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Santiago Stock Exchange
ENERSIS

New York Stock Exchange
ENII

Madrid Stock Exchange
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Enersis S.A. was incorporated, initially, with the name Compañía Metropolitana de Distribución Eléctrica S.A., and changed its name to Enersis S.A. on August 1, 1988. Its corporate capital is ThCh\$2,824,882,835, divided into 32,651,166,465 shares. Its shares are quoted on the Chilean exchanges, on the New York Stock Exchange in the form of American Depositary Receipts (ADR) and on the Latin American Securities Exchange of the Madrid Stock Exchange (Latibex).

Its main business is the exploitation, development, operation, generation, distribution, transmission, transformation and/or sale of energy in any of its forms or nature, directly or through other companies, and also businesses in telecommunications and engineering consultancy services, in Chile and abroad, in addition to investing and managing its investments in subsidiaries and associate companies.

Its total assets amounted to ThCh\$13,317,833,640 as of December 31, 2012. Enersis controls and manages a group of companies that operate in the electricity markets of five countries in Latin America (Argentina, Brazil, Chile, Colombia and Peru). In 2012, net income attributable to the dominant company amounted to MCh\$377,350 and operating income amounted to MCh\$1,496,964. At the end of 2012, it provided direct jobs to 11,087 people through its subsidiaries in South America.

A panoramic nighttime view of a city, likely Rio de Janeiro, featuring a wide river in the foreground, a large park with illuminated paths, and a dense urban skyline with numerous lit-up buildings and bridges in the background.

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Carta del Presidente

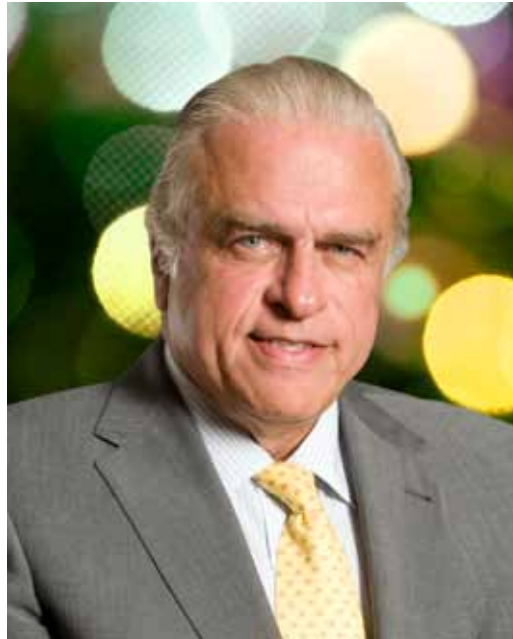
Dear shareholders,

Once more I direct myself to you to offer an assessment of our main accomplishments with the objective of delivering quality electric services, safely and at competitive prices in the five countries of which the Group operates in South America. In 2012, we exceeded more than 15,000 MW in installed capacity and 14 million clients, being the main private electric company in the Southern Cone. Our strategy seeks to make each operation profitable, maintain a solid financial position, add value to the investments of our shareholders, and deepen our integration in the communities we are present in.

The year 2012 was marked by external events that influenced our performance, to greater and lesser extent, such as the drought that has afflicted the center and southern parts of Chile for the past three years, regulatory changes, and the events that have taken place in the European Economies. In this context, and before venturing into the regional analysis of the results corresponding to this period, I would like to highlight a matter that is shaping the future of Enersis: the capital increase proposed by our controlling shareholder, Endesa (Spain) that was released to the market on July 25th of this past year.

When this annual report becomes public, the operation will be in its final stages. The period of preemptive rights in the local market and in the United States will be closed. It is also to be noted that by this time we will have already announced to the market the fulfillment of the condition precedent to which the increase in capital was tied to, declaring it a success.

Throughout this annual report, esteemed shareholder, there are several chapters that address the capital increase proposal. We even present a review dedicated in its entirety to this transaction, describing the transaction in fine detail from a legal



and financial standpoint. For more information, you can access a complete report in our website (www.enersis.cl) or in the company's offices. Taking this into consideration, in the following exposition I will only explore the key aspects for the future of the company, after the operation was approved by a vast majority in the Extraordinary Shareholder Meeting that took place on December 20th of 2012.

