

CONSOLIDATED INCOME STATEMENT

UNDER CHILEAN GAAP, MILLION CH\$

Table 2

CONS. INCOME STATEMENT - (million Ch\$)	9M 03	9M 04	Var 04-03	Chg %
Revenues from Generation	726,034	788,894	62,860	8.7%
Revenues from Distribution	1,286,477	1,442,857	156,380	12.2%
Revenues from Engineering and Real Estate	23,593	20,403	(3,190)	(13.5%)
Revenues from Other Businesses	103,389	106,395	3,006	2.9%
Consolidation Adjustments	(249,434)	(252,114)	(2,680)	(1.1%)
Operating Revenues	1,890,059	2,106,435	216,376	11.4%
Op. Costs from Generation	(429,200)	(489,288)	(60,088)	(14.0%)
Op. Costs from Distribution	(1,026,280)	(1,132,639)	(106,359)	(10.4%)
Op. Costs from Engineering and Real Estate	(20,473)	(17,833)	2,640	12.9%
Op. Costs from Other Businesses	(76,453)	(84,912)	(8,459)	(11.1%)
Consolidation Adjustments	228,393	232,284	3,891	1.7%
Operating Costs	(1,324,013)	(1,492,388)	(168,375)	(12.7%)
Operating Margin	566,046	614,047	48,001	8.5%
SG&A from Generation	(23,131)	(23,875)	(744)	(3.2%)
SG&A from Distribution	(107,416)	(105,942)	1,474	1.4%
SG&A from Engineering and Real Estate	(1,924)	(2,322)	(398)	(20.7%)
SG&A from Other Businesses	(21,201)	(21,814)	(613)	(2.9%)
Consolidation Adjustments	22,352	21,250	(1,102)	(4.9%)
Selling and Administrative Expenses	(131,320)	(132,703)	(1,383)	(1.1%)
Operating Income	434,726	481,344	46,618	10.7%
Interest Income	54,838	54,523	(315)	(0.6%)
Interest Expense	(329,994)	(271,502)	58,492	17.7%
Net Financial Income (Expenses)	(275,156)	(216,979)	58,177	21.1%
Equity Gains from Related Companies	21,373	28,365	6,992	32.7%
Equity Losses from Related Companies	(127)	(0)	127	99.7%
Net Income from Related Companies	21,246	28,365	7,119	33.5%
Other Non Operating Income	167,477	57,252	(110,225)	(65.8%)
Other Non Operating Expenses	(188,962)	(98,026)	90,936	48.1%
Net other Non Operating Income (Expense)	(21,485)	(40,774)	(19,289)	(89.8%)
Price Level Restatement	(7,401)	(898)	6,503	87.9%
Foreign Exchange Effect	(503)	12,658	13,161	-
Net of Monetary Exposure	(7,904)	11,761	19,665	-
Positive Goodwill Amortization	(40,910)	(39,725)	1,185	2.9%
Non Operating Income	(324,209)	(257,353)	66,856	20.6%
Net Inc b. Taxes, Min Int and Neg Goodwill Amort.	110,517	223,991	113,474	102.7%
Extraordinary Items	-	-	-	-
Income Tax	(78,649)	(126,546)	(47,897)	(60.9%)
Minority Interest	(54,525)	(75,679)	(21,154)	(38.8%)
Negative Goodwill Amortization	48,602	13,588	(35,014)	(72.0%)
NET INCOME	25,945	35,354	9,409	36.3%
R.A.I.I.D.A.I.E.	720,207	798,151	77,944	10.8%

RAIDAIE: Net income before taxes, interest, depreciation, amortization and extraordinary items (as defined by local SEC).

