

**CONSOLIDATED INCOME STATEMENT**  
(Under Chilean GAAP, million Ch\$)

**Table 1**

Million Ch\$	1H 02	1H 01	Var 02-01	Chg %
Revenues from Generation	443.109	482.948	(39.839)	-8,2%
Revenues from Distribution	919.112	1.037.604	(118.492)	-11,4%
Revenues from Other Businesses	84.571	84.851	(280)	-0,3%
Consolidation Adjustments	(153.355)	(141.306)	(12.049)	-8,5%
<b>Operating Revenues</b>	<b>1.293.437</b>	<b>1.464.097</b>	<b>(170.660)</b>	<b>-11,7%</b>
Op. Expenses from Generation	(263.621)	(311.869)	48.248	15,5%
Op. Expenses from Distribution	(692.415)	(751.989)	59.574	7,9%
Op. Expenses from Other Businesses	(62.271)	(60.200)	(2.071)	-3,4%
Consolidation Adjustments	144.468	133.607	10.861	8,1%
<b>Operating Expenses</b>	<b>(873.839)</b>	<b>(990.451)</b>	<b>116.612</b>	<b>11,8%</b>
<b>Operating Margin</b>	<b>419.598</b>	<b>473.646</b>	<b>(54.049)</b>	<b>-11,4%</b>
SG&A from Generation	(14.029)	(14.382)	353	2,5%
SG&A from Distribution	(88.918)	(106.598)	17.680	16,6%
SG&A from Other Businesses	(16.826)	(19.211)	2.385	12,4%
Consolidation Adjustments	11.535	13.473	(1.938)	-14,4%
<b>Selling and Administrative Expenses</b>	<b>(108.238)</b>	<b>(126.718)</b>	<b>18.480</b>	<b>14,6%</b>
<b>Operating Income</b>	<b>311.360</b>	<b>346.929</b>	<b>(35.569)</b>	<b>-10,3%</b>
Interest Income	35.015	27.650	7.366	26,6%
Interest Expense	(218.226)	(228.281)	10.055	4,4%
<b>Net Financial Income (Expenses)</b>	<b>(183.211)</b>	<b>(200.631)</b>	<b>17.420</b>	<b>8,7%</b>
Equity Gains from Related Companies	2.378	1.849	529	28,6%
Equity Losses from Related Companies	(7.257)	(7.894)	637	8,1%
<b>Net Income from Related Companies</b>	<b>(4.879)</b>	<b>(6.045)</b>	<b>1.166</b>	<b>19,3%</b>
Other Non Operating Income	173.920	92.766	81.154	87,5%
Other Non Operating Expenses	(122.862)	(38.880)	(83.982)	-216,0%
<b>Net other Non Operating Income (Expense)</b>	<b>51.059</b>	<b>53.886</b>	<b>(2.828)</b>	<b>-5,2%</b>
Price Level Restatement	(3.771)	3.470	(7.241)	-208,7%
Foreign Exchange Effect	(10.516)	(29.265)	18.749	64,1%
<b>Net of Monetary Exposure</b>	<b>(14.287)</b>	<b>(25.796)</b>	<b>11.508</b>	<b>44,6%</b>
<b>Positive Goodwill Amortization</b>	<b>(40.044)</b>	<b>(38.937)</b>	<b>(1.107)</b>	<b>-2,8%</b>
<b>Non Operating Income</b>	<b>(191.363)</b>	<b>(217.523)</b>	<b>26.161</b>	<b>12,0%</b>
<b>Net Income b. Taxes, Min Int and Neg Goodwill Amort.</b>	<b>119.997</b>	<b>129.405</b>	<b>(9.408)</b>	<b>-7,3%</b>
Income Tax	(24.123)	(64.017)	39.894	62,3%
Minority Interest	(96.451)	(74.336)	(22.115)	-29,8%
Negative Goodwill Amortization	24.233	22.563	1.670	7,4%
<b>NET INCOME</b>	<b>23.656</b>	<b>13.615</b>	<b>10.042</b>	<b>73,8%</b>
<b>R.A.I.I.D.A.I.E.</b>	<b>548.667</b>	<b>550.127</b>	<b>(1.460)</b>	<b>-0,3%</b>