Capital increase

Endesa (Spain) proposed the capital increase in Enersis, which it would subscribe, in the proportion of its current shares, paying said subscription through the transfer to Enersis of the entirety of the shares it possesses in different companies it operates in the electricity industry of South America. Said shares have been grouped into a new company, named Cono Sur, whose only assets are these shares; while the rest of Enersis shareholders could subscribe to their proportional part of the increase in capital in the form of cash.

Within this framework, the Board strove to create a project that would achieve, on the basis of Endesa's (Spain) proposal, the greatest benefit to all of its shareholders, under market parameters and conditions that were beneficial for the future of Enersis. This was not exempt of discrepancies within the Board, a normal situation – which was resolved – and that ultimately enriched the process to reach, as I mentioned, an operation that would benefit every shareholder of the company.

Enersis' Board is convinced that using Enersis is the best choice for growth, as it has an attractive asset base at a regional level, unrepeatable and diversified, with a privileged organizational structure.

Additionally, the increase of Enersis' capital is of great significance for the market and the interests of Chile, which, apart from being the largest capital increase to take place in our country, it also places our nation in a relevant position to serve as a center of operations for the development of new investments in South America.

The objectives of the capital increase proposed by Endesa (Spain) are fundamentally two: unify in Enersis all the shares of Endesa (Spain) in South America, excluding Enel Green Power, subsidiary dedicated to the development of renewable energy; and secondly, equip Enersis with the necessary resources to carry through a significant growth and expansion plan.

The independent evaluators, the Directors Committee, and the Board agreed in that by completing certain conditions, the capital increase is positive from a strategic point of view and also contributes to the social interest of Enersis.

The project in itself represents a great opportunity, not only to incorporate valuable assets, but also to grow healthily within the region, without increasing debt and maintaining Enersis' financial strength.

In conclusion, the operation that was passed on December 20th by a wide margin of shareholders, brings assets to Enersis that the company, in its majority, already manages; it ensures the control of the Colombian firms Emgesa and Codensa, and makes Enersis the only vehicle of expansion for Endesa (Spain) and Enel in South America.

With this operation, the company will receive benefits by increasing its subsidiaries' input towards Enersis, simplifying the organizational structure, and could reduce the holding discount effect.

The addition of Eepsa, for example, implies an increase in presence in the generation sector in Peru, through a high quality asset that presents attractive growth opportunities. Said society is currently building a power plant with a capacity of 200 MW, launching its operations during 2013.

If we compare the amount contributed with the net result after taxes that the new shares of Enersis would provide, this would have a positive effect on Enersis' current shareholders in terms of each share's profit for this year and those to come.

Additionally, and to give the proposal more soundness, the Board requested that Enel and Endesa (Spain) complete a series of commitments, which were accepted and ratified by the controlling shareholders at the Extraordinary Shareholders Meeting on December 20th. These commitments are as follow: have representatives and a guarantee for all the added societies that are currently not included under Enersis, being Eepsa, Yacylec, and Central Dock Sud; with the expressed condition that Enersis will be the sole vehicle of investment of Enel Group in South America, with the exception of Enel Green Power; the commitment to protect Enersis, in a time frame of five years, regarding tax contingencies derived from the structure of the operation, and maintaining the commitment to not promote,

within a period of two years, an excessive distribution of dividends as a result of the capital increase underway.

On December 20th the Extraordinary Shareholders Meeting approved, with a majority of nearly 86% of the shareholders with the right to vote attending the assembly, the equivalent of 81.94% of all shares, the capital increase proposal, which can be synthesized as follows:

- A maximum of 16,441,606,297 shares will be issued.
- The price per share will be \$173.
- Endesa (Spain) will endorse a split in its shares at a total of 9,967,639,058 shares (paying said endorsement through the transfer of its shareholdings in thirteen companies grouped in Cono Sur).
- Minority shareholders will be able to subscribe a total of 6,473,976,239 shares.

The money provided by minority shareholders separate from their respective shares, complemented by the contribution made by Endesa (Spain), will be used for the company's growth, for the purchase of minority interests and for the acquisition (M&A) of new firms in the region. Each minority interest purchase operation and M&A will be previously approved, on an individual basis, by Enersis' Board in the time and way they are presented, being analyzed by the company's administration, a task of which the managerial team at Enersis is already performing under the Board's instruction.