UNDER CHILEAN GAAP, THOUSAND US\$

Table 2.1

CONS. INCOME STATEMENT - (thousand US\$)	9M 03	9M 04	Var 04-03	Chg %
Revenues from Generation	1,192,370	1,295,605	103,235	8.7%
Revenues from Distribution	2,112,789	2,369,612	256,823	12.2%
Revenues from Engineering and Real Estate	38,747	33,508	(5,239)	(13.5%)
Revenues from Other Businesses	169,796	174,733	4,937	2.9%
Consolidation Adjustments	(409,647)	(414,048)	(4,401)	(1.1%)
Operating Revenues	3,104,055	3,459,410	355,355	11.4%
Op. Costs from Generation	(704,878)	(803,561)	(98,683)	(14.0%)
Op. Costs from Distribution	(1,685,466)	(1,860,140)	(174,674)	(10.4%)
Op. Costs from Engineering and Real Estate	(33,623)	(29,287)	4,336	12.9%
Op. Costs from Other Businesses	(125,559)	(139,451)	(13,892)	(11.1%)
Consolidation Adjustments	375,091	381,481	6,390	1.7%
Operating Costs	(2,174,434)	(2,450,957)	(276,523)	(12.7%)
Operating Margin	929,621	1,008,453	78,832	8.5%
SG&A from Generation	(37,988)	(39,210)	(1,222)	(3.2%)
SG&A from Distribution	(176,410)	(173,989)	2,421	1.4%
SG&A from Engineering and Real Estate	(3,160)	(3,813)	(653)	(20.7%)
SG&A from Other Businesses	(34,819)	(35,825)	(1,006)	(2.9%)
Consolidation Adjustments	36,709	34,899	(1,810)	(4.9%)
Selling and Administrative Expenses	(215,668)	(217,939)	(2,271)	(1.1%)
Operating Income	713,953	790,514	76,561	10.7%
Interest Income	90,061	89,543	(518)	(0.6%)
Interest Expense	(541,951)	(445,889)	96,062	17.7%
Net Financial Income (Expenses)	(451,890)	(356,346)	95,544	21.1%
Equity Gains from Related Companies	35,101	46,584	11,483	32.7%
Equity Losses from Related Companies	(208)	(1)	207	99.7%
Net Income from Related Companies	34,893	46,584	11,691	33.5%
Other Non Operating Income	275,048	94,026	(181,022)	(65.8%)
Other Non Operating Expenses	(310,333)	(160,989)	149,344	48.1%
Net other Non Operating Income (Expenses)	(35,285)	(66,963)	(31,678)	(89.8%)
Price Level Restatement	(12,155)	(1,475)	10,680	87.9%
Foreign Exchange Effect	(826)	20,789	21,615	-
Net of Monetary Exposure	(12,980)	19,314	32,294	-
Positive Goodwill Amortization	(67,187)	(65,241)	1,946	2.9%
Non Operating Income	(532,449)	(422,652)	109,797	20.6%
Net Inc b. Taxes, Min Int and Neg Goodwill Amort.	181,504	367,862	186,358	102.7%
Extraordinary Items	-	-	-	-
Income Tax	(129,165)	(207,828)	(78,663)	(60.9%)
Minority Interest	(89,547)	(124,289)	(34,742)	(38.8%)
Negative Goodwill Amortization	79,819	22,316	(57,503)	(72.0%)
NET INCOME	42,610	58,062	15,452	36.3%
R.A.I.I.D.A.I.E.	1,182,800	1,310,808	128,008	10.8%

RAIIDAIE: Net income before taxes, interest, depreciation, amortization and extraordinary items (as defined by local SEC).

CONSOLIDATED BALANCE SHEET

ASSETS UNDER CHILEAN GAAP, MILLION CH\$

Table 5

ASSETS - (million Ch\$)	9M 03	9M 04	Var 04-03	Chg %
CURRENT ASSETS				
Cash	28,271	58,071	29,800	105.4%
Time deposits	327,745	361,085	33,340	10.2%
Marketable securities	12,559	14,704	2,145	17.1%
Accounts receivable	493,910	553,550	59,640	12.1%
Notes receivable	4,975	2,640	(2,335)	(46.9%)
Other accounts receivable	94,544	41,450	(53,094)	(56.2%)
Amounts due from related companies	14,697	128,727	114,030	-
Inventories	56,247	79,078	22,831	40.6%
Income taxes to be recovered	68,534	88,990	20,456	29.8%
Prepaid expenses	17,639	40,181	22,542	127.8%
Deferred income taxes	59,103	70,351	11,248	19.0%
Other current assets	54,049	44,467	(9,582)	(17.7%)
Net of long-term leasing contracts	-	-	-	-
Net of assets for leasing	-	-	-	-
Total current assets	1,232,274	1,483,293	251,019	20.4%
PROPERTY, PLANT AND EQUIPMENT				
Property	123,914	117,851	(6,063)	(4.9%)
Buildings and infrastructure	10,852,730	10,432,662	(420,068)	(3.9%)
Plant and equipment	1,973,402	1,833,441	(139,961)	(7.1%)
Other assets	446,765	351,229	(95,536)	(21.4%)
Technical re-appraisal	697,448	635,095	(62,353)	(8.9%)
Sub - Total	14,094,258	13,370,278	(723,980)	(5.1%)
Accumulated depreciation	(5,156,362)	(5,211,747)	(55,385)	(1.1%)
Total property, plant and equipment	8,937,896	8,158,532	(779,364)	(8.7%)
OTHER ASSETS				
Investments in related companies	201,482	207,299	5,817	2.9%
Investments in other companies	150,920	102,066	(48,854)	(32.4%)
Positive goodwill	812,924	745,423	(67,501)	(8.3%)
Negative goodwill	(75,420)	(67,755)	7,665	10.2%
Long-term receivables	143,543	110,002	(33,541)	(23.4%)
Amounts due from related companies	146,571	755	(145,816)	(99.5%)
Deferred income taxes	-	-	-	-
Intangibles	86,210	85,782	(428)	(0.5%)
Accumulated amortization	(42,412)	(45,579)	(3,167)	(7.5%)
Others	232,617	172,774	(59,843)	(25.7%)
Net of long-term leasing contracts	-	-	-	-
Total other assets	1,656,435	1,310,767	(345,668)	(20.9%)
TOTAL ASSETS	11,826,606	10,952,592	(874,014)	(7.4%)