**CONSOLIDATED INCOME STATEMENT**  
(Under Chilean GAAP, thousand US\$)

**Table 1.2**

<b>Th. US\$</b>	<b>1H 02</b>	<b>1H 01</b>	<b>Var 02-01</b>	<b>Chg %</b>
Revenues from Generation	644.007	701.908	(57.901)	-8,2%
Revenues from Distribution	1.335.822	1.508.036	(172.214)	-11,4%
Revenues from Other Businesses	122.914	123.321	(407)	-0,3%
Consolidation Adjustments	(222.884)	(205.372)	(17.512)	-8,5%
<b>Operating Revenues</b>	<b>1.879.859</b>	<b>2.127.894</b>	<b>(248.035)</b>	<b>-11,7%</b>
Op. Expenses from Generation	(383.142)	(453.265)	70.123	15,5%
Op. Expenses from Distribution	(1.006.344)	(1.092.928)	86.584	7,9%
Op. Expenses from Other Businesses	(90.504)	(87.494)	(3.010)	-3,4%
Consolidation Adjustments	209.967	194.182	15.785	8,1%
<b>Operating Expenses</b>	<b>(1.270.023)</b>	<b>(1.439.504)</b>	<b>169.481</b>	<b>11,8%</b>
<b>Operating Margin</b>	<b>609.836</b>	<b>688.389</b>	<b>(78.553)</b>	<b>-11,4%</b>
SG&A from Generation	(20.390)	(20.903)	513	2,5%
SG&A from Distribution	(129.232)	(154.928)	25.696	16,6%
SG&A from Other Businesses	(24.455)	(27.921)	3.466	12,4%
Consolidation Adjustments	16.765	19.581	(2.817)	-14,4%
<b>Selling and Administrative Expenses</b>	<b>(157.311)</b>	<b>(184.169)</b>	<b>26.858</b>	<b>14,6%</b>
<b>Operating Income</b>	<b>452.525</b>	<b>504.220</b>	<b>(51.695)</b>	<b>-10,3%</b>
Interest Income	50.890	40.185	10.705	26,6%
Interest Expense	(317.166)	(331.779)	14.614	4,4%
<b>Net Financial Income (Expenses)</b>	<b>(266.275)</b>	<b>(291.594)</b>	<b>25.319</b>	<b>8,7%</b>
Equity Gains from Related Companies	3.456	2.687	769	28,6%
Equity Losses from Related Companies	(10.547)	(11.473)	926	8,1%
<b>Net Income from Related Companies</b>	<b>(7.091)</b>	<b>(8.786)</b>	<b>1.695</b>	<b>19,3%</b>
Other Non Operating Income	252.773	134.825	117.948	87,5%
Other Non Operating Expenses	(178.565)	(56.508)	(122.057)	-216,0%
<b>Net other Non Operating Income (Expense)</b>	<b>74.208</b>	<b>78.317</b>	<b>(4.110)</b>	<b>-5,2%</b>
Price Level Restatement	(5.481)	5.043	(10.524)	-208,7%
Foreign Exchange Effect	(15.284)	(42.534)	27.250	64,1%
<b>Net of Monetary Exposure</b>	<b>(20.765)</b>	<b>(37.491)</b>	<b>16.726</b>	<b>44,6%</b>
<b>Positive Goodwill Amortization</b>	<b>(58.199)</b>	<b>(56.591)</b>	<b>(1.608)</b>	<b>-2,8%</b>
<b>Non Operating Income</b>	<b>(278.123)</b>	<b>(316.145)</b>	<b>38.022</b>	<b>12,0%</b>
<b>Net Inc b. Taxes, Min Int and Neg Goodwill Amort.</b>	<b>174.402</b>	<b>188.075</b>	<b>(13.674)</b>	<b>-7,3%</b>
Income Tax	(35.060)	(93.042)	57.982	62,3%
Minority Interest	(140.180)	(108.038)	(32.141)	-29,8%
Negative Goodwill Amortization	35.220	32.792	2.428	7,4%
<b>NET INCOME</b>	<b>34.382</b>	<b>19.788</b>	<b>14.594</b>	<b>73,8%</b>
<b>R.A.I.I.D.A.I.E.</b>	<b>797.423</b>	<b>799.545</b>	<b>(2.122)</b>	<b>-0,3%</b>

**PROFORMA CONSOLIDATED INCOME STATEMENT**  
(Under Chilean GAAP, million Ch\$)

This proforma consolidated income statement, shows our Argentinean subsidiaries (Edesur, Costanera, Chocón) under the equity method.

**Table 2**

Million Ch\$				
	1H 02 Proforma	1H 01Proforma	Var 02-01	Chg %
<b>Operating Revenues</b>	1.139.660	1.055.181	84.479	8,0%
<b>Operating Expenses</b>	(746.331)	(695.845)	(50.486)	-7,3%
<b>Operating Margin</b>	393.329	359.336	33.993	9,5%
Selling and Administrative Expenses	(91.342)	(91.491)	149	0,2%
<b>Operating Income</b>	301.987	267.845	34.142	12,7%
Net Financial Income (Expenses)	(153.455)	(184.637)	31.182	16,9%
Net Income from Related Companies	(2.765)	17.219	(19.984)	-116,1%
Net other Non Operating Income (Expense)	30.716	80.063	(49.347)	-61,6%
Net of Monetary Exposure	(14.287)	(44.485)	30.198	67,9%
Price Level Restatement	(3.771)	11.447	(15.218)	-132,9%
Foreign Exchange Effect	(10.516)	(55.932)	45.416	81,2%
<b>Positive Goodwill Amortization</b>	(40.044)	(38.819)	(1.225)	-3,2%
<b>Non Operating Income</b>	(179.835)	(170.659)	(9.176)	-5,4%
<b>Net Income b. Taxes, Min Int and Neg Goodwill Amort</b>	122.152	97.186	24.966	25,7%
Income Tax	(28.367)	(43.102)	14.735	34,2%
Minority Interest	(94.362)	(62.914)	(31.448)	-50,0%
Negative Goodwill Amortization	24.233	22.445	1.788	8,0%
<b>NET INCOME</b>	23.656	13.615	10.041	73,7%

**PROFORMA CONSOLIDATED INCOME STATEMENT**  
(Under Chilean GAAP, million Ch\$)

This proforma consolidated income statement, shows our Argentinean subsidiaries (Edesur, Costanera, Chocón) under the equity method.

**Table 2.1**

Th. US\$

	1H 02 Proforma	1H 01 Proforma	Var 02-01	Chg %
<b>Operating Revenues</b>	<b>1.656.362</b>	<b>1.533.582</b>	<b>122.780</b>	<b>8,0%</b>
<b>Operating Expenses</b>	<b>(1.084.705)</b>	<b>(1.011.329)</b>	<b>(73.375)</b>	<b>-7,3%</b>
<b>Operating Margin</b>	<b>571.658</b>	<b>522.253</b>	<b>49.405</b>	<b>9,5%</b>
Selling and Administrative Expenses	(132.755)	(132.971)	217	0,2%
<b>Operating Income</b>	<b>438.903</b>	<b>389.281</b>	<b>49.621</b>	<b>12,7%</b>
Net Financial Income (Expenses)	(223.029)	(268.348)	45.319	16,9%
Net Income from Related Companies	(4.019)	25.026	(29.044)	-116,1%
Net other Non Operating Income (Expense)	44.642	116.362	(71.720)	-61,6%
Net of Monetary Exposure	(20.764)	(64.654)	43.889	67,9%
Price Level Restatement	(5.481)	16.637	(22.118)	-132,9%
Foreign Exchange Effect	(15.284)	(81.291)	66.007	81,2%
Positive Goodwill Amortization	(58.199)	(56.419)	(1.780)	-3,2%
<b>Non Operating Income</b>	<b>(261.369)</b>	<b>(248.033)</b>	<b>(13.336)</b>	<b>-5,4%</b>
<b>Net Inc b. Taxes, Min Int and Neg Goodwill Amort</b>	<b>177.534</b>	<b>141.248</b>	<b>36.285</b>	<b>25,7%</b>
Income Tax	(41.228)	(62.644)	21.416	34,2%
Minority Interest	(137.144)	(91.438)	(45.706)	-50,0%
Negative Goodwill Amortization	35.220	32.621	2.599	8,0%
<b>NET INCOME</b>	<b>34.381</b>	<b>19.788</b>	<b>14.593</b>	<b>73,7%</b>

