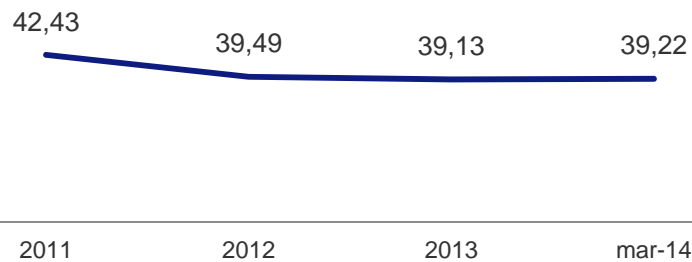
As of March 31, 2014, the company is in full compliance with all debt covenants.

Debt / Capital < 0.7x ⁽¹⁾



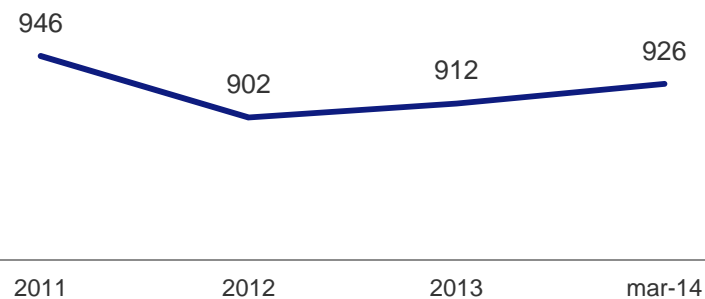
(1) Total Debt / (Total Debt + Interest + Shareholder's Equity + Accumulated amortization of goodwill)

Minimum Equity > UF15 million⁽²⁾



(2) Equity attributable to the owners + Accumulated amortization of goodwill

Minimum Equity > CLP 350 billion ⁽³⁾



(3) Equity attributable to the owners + Accumulated amortization of goodwill

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You can find additional information in our web page:
<http://www.transelec.cl/index.php/inversionistas-2/>





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