ASSETS UNDER CHILEAN GAAP, THOUSAND US\$

Table 5.1

ASSETS - (thousand US\$)	9M 03	9M 04	Var 04-03	Chg %
CURRENT ASSETS				
Cash	46,429	95,370	48,941	105.4%
Time deposits	538,258	593,011	54,753	10.2%
Marketable securities	20,625	24,149	3,524	17.1%
Accounts receivable	811,151	909,099	97,948	12.1%
Notes receivable	8,171	4,335	(3,836)	(46.9%)
Other accounts receivable	155,271	68,074	(87,197)	(56.2%)
Amounts due from related companies	24,137	211,409	187,272	-
Inventories	92,375	129,870	37,495	40.6%
Income taxes to be recovered	112,554	146,149	33,595	29.8%
Prepaid expenses	28,969	65,989	37,020	127.8%
Deferred income taxes	97,066	115,538	18,472	19.0%
Other current assets	88,766	73,028	(15,738)	(17.7%)
Net of long-term leasing contracts	-	-	-	-
Net of assets for leasing	-	-	-	-
Total current assets	2,023,771	2,436,021	412,250	20.4%
PROPERTY, PLANT AND EQUIPMENT				
Property	203,504	193,548	(9,956)	(4.9%)
Buildings and infrastructure	17,823,502	17,133,621	(689,881)	(3.9%)
Plant and equipment	3,240,930	3,011,071	(229,859)	(7.1%)
Other assets	733,724	576,826	(156,898)	(21.4%)
Technical re-appraisal	1,145,422	1,043,020	(102,402)	(8.9%)
Sub - Total	23,147,082	21,958,086	(1,188,996)	(5.1%)
Accumulated depreciation	(8,468,323)	(8,559,282)	(90,959)	(1.1%)
Total property, plant and equipment	14,678,759	13,398,804	(1,279,955)	(8.7%)
OTHER ASSETS				
Investments in related companies	330,895	340,449	9,554	2.9%
Investments in other companies	247,856	167,624	(80,232)	(32.4%)
Positive goodwill	1,335,070	1,224,212	(110,858)	(8.3%)
Negative goodwill	(123,863)	(111,275)	12,588	10.2%
Long-term receivables	235,741	180,658	(55,083)	(23.4%)
Amounts due from related companies	240,714	1,239	(239,475)	(99.5%)
Deferred income taxes	-	-	-	-
Intangibles	141,584	140,880	(704)	(0.5%)
Accumulated amortization	(69,653)	(74,855)	(5,202)	(7.5%)
Others	382,029	283,748	(98,281)	(25.7%)
Net of long-term leasing contracts	-	-	-	-
Total other assets	2,720,373	2,152,680	(567,693)	(20.9%)
TOTAL ASSETS	19,422,904	17,987,505	(1,435,399)	(7.4%)

LIABILITIES AND SHAREHOLDERS EQUITY UNDER CHILEAN GAAP, MILLION CH\$

Table 6

LIABILITIES - (million Ch\$)	9M 03	9M 04	Var 04-03	Chg %
CURRENT LIABILITIES				
Due to banks and financial institutions (short-term)	316,711	239,026	(77,685)	24.5%
Due to banks and fin. institutions (short-term position)	192,996	118,675	(74,321)	38.5%
Commercial paper equivalent	-	-	-	
Bonds payable (short-term)	73,339	80,984	7,645	(10.4%)
Long-term liabilities maturing before one year	28,655	24,447	(4,208)	14.7%
Dividends payable	2,143	3,825	1,682	(78.5%)
Accounts payable	215,839	209,144	(6,695)	3.1%
Notes payable	23,890	6,925	(16,965)	71.0%
Miscellaneous payables	62,783	46,174	(16,609)	26.5%
Accounts payable to related companies	18,267	88,878	70,611	-
Provisions	50,919	52,732	1,813	(3.6%)
Withholdings	52,856	58,375	5,519	(10.4%)
Income tax	51,994	37,143	(14,851)	28.6%
Anticipated income	16,052	8,442	(7,610)	47.4%
Deferred taxes	-	-	-	-
Reimbursable financial contribution	2,735	2,213	(522)	19.1%
Other current liabilities	70,967	62,922	(8,045)	11.3%
Total current liabilities	1,180,144	1,039,903	(140,241)	11.9%
LONG-TERM LIABILITIES				
Due to banks and financial institutions (long-term position)	1,425,138	720,895	(704,243)	49.4%
Bonds payable	2,327,159	2,568,496	241,337	(10.4%)
Notes payable	169,160	169,135	(25)	0.0%
Miscellaneous payables	19,760	25,081	5,321	(26.9%)
Amounts payable to related companies	96	-	(96)	100.0%
Provisions	321,063	335,721	14,658	(4.6%)
Deferred taxes	48,890	62,586	13,696	(28.0%)
Reimbursable financial contribution	10,447	6,921	(3,526)	33.7%
Other long-term liabilities	65,112	39,290	(25,822)	39.7%
Total long-term liabilities	4,386,825	3,928,125	(458,700)	10.5%
Minority interest	3,749,147	3,353,365	(395,782)	(10.6%)
SHAREHOLDERS' EQUITY				
Paid-in capital, no par value	2,120,693	2,227,711	107,018	5.0%
Reserve to equity revaluation	10,516	42,327	31,811	-
Additional paid-in capital-share premium	157,404	161,773	4,369	2.8%
Other reserves	17,862	(26,372)	(44,234)	-
Total capital and reserves	2,306,475	2,405,439	98,964	4.3%
Future dividends reserve	-	-	-	-
Retained earnings	179,197	193,064	13,867	7.7%
Retained losses	-	-	-	-
Net income	25,945	35,355	9,410	36.3%
Interim dividends	-	-	-	-
Development subsidiaries deficits	(1,127)	(2,658)	(1,531)	135.9%
Total retained earnings	204,016	225,760	21,744	10.7%
Total shareholder's equity	2,510,490	2,631,199	120,709	4.8%
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	11,826,606	10,952,592	(874,014)	(7.4%)