**CONSOLIDATED BALANCE SHEET**  
(Under Chilean GAAP, million Ch\$)

**Table 6**

<b>Million Ch\$</b>	<b>1H 02</b>	<b>1H 01</b>
<b>CURRENT ASSETS</b>		
Cash	31.005	23.439
Time Deposits	215.283	140.359
Marketable Securities	540	6.808
Accounts Receivable, net	450.688	502.048
Notes receivable	5.731	4.058
Other accounts receivable	117.604	93.351
Amounts due from related companies	19.491	28.035
Inventories, net	73.973	79.750
Income taxes to be recovered	57.720	66.821
Prepaid expenses	10.544	11.249
Deferred income taxes	41.583	25.750
Other current assets	176.604	94.134
Net of Long Term Leasing Contracts	-	-
Net of Assets for leasing	-	-
<b>Total current assets</b>	<b>1.200.767</b>	<b>1.075.803</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Property	159.312	144.727
Buildings and Infraestructure	11.089.403	10.265.221
Plant and equipment	1.859.555	1.758.901
Other assets	545.397	500.181
Technical re-appraisal	690.117	649.189
<b>Sub - Total</b>	<b>14.343.785</b>	<b>13.318.220</b>
Accumulated depreciation	(4.709.029)	(4.114.100)
<b>Total property, plant and equipment</b>	<b>9.634.755</b>	<b>9.204.120</b>
<b>OTHER ASSETS</b>		
Investments in related companies	178.522	158.854
Investments in other companies	152.498	142.348
Positive Goodwill	1.269.029	1.313.989
Negative goodwill	(162.211)	(193.496)
Long-term receivables	133.362	42.115
Amounts due from related companies	168.186	162.548
Intangibles	73.192	63.324
Accumulated amortization	(27.895)	(19.820)
Deferred income taxes	-	-
Others	219.012	115.399
Net of Long Term Leasing Contracts	-	-
<b>Total other assets</b>	<b>2.003.695</b>	<b>1.785.260</b>
<b>TOTAL ASSETS</b>	<b>12.839.217</b>	<b>12.065.183</b>

**CONSOLIDATED BALANCE SHEET**  
**(Under Chilean GAAP, thousand US\$)**

**Table 6.1**

Th. US\$	1H 02	1H 01
<b>CURRENT ASSETS</b>		
Cash	45.063	34.065
Time Deposits	312.889	203.996
Marketable Securities	785	9.895
Accounts Receivable, net	655.022	729.668
Notes receivable	8.329	5.898
Other accounts receivable	170.924	135.675
Amounts due from related companies	28.327	40.746
Inventories, net	107.511	115.907
Income taxes to be recovered	83.890	97.117
Prepaid expenses	15.325	16.350
Deferred income taxes	60.435	37.425
Other current assets	256.674	136.813
Net of Long Term Leasing Contracts	0	0
Net of Assets for leasing	0	0
<b>Total current assets</b>	<b>1.745.173</b>	<b>1.563.553</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>		
Property	231.541	210.343
Buildings and Infrastructure	16.117.147	14.919.295
Plant and equipment	2.702.646	2.556.357
Other assets	792.671	726.955
Technical re-appraisal	1.003.004	943.520
<b>Sub - Total</b>	<b>20.847.009</b>	<b>19.356.471</b>
Accumulated depreciation	(6.844.022)	(5.979.361)
<b>Total property, plant and equipment</b>	<b>14.002.987</b>	<b>13.377.109</b>
<b>OTHER ASSETS</b>		
Investments in related companies	259.460	230.876
Investments in other companies	221.639	206.887
Positive Goodwill	1.844.385	1.909.729
Negative goodwill	(235.754)	(281.224)
Long-term receivables	193.826	61.209
Amounts due from related companies	244.438	236.244
Intangibles	106.376	92.033
Accumulated amortization	(40.542)	(28.806)
Deferred income taxes	-	-
Others	318.309	167.719
Net of Long Term Leasing Contracts	-	-
<b>Total other assets</b>	<b>2.912.136</b>	<b>2.594.666</b>
<b>TOTAL ASSETS</b>	<b>18.660.297</b>	<b>17.535.329</b>

**CONSOLIDATED BALANCE SHEET**  
(Under Chilean GAAP, million Ch\$)

Table 7

	1H 02	1H 01
<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Due to banks and financial institutions(Short Term)	424.292	377.649
Due to banks and financial institutions(Short term portion of Long Term)	426.271	223.485
Commercial paper equivalent	36.123	23.683
Bonds payable(Short Term)	187.955	90.872
Long-term liabilities maturing before one year	35.911	30.911
Dividends payable	24.336	5.091
Accounts payable	245.627	262.808
Notes payable	3.589	14.008
Miscellaneous payables	62.658	36.090
Accounts payable to related companies	45.213	31.967
Provisions	71.944	71.456
Withholdings	46.824	67.348
Income Tax	46.775	51.883
Anticipated income	10.468	12.122
Deferred Taxes	-	-
Other current liabilities	151.217	111.815
<b>Total current liabilities</b>	<b>1.819.202</b>	<b>1.411.188</b>
<b>LONG-TERM LIABILITIES</b>		
Due to banks and financial institutions	1.814.149	2.055.888
Bonds payable	2.309.228	2.084.796
Notes payable	210.223	220.382
Miscellaneous payables	28.613	30.293
Amounts payable to related companies	974.000	991.075
Provisions	259.688	140.362
Deferred taxes	27.017	35.626
Other long-term liabilities	43.412	44.266
<b>Total Long-term liabilities</b>	<b>5.666.330</b>	<b>5.602.689</b>
Minority interest	4.133.758	3.895.907
<b>SHAREHOLDERS' EQUITY</b>		
Paid-in capital, no par value	729.328	722.254
Reserve to Equity Revaluation	4.376	10.834
Additional paid-in capital-share premium	32.593	32.565
Other reserves	37.923	22.902
<b>Total Capital and Reserves</b>	<b>804.220</b>	<b>788.556</b>
<b>RETAINED EARNINGS</b>		
Future Dividends Reserve	-	-
Retained Earnings	393.422	351.956
Retained Losses	-	-
Net Income	23.656	13.615
Interim dividends	-	-
Development subsidiaries deficits	(1.371)	1.273
<b>Total Retained Earnings</b>	<b>415.707</b>	<b>366.844</b>
<b>Total Shareholder's Equity</b>	<b>1.219.928</b>	<b>1.155.399</b>
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>	<b>12.839.217</b>	<b>12.065.183</b>

**CONSOLIDATED BALANCE SHEET**  
**(Under Chilean GAAP, thousand US\$)**

**Table 7.1**

	1H 02	1H 01
<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Due to banks and financial institutions(Short Term)	616.658	548.869
Due to banks and financial institutions(Short term portion of Lor	619.535	324.809
Commercial paper equivalent	52.500	34.421
Bonds payable(Short Term)	273.170	132.072
Long-term liabilities maturing before one year	52.193	44.925
Dividends payable	35.370	7.399
Accounts payable	356.989	381.961
Notes payable	5.216	20.359
Miscellaneous payables	91.065	52.453
Accounts payable to related companies	65.712	46.460
Provisions	104.561	103.853
Withholdings	68.054	97.882
Income Tax	67.982	75.405
Anticipated income	15.213	17.618
Deferred Taxes	-	-
Other current liabilities	219.777	162.510
<b>Total current liabilities</b>	<b>2.643.997</b>	<b>2.050.996</b>
<b>LONG-TERM LIABILITIES</b>		
Due to banks and financial institutions	2.636.652	2.987.992
Bonds payable	3.356.192	3.030.006
Notes payable	305.534	320.299
Miscellaneous payables	41.585	44.028
Amounts payable to related companies	1.415.595	1.440.412
Provisions	377.426	204.000
Deferred taxes	39.266	51.778
Other long-term liabilities	63.095	64.336
<b>Total Long-term liabilities</b>	<b>8.235.346</b>	<b>8.142.851</b>
Minority interest	6.007.933	5.662.244
<b>SHAREHOLDERS' EQUITY</b>		
Paid-in capital, no par value	1.059.993	1.049.712
Reserve to Equity Revaluation	6.360	15.746
Additional paid-in capital-share premium	47.369	47.330
Other reserves	55.117	33.286
<b>Total Capital and Reserves</b>	<b>1.168.840</b>	<b>1.146.073</b>
<b>RETAINED EARNINGS</b>		
Future Dividends Reserve	-	-
Retained earnings	571.793	511.526
Retained Losses	-	-
Net Income	34.382	19.788
Interim dividends	-	-
Development subsidiaries deficits	(1.993)	1.850
<b>Total Retained Earnings</b>	<b>604.182</b>	<b>533.164</b>
<b>Total Shareholder's Equity</b>	<b>1.773.022</b>	<b>1.679.237</b>
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>	<b>18.660.297</b>	<b>17.535.329</b>



## EVOLUTION OF KEY FINANCIAL RATIOS

**Table 8**

Indicator	Unit	Jun-02	Jun-01	Jun 02-01	%Var 02-01
Liquidity	Times	0,66	0,76	(0,10)	(13,2%)
Acid ratio test *	Times	0,65	0,76	(0,11)	(14,5%)
Working capital	million Ch\$	(618.434)	(335.385)	(283.049)	84,4%
Working capital	thousands US\$	(898.821)	(487.443)	(411.379)	84,4%
Leverage **	Times	1,40	1,39	0,01	0,7%
Short-term debt	%	0,24	0,20	0,04	20,0%
Long-term debt	%	0,76	0,80	(0,04)	(5,0%)
Interest Coverage***	Times	2,51	2,41	0,10	4,1%
EBITDA****	million Ch\$	528.014	549.958	(21.944)	(4,0%)
EBITDA	million US\$	767	799	(32)	(4,0%)
ROE (Semiannual)	%	1,94%	1,18%	0,8%	64,4%
ROA (Semiannual)	%	0,2%	0,1%	0,1%	100,0%

\* Current assets net of inventories and pre-paid expenses

\*\* Using the ratio = Total debt / (equity + minority interest)

\*\*\*EBITDAEI/Interest expenses=(Earnings before taxes+Fin exp+Net non operating income+depreciation+ Positive Goodwill)/Interest expenses

\*\*\*\*EBITDA: Operating Income+Depreciation

## CONSOLIDATED DEBT MATURITY SCHEDULE (Debt with third parties)

**Table 9**

Ch\$ million	Debt Maturity			TOTAL
	Less than 1 year	Between 1 and 3 years	More than 3 year	
Chile	385.996	2.007.730	1.795.122	4.188.848
Argentina	169.260	108.712	105.272	383.244
Perú	81.190	70.181	114.904	266.275
Brasil	234.625	40.595	42.184	317.404
Colombia	89.447	3.440	123.161	216.048
<b>TOTAL</b>	<b>960.518</b>	<b>2.230.658</b>	<b>2.180.644</b>	<b>5.371.820</b>

**Table 9.1**

US\$ million	Debt Maturity			TOTAL
	Less than 1 year	Between 1 and 3 years	More than 3 year	
Chile	561	2.918	2.609	6.088
Argentina	246	158	153	557
Perú	118	102	167	387
Brasil	341	59	61	461
Colombia	130	5	179	314
<b>TOTAL</b>	<b>1.396</b>	<b>3.242</b>	<b>3.169</b>	<b>7.807</b>