LIABILITIES AND SHAREHOLDERS EQUITY UNDER CHILEAN GAAP, THOUSAND US\$

Table 6.1

LIABILITIES - (thousand US\$)	9M 03	9M 04	Var 04-03	Chg %
CURRENT LIABILITIES				
Due to banks and financial institutions (short-term)	520,137	392,554	(127,583)	24.5%
Due to banks and fin. institutions (short-term position)	316,958	194,901	(122,057)	38.5%
Commercial paper equivalent	-	-	-	
Bonds payable (short-term)	120,444	133,001	12,557	(10.4%)
Long-term liabilities maturing before one year	47,060	40,149	(6,911)	14.7%
Dividends payable	3,520	6,281	2,761	(78.5%)
Accounts payable	354,473	343,478	(10,995)	3.1%
Notes payable	39,234	11,373	(27,861)	71.0%
Miscellaneous payables	103,108	75,831	(27,277)	26.5%
Accounts payable to related companies	30,000	145,964	115,964	-
Provisions	83,624	86,601	2,977	(3.6%)
Withholdings	86,805	95,869	9,064	(10.4%)
Income tax	85,389	61,001	(24,388)	28.6%
Anticipated income	26,362	13,864	(12,498)	47.4%
Deferred taxes	-	-	-	-
Reimbursable financial contribution	4,492	3,634	(858)	19.1%
Other current liabilities	116,550	103,337	(13,213)	11.3%
Total current liabilities	1,938,157	1,707,839	(230,318)	11.9%
LONG-TERM LIABILITIES				
Due to banks and financial institutions (long-term position)	2,340,512	1,183,930	(1,156,582)	49.4%
Bonds payable	3,821,907	4,218,255	396,348	(10.4%)
Notes payable	277,813	277,772	(41)	0.0%
Miscellaneous payables	32,452	41,190	8,738	(26.9%)
Amounts payable to related companies	157	-	(157)	100.0%
Provisions	527,284	551,356	24,072	(4.6%)
Deferred taxes	80,293	102,786	22,493	(28.0%)
Reimbursable financial contribution	17,157	11,367	(5,790)	33.7%
Other long-term liabilities	106,933	64,526	(42,407)	39.7%
Total long-term liabilities	7,204,508	6,451,182	(753,326)	10.5%
Minority interest	6,157,246	5,507,250	(649,996)	(10.6%)
SHAREHOLDERS' EQUITY				
Paid-in capital, no par value	3,482,826	3,658,583	175,757	5.0%
Reserve to equity revaluation	17,271	69,513	52,242	-
Additional paid-in capital-share premium	258,505	265,681	7,176	2.8%
Other reserves	29,334	(43,310)	(72,644)	-
Total capital and reserves	3,787,937	3,950,467	162,530	4.3%
Future dividends reserve	-	-	-	-
Retained earnings	294,296	317,069	22,773	7.7%
Retained losses	-	-	-	-
Net income	42,610	58,063	15,453	36.3%
Interim dividends	-	-	-	-
Development subsidiaries deficits	(1,850)	(4,365)	(2,515)	135.9%
Total retained earnings	335,056	370,767	35,711	10.7%
Total shareholder's equity	4,122,993	4,321,234	198,241	4.8%
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	19,422,904	17,987,505	(1,435,399)	(7.4%)