**CONSOLIDATED CASH FLOW**  
(Under Chilean GAAP, million Ch\$)

**Table 10**

<b>Million Ch\$</b>	1H 02	1H 01
<b>CASH FLOWS ORIGINATED FROM OPERATING ACTIVITIES</b>		
<b>Net income (loss) for the year</b>	<b>23.656</b>	<b>13.615</b>
<b>Profit (losses) from sales of assets:</b>		
(Profit) loss on sale of fixed assets	(3.306)	(498)
(Profit) loss on sale of investment	-	-
<b>Charges (credits) which do not represent cash flows:</b>		
Depreciation	216.654	203.029
Amortization of intangibles	4.804	4.361
Write-offs and accrued expenses	26.596	33.001
Accrued profit from related companies (less)	(2.378)	(1.849)
Accrued losses from related companies	7.257	7.894
Amortization of positive goodwill	40.044	38.937
Amortization of negative goodwill (less)	(24.233)	(22.563)
Net, price-level restatement	3.771	(3.470)
Net, foreign exchange effect	10.516	29.265
Other credits which do not represent cash flow (less)	(255.626)	(63.178)
Other charges which do not represent cash flow	81.967	50.615
<b>Assets variations which affect cash flow:</b>		
Decrease in receivables accounts	142.182	26.301
Decrease (increase) in inventory	(1.794)	(3.358)
Decrease (increase) in other assets	17.418	123.159
<b>Liabilities variations which affect cash flow:</b>		
(Decreased) increase in payable accounts related to operating income	(19.349)	(105.052)
Increase of payable interest	20.687	1.924
Net increase (decrease) of payable income tax	(32.744)	(84.739)
Increase (decrease) of other payable accounts related to non-operating income	(80.183)	(3.514)
Net (decrease) of payable value added tax and other taxes	(47.613)	(63.542)
Profit related to minority interest	96.451	74.336
<b>NET POSITIVE CASH FLOW ORIGINATED FROM OPERATING ACTIVITIES</b>	<b>224.777</b>	<b>254.673</b>

<b>CONSOLIDATED CASH FLOW</b> <b>(Under Chilean GAAP, million Ch\$)</b>
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**Cont. 10**

	1H 02	1H 01
<b>CASH FLOWS ORIGINATED FROM FINANCING ACTIVITIES</b>		
Shares issued and subscribed	1.804	-
Proceeds from loans hired	562.220	754.955
Proceeds from debt issuance	119.107	-
Other sources of financing	23	3.963
Dividends paid	(67.161)	(75.199)
Capital paid	(3.901)	
Loans, debt amortization (less)	(609.240)	(638.157)
Issuance debt amortization (less)	(19.239)	(14.621)
Amortization of loans obtained from related companies	(8.969)	(82.575)
Amortization of other loans obtained from related companies	(16)	-
Expenses paid related to debt issuance (less)	(9.350)	-
Other disbursements related to financing (less)	(3.073)	(6.193)
<b>NET (NEGATIVE) CASH FLOW ORIGINATED FROM FINANCING ACTIVITIES</b>	<b>(37.795)</b>	<b>(57.828)</b>
<b>CASH FLOWS ORIGINATED FROM INVESTING ACTIVITIES</b>		
Sale of fixed assets	14.632	15.897
Sale of investments	-	-
Collection upon loans to related companies	3.778	-
Collection upon other loans to related companies	931	-
Other income on investments	2.388	28.788
Additions to fixed assets (less)	(108.621)	(178.244)
Long-term investments (less)	(16.284)	(3.988)
Investment in financing instruments	(14.798)	-
Other loans to related companies (less)	-	(140)
Other investment disbursements (less)	(9.385)	(6.258)
<b>NET (NEGATIVE) CASH FLOW ORIGINATED FROM INVESTMENT ACTIVITIES</b>	<b>(127.360)</b>	<b>(143.945)</b>
<b>NET POSITIVE CASH FLOW FOR THE PERIOD</b>	<b>59.622</b>	<b>52.900</b>
<b>EFFECT OF PRICE-LEVEL RESTATEMENT UPON CASH AND CASH EQUIVALENT</b>	<b>(15.416)</b>	<b>5.068</b>
<b>NET VARIATION OF CASH AND CASH EQUIVALENT</b>	<b>44.206</b>	<b>57.968</b>
<b>INITIAL BALANCE OF CASH AND CASH EQUIVALENT</b>	<b>212.752</b>	<b>117.136</b>
<b>FINAL BALANCE OF CASH AND CASH EQUIVALENT</b>	<b>256.958</b>	<b>175.105</b>

<b>CONSOLIDATED CASH FLOW</b> <b>(Under Chilean GAAP, thousand US\$)</b>
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**Table 11**

<b>Th. US\$</b>	<b>1H 02</b>	<b>1H 01</b>
<b>CASH FLOWS ORIGINATED FROM OPERATING ACTIVITIES</b>		
<b>Net income (loss) for the year</b>	<b>34.382</b>	<b>19.788</b>
<b>Profit (losses) from sales of assets:</b>		
(Profit) loss on sale of fixed assets	(4.805)	(724)
(Profit) loss on sale of investment	-	-
<b>Charges (credits) which do not represent cash flows:</b>		
Depreciation	314.882	295.079
Amortization of intangibles	6.982	6.338
Write-offs and accrued expenses	38.654	47.963
Accrued profit from related companies (less)	(3.456)	(2.687)
Accrued losses from related companies	10.547	11.473
Amortization of positive goodwill	58.199	56.591
Amortization of negative goodwill (less)	(35.220)	(32.792)
Net, price-level restatement	5.481	(5.043)
Net, foreign exchange effect	15.284	42.534
Other credits which do not represent cash flow (less)	(371.522)	(91.822)
Other charges which do not represent cash flow	119.129	73.562
<b>Assets variations which affect cash flow:</b>		
Decrease in receivables accounts	206.644	38.225
Decrease (increase) in inventory	(2.607)	(4.881)
Decrease (increase) in other assets	25.315	178.997
<b>Liabilities variations which affect cash flow:</b>		
(Decreased) increase in payable accounts related to operating income	(28.121)	(152.681)
Increase of payable interest	30.066	2.796
Net increase (decrease) of payable income tax	(47.590)	(123.159)
Increase (decrease) of other payable accounts related to non-operating income	(116.537)	(5.108)
Net (decrease) of payable value added tax and other taxes	(69.200)	(92.351)
Profit related to minority interest	140.180	108.038
<b>NET POSITIVE CASH FLOW ORIGINATED FROM OPERATING ACTIVITIES</b>	<b>326.688</b>	<b>370.137</b>

**CONSOLIDATED CASH FLOW**  
**(Under Chilean GAAP, thousand US\$)**

**Cont. 11.1**

	1H 02	1H 01
<b>CASH FLOWS ORIGINATED FROM FINANCING ACTIVITIES</b>		
Shares issued and subscribed	-	-
Proceeds from loans hired	817.121	1.097.238
Proceeds from debt issuance	173.108	-
Other sources of financing	34	5.760
Dividends paid	(97.610)	(109.294)
Capital paid	(5.670)	-
Loans, debt amortization (less)	(885.459)	(927.486)
Issuance debt amortization (less)	(27.962)	(21.250)
Amortization of loans obtained from related companies	(13.036)	(120.013)
Amortization of other loans obtained from related companies	(23)	-
Expenses paid related to debt issuance (less)	(13.590)	-
Other disbursements related to financing (less)	(4.467)	(9.001)
<b>NET (NEGATIVE) CASH FLOW ORIGINATED FROM FINANCING ACTIVITIES</b>	<b>(54.931)</b>	<b>(84.046)</b>
<b>CASH FLOWS ORIGINATED FROM INVESTING ACTIVITIES</b>		
Sale of fixed assets	21.266	23.104
Sale of investments	-	-
Collection upon loans to related companies	1.352	-
Collection upon other loans to related companies	-	-
Other income on investments	3.471	41.839
Additions to fixed assets (less)	(157.869)	(259.057)
Long-term investments (less)	(23.667)	(5.796)
Investment in financing instruments	-	-
Other loans to related companies (less)	-	(203)
Other investment disbursements (less)	(13.640)	(9.095)
<b>NET (NEGATIVE) CASH FLOW ORIGINATED FROM INVESTMENT ACTIVITIES</b>	<b>(185.104)</b>	<b>(209.207)</b>
<b>NET POSITIVE CASH FLOW FOR THE PERIOD</b>	<b>86.653</b>	<b>76.884</b>
<b>EFFECT OF PRICE-LEVEL RESTATEMENT UPON CASH AND CASH EQUIVALENT</b>	<b>(22.405)</b>	<b>7.366</b>
<b>NET VARIATION OF CASH AND CASH EQUIVALENT</b>	<b>64.248</b>	<b>84.250</b>
<b>INITIAL BALANCE OF CASH AND CASH EQUIVALENT</b>	<b>309.210</b>	<b>170.244</b>
<b>FINAL BALANCE OF CASH AND CASH EQUIVALENT</b>	<b>373.458</b>	<b>254.494</b>

**PARENT COMPANY INCOME STATEMENT**  
(Under Chilean GAAP, million Ch\$)

Table 15

Million Ch\$

	1H 02	1H 01	Var 02-01	Chg %
<b>Operating Revenues</b>	2.096	2.092	4	0,2%
<b>Operating Expenses</b>	(516)	(412)	(104)	-25,3%
<b>Operating Margin</b>	1.580	1.680	(100)	-6,0%
Selling and Administrative Expenses	(9.126)	(10.222)	1.096	10,7%
<b>Operating Income</b>	<b>(7.546)</b>	<b>(8.542)</b>	<b>996</b>	<b>11,7%</b>
Interest Income	27.643	20.836	6.806	32,7%
Interest Expense	(71.135)	(91.320)	20.185	22,1%
<b>Net Financial Income (Expenses)</b>	<b>(43.492)</b>	<b>(70.484)</b>	<b>26.992</b>	<b>38,3%</b>
Equity Gains from Related Companies	121.134	149.142	(28.008)	-18,8%
Equity Losses from Related Companies	(562)	(192)	(370)	-192,5%
<b>Net Income from Related Companies</b>	<b>120.572</b>	<b>148.949</b>	<b>(28.378)</b>	<b>-19,1%</b>
Other Non Operating Income	9.918	12.988	(3.070)	-23,6%
Other Non Operating Expenses	(27.433)	(9.744)	(17.690)	-181,5%
<b>Net other Non Operating Income (Expense)</b>	<b>(17.515)</b>	<b>3.244</b>	<b>(20.759)</b>	<b>-639,8%</b>
Price Level Restatement	136	1.808	(1.672)	-92,5%
Foreign Exchange Effect	(10.023)	(39.667)	29.643	74,7%
<b>Net of Monetary Exposure</b>	<b>(9.888)</b>	<b>(37.859)</b>	<b>27.971</b>	<b>73,9%</b>
<b>Positive Goodwill Amortization</b>	<b>(26.242)</b>	<b>(24.503)</b>	<b>(1.739)</b>	<b>-7,1%</b>
<b>Non Operating Income</b>	<b>23.435</b>	<b>19.349</b>	<b>4.087</b>	<b>21,1%</b>
<b>Net Income b. Taxes, Min Int and Neg Goodwill Amort</b>	<b>15.890</b>	<b>10.806</b>	<b>5.083</b>	<b>47,0%</b>
Income Tax	7.728	2.777	4.951	178,3%
Negative Goodwill Amortization	39	31	8	25,1%
<b>NET INCOME</b>	<b>23.656</b>	<b>13.615</b>	<b>10.042</b>	<b>73,8%</b>