CONSOLIDATED CASH FLOW

UNDER CHILEAN GAAP, MILLION CH\$

Table 8

Million Ch\$	9M 03	9M 04	Var 04-03	Chg %
CASH FLOWS ORIGINATED FROM OPERATING ACTIVITIES				
Net income (loss) for the year	25,945	35,354	9,409	36.3%
Profit (losses) from sales of assets:				
(Profit) loss on sale of fixed assets	(83,444)	(504)	82,940	99.4%
Charges (credits) which do not represent cash flows:				
Depreciation	331,839	301,937	(29,902)	(9.0%)
Amortization of intangibles	7,173	4,785	(2,388)	(33.3%)
Write-offs and accrued expenses	31,295	19,983	(11,312)	(36.1%)
Accrued profit from related companies (less)	(21,373)	(28,365)	(6,992)	(32.7%)
Accrued losses from related companies	127	0	(127)	(99.7%)
Amortization of positive goodwill	40,911	39,725	(1,186)	(2.9%)
Amortization of negative goodwill (less)	(48,602)	(13,589)	35,013	72.0%
Net, price-level restatement	7,401	898	(6,503)	(87.9%)
Net, foreign exchange effect	503	(12,658)	(13,161)	-
Other credits which do not represent cash flow (less)	(19,180)	(8,278)	10,902	56.8%
Other charges which do not represent cash flow	127,136	67,373	(59,763)	(47.0%)
Assets variations which affect cash flow:				
Decrease in receivables accounts	(105,991)	21,199	127,190	120.0%
Decrease (increase) in inventory	2,826	(12,740)	(15,566)	-
Decrease (increase) in other assets	19,308	(51,347)	(70,655)	-
Liabilities variations which affect cash flow:				
(Decreased) increase in payable accounts related to operating income	(28,751)	(101,459)	(72,708)	-
Increase of payable interest	31,202	38,614	7,412	23.8%
Net increase (decrease) of payable income tax	10,277	22,911	12,634	122.9%
Increase (decrease) of other payable accounts related to non-operating income	26,355	7,416	(18,939)	(71.9%)
Net (decrease) of payable value added tax and other taxes	(1,927)	(13,507)	(11,580)	-
Profit related to minority interest	54,525	75,679	21,154	38.8%
NET POSITIVE CASH FLOW ORIGINATED FROM OP. ACTIVITIES	407,554	393,426	(14,128)	(3.5%)

Cont. Table 8

Million Ch\$	9M 03	9M 04	Var 04-03	Chg %
CASH FLOWS ORIGINATED FROM FINANCING ACTIVITIES				
Shares issued and subscribed	473,565	-	(473,565)	-
Proceeds from loans taken	469,359	700,769	231,410	49.3%
Proceeds from debt issuance	479,211	232,589	(246,622)	(51.5%)
Proceeds from loans obtained from related companies	-	-	-	-
Proceeds from other loans obtained from related companies	-	-	-	-
Other sources of financing	11,329	25,702	14,373	126.9%
Capital paid	(9,793)	(3,963)	5,830	-
Dividends paid	(77,620)	(90,574)	(12,954)	(16.7%)
Loans, debt amortization (less)	(1,151,099)	(973,550)	177,549	15.4%
Issuance debt amortization (less)	(430,292)	(16,609)	413,683	96.1%
Amortization of loans obtained from related companies	(4,553)	-	4,553	100.0%
Amortization of other loans obtained from related companies	-	-	-	-
Expenses paid related to capital variations (less)	(11,075)	-	11,075	-
Expenses paid related to debt issuance (less)	(5,093)	(2,564)	2,529	49.7%
Other disbursements related to financing (less)	(97,441)	(8,202)	89,239	91.6%
NET (NEGATIVE) CASH FLOW ORIG. FROM FINANCING ACTIVITIES	(353,503)	(136,401)	217,102	61.4%
CASH FLOWS ORIGINATED FROM INVESTING ACTIVITIES				
Sale of fixed assets	165,538	1,208	(164,330)	(99.3%)
Sale of long-term Investments	124,882	2,606	(122,276)	-
Collection upon other loans to related companies	25,448	12,423	(13,025)	(51.2%)
Other income on investments	51,774	40,037	(11,737)	(22.7%)
Additions to fixed assets (less)	(202,075)	(193,591)	8,484	4.2%
Long-term investments (less)	(25)	-	25	100.0%
Investment in financing instruments	-	(17,030)	(17,030)	-
Other loans to related companies (less)	(303)	-	303	100.0%
Other investment disbursements (less)	(7,571)	(1,721)	5,850	77.3%
NET (NEGATIVE) CASH FLOW ORIGINATED FROM INVESTMENT ACTIVITIES	157,668	(156,068)	(313,736)	(199.0%)
NET POSITIVE CASH FLOW FOR THE PERIOD	211,720	100,957	(110,763)	(52.3%)
EFFECT OF PRICE-LEVEL RESTATEMENT UPON CASH AND CASH EQ.	(57,276)	(2,612)	54,664	95.4%
NET VARIATION OF CASH AND CASH EQUIVALENT	154,444	98,345	(56,099)	(36.3%)
INITIAL BALANCE OF CASH AND CASH EQUIVALENT	227,428	337,461	110,033	48.4%
FINAL BALANCE OF CASH AND CASH EQUIVALENT	381,871	435,806	53,935	14.1%