**PARENT COMPANY INCOME STATEMENT**  
(Under Chilean GAAP, thousand US\$)

Table 15.1

Th. US\$	1H 02	1H 01	Var 02-01	Chg %
<b>Operating Revenues</b>	3.046	3.040	6	0,2%
<b>Operating Expenses</b>	(750)	(598)	(152)	-25,3%
<b>Operating Margin</b>	2.296	2.441	(145)	-6,0%
Selling and Administrative Expenses	(13.263)	(14.857)	1.594	10,7%
<b>Operating Income</b>	<b>(10.967)</b>	<b>(12.415)</b>	<b>1.448</b>	<b>11,7%</b>
Interest Income	40.175	30.283	9.892	32,7%
Interest Expense	(103.386)	(132.723)	29.337	22,1%
<b>Net Financial Income (Expenses)</b>	<b>(63.211)</b>	<b>(102.440)</b>	<b>39.229</b>	<b>38,3%</b>
Equity Gains from Related Companies	176.054	216.760	(40.706)	-18,8%
Equity Losses from Related Companies	(817)	(279)	(538)	-192,5%
<b>Net Income from Related Companies</b>	<b>175.237</b>	<b>216.481</b>	<b>(41.244)</b>	<b>-19,1%</b>
Other Non Operating Income	14.415	18.877	(4.461)	-23,6%
Other Non Operating Expenses	(39.871)	(14.161)	(25.710)	-181,5%
<b>Net other Non Operating Income (Expense)</b>	<b>(25.456)</b>	<b>4.715</b>	<b>(30.171)</b>	<b>-639,8%</b>
Price Level Restatement	197	2.627	(2.430)	-92,5%
Foreign Exchange Effect	(14.568)	(57.651)	43.083	74,7%
<b>Net of Monetary Exposure</b>	<b>(14.371)</b>	<b>(55.023)</b>	<b>40.653</b>	<b>73,9%</b>
<b>Positive Goodwill Amortization</b>	<b>(38.139)</b>	<b>(35.612)</b>	<b>(2.527)</b>	<b>-7,1%</b>
<b>Non Operating Income</b>	<b>34.061</b>	<b>28.121</b>	<b>5.940</b>	<b>21,1%</b>
<b>Net Inc b. Taxes, Min Int and Neg Goodwill Amort</b>	<b>23.094</b>	<b>15.706</b>	<b>7.388</b>	<b>47,0%</b>
Income Tax	11.232	4.036	7.195	178,3%
Negative Goodwill Amortization	57	45	11	25,1%
<b>NET INCOME</b>	<b>34.382</b>	<b>19.788</b>	<b>14.594</b>	<b>73,8%</b>

## PARTIALLY CONSOLIDATED INCOME STATEMENT IN MILLION Ch\$

Table 16

Enersis S.A.  
Parent Company Consolidated with Enersis Int

First Quarter 2002 Earnings Report (Under Chilean GAAP)  
(in million Ch\$ of 1H year 2002)

2Q 02	2Q 01	Var %		1H 02	1H 01	Var %
754	842	-10,4%	Gross Operating Margin	1.580	1.463	8,0%
-5.345	-3.512	-52,2%	S&A Expenses	-9.126	-10.370	12,0%
<b>-4.591</b>	<b>-2.670</b>	<b>-72,0%</b>	<b>Operating Income</b>	<b>-7.546</b>	<b>-8.907</b>	<b>15,3%</b>
11.358	4.452	155,1%	Endesa	21.627	7.326	195,2%
-14.093	8.953	-257,4%	Chilectra	-120	17.556	-100,7%
2.168	2.404	-9,8%	Río Maipo	4.673	4.702	-0,6%
11.563	9.920	16,6%	Edesur	12.862	20.581	-37,5%
2.721	2.204	23,5%	Edelnor	5.156	4.454	15,8%
43.216	4.173	935,5%	Cerj	49.083	23.701	107,1%
-438	-763	42,6%	Coelce	-880	-1.311	32,9%
320	1.813	-82,3%	Codensa	1.125	2.341	-51,9%
1.673	2.143	-21,9%	CAM LTDA	2.501	3.602	-30,6%
970	1.250	-22,4%	Inm Manso de Velasco	1.027	1.350	-23,9%
1.152	1.326	-13,1%	Synapsis	2.283	2.577	-11,4%
0	-44	100,0%	Endesa Market Place	0	-192	100,0%
-28	3.788	-100,7%	Other	-30	7.971	-100,4%
<b>60.583</b>	<b>41.619</b>	<b>45,6%</b>	<b>Net Income from Related Companies</b>	<b>99.308</b>	<b>94.657</b>	<b>4,9%</b>
17.406	19.532	-10,9%	Interest Income	35.079	37.875	-7,4%
-34.273	-41.345	17,1%	Interest Expense	-68.665	-84.335	18,6%
-16.866	-21.813	22,7%	Net Financial Income (Expenses)	-33.586	-46.460	27,7%
3.270	8.323	-60,7%	Other Non Operating Income	10.177	13.661	-25,5%
-24.440	-6.369	-283,7%	Other Non Operating Expenses	-27.524	-10.639	-158,7%
-21.170	1.954	-1183,4%	Net other Non Operating Income (Expenses)	-17.347	3.021	-674,2%
-105	-663	84,2%	Price Level Restatement	-348	-2.300	84,9%
1.154	-1.062	208,7%	Foreign Exchange Effect	1.693	-8.204	120,6%
1.050	-1.724	160,9%	Net Price Level Restatement and Foreign Exchange Effect	1.345	-10.505	112,8%
-13.180	-13.198	0,1%	Positive Goodwill Amortization	-26.284	-26.299	0,1%
<b>10.417</b>	<b>6.839</b>	<b>52,3%</b>	<b>Non Operating Income</b>	<b>23.435</b>	<b>14.415</b>	<b>62,6%</b>
<b>5.826</b>	<b>4.169</b>	<b>39,7%</b>	<b>Net Income before (1), (2) &amp; (3)</b>	<b>15.889</b>	<b>5.508</b>	<b>188,5%</b>
1.661	-115	1545,7%	Income Tax (1)	7.728	2.701	186,1%
23	16	47,2%	Negative Goodwill Amortization (2)	39	31	25,1%
0	2.689	-100,0%	Minority Interest (3)	0	5.374	-100,0%
<b>7.510</b>	<b>6.759</b>	<b>11,1%</b>	<b>NET INCOME</b>	<b>23.656</b>	<b>13.615</b>	<b>73,8%</b>
0,91	0,82		EPS (Ch\$)	2,85	1,64	
0,07	0,06		EPADS (US\$)	0,21	0,12	
8.291.020	8.291.020		Common Shares Outstanding (MM)	8.291.020	8.291.020	



## PARTIALLY CONSOLIDATED INCOME STATEMENT IN THOUSAND US\$

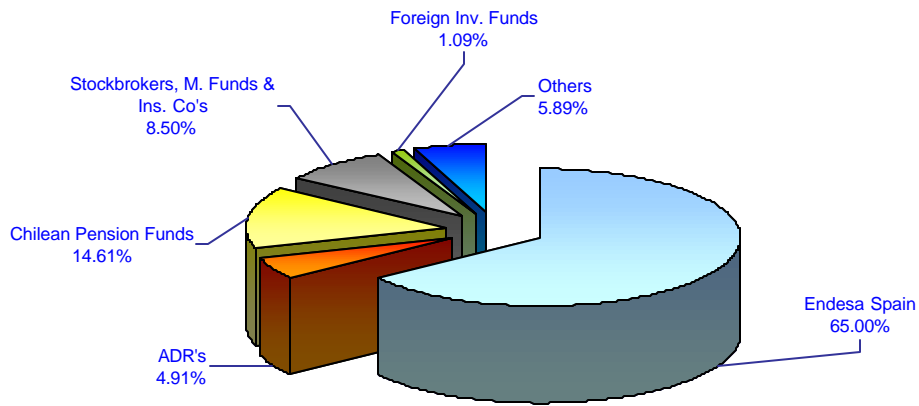
Table 16.1

Enersis S.A.  
Parent Company Consolidated with Enersis Int

First Quarter 2002 Earnings Report (Under Chilean GAAP)  
(in thousand US\$ of 1H year 2002)

2Q 02	2Q 01	Var %		1H 02	1H 01	Var %
1.097	1.224	-10,4%	Gross Operating Margin	2.296	2.231	2,9%
-7.769	-5.104	-52,2%	S&A Expenses	-13.263	-15.072	12,0%
<b>-6.672</b>	<b>-3.880</b>	<b>-72,0%</b>	<b>Operating Income</b>	<b>-10.967</b>	<b>-12.841</b>	<b>14,6%</b>
16.507	6.471	155,1%	Endesa	31.432	10.647	195,2%
-20.482	13.012	-257,4%	Chilectra	-174	25.515	-100,7%
3.150	3.493	-9,8%	Rio Maipo	6.792	6.834	-0,6%
16.805	14.418	16,6%	Edesur	18.694	29.913	-37,5%
3.955	3.203	23,5%	Edelnor	7.494	6.473	15,8%
62.809	6.065	935,5%	Cerj	71.336	34.447	107,1%
-637	-1.108	42,6%	Coelce	-1.280	-1.906	32,9%
465	2.635	-82,3%	Codensa	1.635	3.403	-51,9%
2.431	3.115	-21,9%	CAM LTDA	3.635	5.235	-30,6%
1.410	1.817	-22,4%	Inm Manso de Velasco	1.493	1.962	-23,9%
1.675	1.927	-13,1%	Synapsis	3.318	3.746	-11,4%
0	-64	100,0%	Endesa Market Place	0	-279	100,0%
-41	5.505	-100,7%	Others	-43	11.585	-100,4%
<b>88.050</b>	<b>60.489</b>	<b>45,6%</b>	<b>Net Income from Related Companies</b>	<b>144.333</b>	<b>137.573</b>	<b>4,9%</b>
25.298	28.387	-10,9%	Interest Income	50.983	55.048	-7,4%
-49.811	-60.090	17,1%	Interest Expense	-99.797	-122.572	18,6%
-24.513	-31.702	22,7%	Net Financial Income (Expenses)	-48.813	-67.524	27,7%
4.753	12.096	-60,7%	Other Non Operating Income	14.791	19.854	-25,5%
-35.520	-9.257	-283,7%	Other Non Operating Expenses	-40.003	-15.463	-158,7%
-30.768	2.840	-1183,4%	Net other Non Operating Income (Expenses)	-25.212	4.391	-674,2%
-152	-963	84,2%	Price Level Restatement	-505	-3.343	84,9%
1.678	-1.543	208,7%	Foreign Exchange Effect	2.460	-11.924	120,6%
1.526	-2.506	160,9%	Net Price Level Restatement and Foreign Exchange Effect	1.955	-15.267	112,8%
-19.155	-19.181	0,1%	Positive Goodwill Amortization	-38.201	-38.222	0,1%
<b>15.140</b>	<b>9.939</b>	<b>52,3%</b>	<b>Non Operating Income</b>	<b>34.060</b>	<b>20.951</b>	<b>62,6%</b>
<b>8.467</b>	<b>6.059</b>	<b>39,7%</b>	<b>Net Income before (1), (2) &amp; (3)</b>	<b>23.093</b>	<b>8.110</b>	<b>184,8%</b>
2.414	-167	1545,7%	Income Tax (1)	11.232	3.926	186,1%
34	23	47,2%	Negative Goodwill Amortization (2)	57	45	25,1%
0	3.908	-100,0%	Minority Interest (3)	0	7.811	-100,0%
<b>10.915</b>	<b>9.823</b>	<b>11,1%</b>	<b>NET INCOME</b>	<b>34.382</b>	<b>19.892</b>	<b>72,8%</b>
0,91	0,82		EPS (Ch\$)	2,85	1,64	
0,07	0,06		EPADS (US\$)	0,21	0,12	
8.291.020	8.291.020		Common Shares Outstanding (MM)	8.291.020	8.291.020	

**OWNERSHIP OF THE COMPANY AS OF JUNE 30, 2002**  
**Total Shareholders: 9,902**



**CONFERENCE CALL INVITATION**

*Enersis is pleased to inform you that it will hold a conference call to review its results for the period, on Friday, August 2, 2002, at 9:30 am (New York time). To participate, please dial +1(973) 694-2225 or (800) 388-8975 (toll free USA), approximately 10 minutes prior to the scheduled start time.*

To access the call online, or to access the replay, go to <http://www.enersis.com>

This Press Release contains statements that could constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements appear in a number of places in this announcement and include statements regarding the intent, belief or current expectations of Enersis and its management with respect to, among other things: (1) Enersis's business plans; (2) Enersis's cost-reduction plans; (3) trends affecting Enersis's financial condition or results of operations, including market trends in the electricity sector in Chile or elsewhere; (4) supervision and regulation of the electricity sector in Chile or elsewhere; and (5) the future effect of any changes in the laws and regulations applicable to Enersis's or its affiliates. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of various factors. These factors include a decline in the equity capital markets of the United States or Chile, an increase in the market rates of interest in the United States or elsewhere, adverse decisions by government regulators in Chile or elsewhere and other factors described in Enersis's Annual Report on Form 20-F. Readers are cautioned not to place undue reliance on those forward-looking statements, which state only as of their dates. Enersis undertakes no obligation to release publicly the result of any revisions to these forward-looking statements.