UNDER CHILEAN GAAP, THOUSAND US\$

Table 8.1

Thousand US\$	9M 03	9M 04	Var 04-03	Chg %
CASH FLOWS ORIGINATED FROM OPERATING ACTIVITIES				
Net income (loss) for the year	42,610	58,062	15,452	36.3%
Profit (losses) from sales of assets:				
(Profit) loss on sale of fixed assets	(137,041)	(828)	136,213	99.4%
Charges (credits) which do not represent cash flows:				
Depreciation	544,980	495,872	(49,108)	(9.0%)
Amortization of intangibles	11,781	7,858	(3,923)	(33.3%)
Write-offs and accrued expenses	51,395	32,818	(18,577)	(36.1%)
Accrued profit from related companies (less)	(35,101)	(46,584)	(11,483)	(32.7%)
Accrued losses from related companies	208	1	(207)	(99.7%)
Amortization of positive goodwill	67,188	65,241	(1,947)	(2.9%)
Amortization of negative goodwill (less)	(79,819)	(22,316)	57,503	72.0%
Net, price-level restatement	12,155	1,475	(10,680)	(87.9%)
Net, foreign exchange effect	826	(20,789)	(21,615)	-
Other credits which do not represent cash flow (less)	(31,500)	(13,596)	17,904	56.8%
Other charges which do not represent cash flow	208,796	110,647	(98,149)	(47.0%)
Assets variations which affect cash flow:				
Decrease in receivables accounts	(174,069)	34,815	208,884	120.0%
Decrease (increase) in inventory	4,642	(20,923)	(25,565)	-
Decrease (increase) in other assets	31,709	(84,328)	(116,037)	-
Liabilities variations which affect cash flow:				
(Decreased) increase in payable accounts related to operating income	(47,218)	(166,627)	(119,409)	-
Increase of payable interest	51,243	63,416	12,173	23.8%
Net increase (decrease) of payable income tax	16,879	37,626	20,747	122.9%
Increase (decrease) of other payable accounts related to non-operating income	43,283	12,180	(31,103)	(71.9%)
Net (decrease) of payable value added tax and other taxes	(3,165)	(22,183)	(19,018)	-
Profit related to minority interest	89,547	124,289	34,742	38.8%
NET POSITIVE CASH FLOW ORIGINATED FROM OP. ACTIVITIES	669,329	646,125	(23,204)	(3.5%)

Cont. Table 8.1

Thousand US\$	9M 03	9M 04	Var 04-03	Chg %
CASH FLOWS ORIGINATED FROM FINANCING ACTIVITIES				
Shares issued and subscribed	777,739	-	(777,739)	-
Proceeds from loans taken	770,830	1,150,878	380,048	49.3%
Proceeds from debt issuance	787,010	381,983	(405,027)	(51.5%)
Proceeds from loans obtained from related companies	-	-	-	-
Proceeds from other loans obtained from related companies	-	-	-	-
Other sources of financing	18,606	42,210	23,604	126.9%
Capital paid	(16,083)	(6,509)	9,574	-
Dividends paid	(127,476)	(148,751)	(21,275)	(16.7%)
Loans, debt amortization (less)	(1,890,457)	(1,598,867)	291,590	15.4%
Issuance debt amortization (less)	(706,671)	(27,277)	679,394	96.1%
Amortization of loans obtained from related companies	(7,477)	-	7,477	100.0%
Amortization of other loans obtained from related companies	-	-	-	-
Expenses paid related to capital variations (less)	(18,189)	-	18,189	-
Expenses paid related to debt issuance (less)	(8,364)	(4,210)	4,154	49.7%
Other disbursements related to financing (less)	(160,028)	(13,470)	146,558	91.6%
NET (NEGATIVE) CASH FLOW ORIG. FROM FINANCING ACTIVITIES	(580,560)	(224,012)	356,548	61.4%
CASH FLOWS ORIGINATED FROM INVESTING ACTIVITIES				
Sale of fixed assets	271,865	1,984	(269,881)	(99.3%)
Sale of long-term Investments	205,094	4,280	(200,814)	-
Collection upon other loans to related companies	41,793	20,402	(21,391)	(51.2%)
Other income on investments	85,030	65,753	(19,277)	(22.7%)
Additions to fixed assets (less)	(331,870)	(317,935)	13,935	4.2%
Long-term investments (less)	(41)	-	41	100.0%
Investment in financing instruments	-	(27,969)	(27,969)	-
Other loans to related companies (less)	(497)	-	497	100.0%
Other investment disbursements (less)	(12,434)	(2,826)	9,608	77.3%
NET (NEGATIVE) CASH FLOW ORIGINATED FROM INVESTMENT ACTIVITIES	258,940	(256,312)	(515,252)	(199.0%)
NET POSITIVE CASH FLOW FOR THE PERIOD	347,709	165,802	(181,907)	(52.3%)
EFFECT OF PRICE-LEVEL RESTATEMENT UPON CASH AND CASH EQ.	(94,065)	(4,290)	89,775	95.4%
NET VARIATION OF CASH AND CASH EQUIVALENT	253,644	161,513	(92,131)	(36.3%)
INITIAL BALANCE OF CASH AND CASH EQUIVALENT	373,506	554,214	180,708	48.4%
FINAL BALANCE OF CASH AND CASH EQUIVALENT	627,149	715,727	88,578	14.1%

PARENT COMPANY INCOME STATEMENT

UNDER CHILEAN GAAP, MILLION CH\$

Table 28

Million Ch\$	9M 03	9M 04	Var 04-03	Chg %
Operating Revenues	3,346	3,305	(41)	(1.2%)
Operating Costs	(866)	(849)	17	1.9%
Operating Margin	2,480	2,456	(24)	(1.0%)
Selling and Administrative Expenses	(11,860)	(12,324)	(464)	(3.9%)
Operating Income	(9,380)	(9,868)	(488)	(5.2%)
Interest Income	31,919	25,672	(6,247)	(19.6%)
Interest Expense	(104,475)	(55,731)	48,744	46.7%
Net Financial Income (Expenses)	(72,556)	(30,059)	42,497	58.6%
Equity Gains from Related Companies	79,861	112,301	32,440	40.6%
Equity Losses from Related Companies	(48,624)	(8,250)	40,374	83.0%
Net Income from Related Companies	31,237	104,051	72,814	-
Other Non Operating Income	99,904	6,879	(93,025)	(93.1%)
Other Non Operating Expenses	(16,517)	(8,413)	8,104	49.1%
Net other Non Operating Income (Expense)	83,387	(1,534)	(84,921)	(101.8%)
Price Level Restatement	(6,768)	(1,235)	5,533	81.7%
Foreign Exchange Effect	15,021	2,849	(12,172)	(81.0%)
Net of Monetary Exposure	8,253	1,614	(6,639)	(80.4%)
Positive Goodwill Amortization	(38,088)	(38,203)	(115)	(0.3%)
Non Operating Income	12,232	35,868	23,636	193.2%
Net Inc b. Taxes, Min Int and Neg Goodwill Amort	2,852	26,000	23,148	-
Income Tax	1,120	9,322	8,202	-
Negative Goodwill Amortization	21,973	32	(21,941)	(99.9%)
NET INCOME	25,945	35,354	9,409	36.3%

UNDER CHILEAN GAAP, THOUSAND US\$

Table 28.1

Th. US\$	9M 03	9M 04	Var 04-03	Chg %
Operating Revenues	5,495	5,428	(67)	(1.2%)
Operating Costs	(1,422)	(1,394)	28	1.9%
Operating Margin	4,073	4,034	(39)	(1.0%)
Selling and Administrative Expenses	(19,478)	(20,240)	(762)	(3.9%)
Operating Income	(15,404)	(16,206)	(802)	(5.2%)
Interest Income	52,421	42,161	(10,260)	(19.6%)
Interest Expense	(171,580)	(91,527)	80,053	46.7%
Net Financial Income (Expenses)	(119,159)	(49,366)	69,793	58.6%
Equity Gains from Related Companies	131,156	184,433	53,277	40.6%
Equity Losses from Related Companies	(79,855)	(13,550)	66,305	83.0%
Net Income from Related Companies	51,300	170,883	119,583	-
Other Non Operating Income	164,073	11,297	(152,776)	(93.1%)
Other Non Operating Expenses	(27,127)	(13,817)	13,310	49.1%
Net other Non Operating Income (Expense)	136,946	(2,519)	(139,465)	(101.8%)
Price Level Restatement	(11,115)	(2,029)	9,086	81.7%
Foreign Exchange Effect	24,669	4,679	(19,990)	(81.0%)
Net of Monetary Exposure	13,553	2,650	(10,903)	(80.4%)
Positive Goodwill Amortization	(62,553)	(62,741)	(188)	(0.3%)
Non Operating Income	20,088	58,907	38,819	193.2%
Net Inc b. Taxes, Min Int and Neg Goodwill Amort	4,684	42,700	38,016	-
Income Tax	1,839	15,310	13,471	-
Negative Goodwill Amortization	36,087	53	(36,034)	(99.9%)
NET INCOME	42,610	58,063	15,453	36.3%

PARTIALLY CONSOLIDATED INCOME STATEMENT

Parent Company Consolidated with Enersis Internacional September 2004 Earnings Report

UNDER CHILEAN GAAP, MILLION CH\$

Table 29

3Q 03	3Q 04	Var %	(in million Ch\$ of 9M04)	9M 03	9M 04	Var %
829	818	(1.4%)	Gross Operating Margin	2,480	2,456	(1.0%)
(4,336)	(4,929)	(13.7%)	S&A Expenses	(11,860)	(12,324)	(3.9%)
(3,507)	(4,111)	(17.2%)	Operating Income	(9,380)	(9,868)	(5.2%)
11,842	15,573	31.5%	Endesa	41,064	35,535	(13.5%)
22,975	32,507	41.5%	Chilectra	79,219	55,618	(29.8%)
(2,317)	(2,888)	(24.7%)	Edesur	(18,011)	(8,244)	54.2%
1,893	(215)	(111.4%)	Edelnor	6,026	1,242	(79.4%)
(12,355)	(13,812)	(11.8%)	Cerj	(70,392)	(13,445)	80.9%
(289)	(699)	(141.6%)	Coelce	(2,048)	(1,164)	43.2%
2,346	2,967	26.5%	Codensa	457	8,002	-
2,490	1,011	(59.4%)	CAM LTDA	4,926	2,646	(46.3%)
(7)	423	-	Inm Manso de Velasco	413	1,972	-
1,157	1,047	(9.5%)	Synapsis	3,548	2,991	(15.7%)
	4,144	NA	CGTF		9,762	NA
0	(804)	-	Other	(122)	(1,015)	-
27,735	39,254	41.5%	Net Income from Related Companies	45,080	93,900	108.3%
16,106	9,581	(40.5%)	Interest Income	46,016	35,219	(23.5%)
(41,556)	(14,620)	64.8%	Interest Expense	(104,505)	(55,731)	46.7%
(25,450)	(5,039)	80.2%	Net Financial Income (Expenses)	(58,489)	(20,512)	64.9%
2,654	2,434	(8.3%)	Other Non Operating Income	99,915	6,890	(93.1%)
(1,951)	(179)	90.8%	Other Non Operating Expenses	(16,629)	(9,239)	44.4%
703	2,255	-	Net other Non Operating Income (Expenses)	83,285	(2,349)	(102.8%)
2,605	(1,167)	(144.8%)	Price Level Restatement	(7,725)	(1,163)	84.9%
(13,590)	(8,185)	39.8%	Foreign Exchange Effect	(11,832)	4,196	135.5%
(10,985)	(9,352)	14.9%	Net Monetary Exposure	(19,557)	3,033	115.5%
(12,689)	(12,814)	(1.0%)	Positive Goodwill Amortization	(38,088)	(38,203)	(0.3%)
(20,686)	14,304	169.1%	Non Operating Income	12,231	35,869	193.3%
(24,193)	10,193	142.1%	Net Income before (1), (2) & (3)	2,851	26,001	-
9,587	11,569	20.7%	Income Tax (1)	1,120	9,322	-
(12)	(320)	-	Negative Goodwill Amortization (2)	21,973	32	(99.9%)
-	-	NA	Minority Interest (3)	-	-	NA
(14,618)	21,442	-	NET INCOME	25,944	35,355	36.3%
(0.48)	0.66		EPS (Ch\$)	0.85	1.08	
(0.04)	0.05		EPADS (US\$)	0.07	0.09	
30,404,284	32,651,166		Common Shares Outstanding (Th)	30,404,284	32,651,166	

UNDER CHILEAN GAAP, THOUSAND US\$

Table 29.1

3Q 03	3Q 04	Var %	(in thousand US\$ of 9M04)	9M 03	9M 04	Var %
1,362	1,343	(1.4%)	Gross Operating Margin	4,073	4,034	(1.0%)
(7,121)	(8,095)	(13.7%)	S&A Expenses	(19,478)	(20,240)	(3.9%)
(5,759)	(6,752)	(17.2%)	Operating Income	(15,404)	(16,206)	(5.2%)
19,449	25,576	31.5%	Endesa	67,439	58,359	(13.5%)
37,733	53,386	41.5%	Chilectra	130,102	91,342	(29.8%)
(3,805)	(4,743)	(24.7%)	Edesur	(29,580)	(13,539)	54.2%
3,108	(353)	(111.4%)	Edelnor	9,896	2,040	(79.4%)
(20,291)	(22,684)	(11.8%)	Cerj	(115,606)	(22,081)	80.9%
(475)	(1,148)	(141.6%)	Coelce	(3,363)	(1,912)	43.2%
3,852	4,873	26.5%	Codensa	751	13,142	-
4,089	1,660	(59.4%)	CAM LTDA	8,090	4,346	(46.3%)
(11)	695	-	Inm Manso de Velasco	678	3,239	-
1,901	1,719	(9.5%)	Synapsis	5,827	4,912	(15.7%)
-	6,806	NA	CGTF	-	16,032	NA
0	(1,320)	-	Other	(200)	(1,667)	-
45,549	64,467	41.5%	Net Income from Related Companies	74,035	154,213	108.3%
26,450	15,735	(40.5%)	Interest Income	75,573	57,840	(23.5%)
(68,247)	(24,011)	64.8%	Interest Expense	(171,629)	(91,527)	46.7%
(41,797)	(8,276)	80.2%	Net Financial Income (Expenses)	(96,057)	(33,687)	64.9%
4,359	3,997	(8.3%)	Other Non Operating Income	164,091	11,315	(93.1%)
(3,205)	(294)	90.8%	Other Non Operating Expenses	(27,310)	(15,173)	44.4%
1,155	3,703	-	Net other Non Operating Income (Expenses)	136,779	(3,858)	(102.8%)
4,278	(1,917)	(144.8%)	Price Level Restatement	(12,687)	(1,910)	84.9%
(22,319)	(13,442)	39.8%	Foreign Exchange Effect	(19,431)	6,891	135.5%
(18,041)	(15,359)	14.9%	Net Monetary Exposure	(32,119)	4,981	115.5%
(20,839)	(21,045)	(1.0%)	Positive Goodwill Amortization	(62,553)	(62,741)	(0.3%)
(33,973)	23,492	169.1%	Non Operating Income	20,086	58,908	193.3%
(39,732)	16,740	142.1%	Net Income before (1), (2) & (3)	4,682	42,702	-
15,744	19,000	20.7%	Income Tax (1)	1,839	15,310	-
(19)	(526)	-	Negative Goodwill Amortization (2)	36,087	53	(99.9%)
-	-	NA	Minority Interest (3)	-	-	NA
(24,007)	35,214	-	NET INCOME	42,608	58,064	36.3%
(0.48)	0.66		EPS (Ch\$)	0.85	1.08	
(0.04)	0.05		EPADS (US\$)	0.07	0.09	
30,404,284	32,651,166		Common Shares Outstanding (Th)	30,404,284	32,651,166	