Enersis will be the main private investor in the electricity market in the region, having its base in Chile. We will be able to launch a new expansion process without having to acquire greater debt and with sufficient resources to increase our presence in the markets in which we operate.

Enersis will be larger, more robust, and will have the muscle to allow it to continue to lead the energy industry in South America.

Growth Prospects

The new expansion process we are launching in the main countries in which we operate, are based on the current positive macroeconomic prospects for the region. Despite a complex global setting, South America continues to offer solid foundations and growth prospects.

In 2013, we are expecting a GDP growth of approximately 4.3% in the five countries in which we are present, far above the 1.9% forecast for North America and the 0.1% in Western Europe. For the 2013-2017 quinquennium regional economic growth will be on average (CARG) 4.2%, while electricity demand will grow 4.8% on average (CARG).

South America stands favorably in terms of growth potential, due to its demographic and macroeconomic factors, in comparison to other regions in which Enel currently operates, Enel being one of the more important utilities at a global level. Present in forty countries, Enel generates, distributes and commercializes energy to over 60 million customers, while respecting communities and the environment.

In this context of growth and with the support provided by a world-class energy group such as Enel, we have the certainty and tranquility that we have the necessary tools to confront the day-to-day challenges posed by the regional electricity sector and society in general.

Results 2012

During 2012, a large increase in electricity demand was confirmed in the markets in which we operate, especially in: Peru, Chile, and Brazil, exhibiting increases of 5.9%, 5.2%, and 4.5%, respectively. Our client base in the distribution sector rose by approximately 360 thousand, which ratified the natural growth in this segment, an important factor of stability within this line of business.

On December 31st the number of customers in the distribution sector reached 14 million, representing a rise of 2.6% with respect to the 13.66 million at December, 2011.

Installed capacity went from 11,832 MW in 2011 to 15,173 MW, a 2.3% increase. The observed growth during that period came from the startup of commercial operation of the power plant Bocamina II (350 MW) in Chile towards the end of October.

Revenue amounted to \$6,577,667 million, which represented a rise of 0.7%, equivalent to \$42,787 million. This slight increase offset a portion of the 5.1% rise in the cost of supplies and services, which reached a total of \$3,717,125 million.

The EBITDA exceeded, for its fourth consecutive year, the US\$4,000 million bar, by reaching \$1,982,924 million (about US\$4,075 million), confirming an effective strategy and balanced portfolio of assets that the company owns in the business of generation, transmission, and distribution of electricity.

Thanks to a diversified presence in South America, the Group maintained the contribution to EBITDA balanced by its type of business: generation and transmission with a 52% and distribution with 48%.

The operating result (EBIT) went from \$1,566,311 million to \$1,496,965 million, a decrease of \$69,346 million, or the equivalent to 4.4%.

The net benefit attributable to the dominating company equaled \$377,351 million, a figure that represented a 0.5% rise with respect to the \$375,471 million from 2011. The Group's result after taxes from reached \$893,562 million, 2.4% greater than the \$872,540 million from the previous year.

From a financial viewpoint, during this period, Moody's ratified the corporate listing at Baa2 with stable prospects, Standard & Poor's, on their part, confirmed the rating of international

credit risk as BBB+ with stable prospects, and Humphrey's awarded the grade of AA to local bonds, AA level 1 to the commercial paper program and 1° class level 1 to the company's shares. On January 15th of 2013, Feller Rate confirmed the current local mark at AA for the bonds, shares, and commercial papers, ratifying stable prospects.

Projects

With the objective of confronting the energy needs in the countries in which we operate, in keeping our leading position, and adding value to the investments of our shareholders, the Group possesses 11,400 MW of new capacity in different evaluation stages, as well as 545 MW under construction. These will begin operations between 2014 and 2015.

During 2012, we took relevant steps towards the construction of the hydroelectric power plant El Quimbo (400 MW), in Colombia. We concluded the construction of a deviation tunnel, the evacuation for the same facility, and the cofferdam. In terms of the fulfillment of responsibilities derived from the environmental license, we have advanced in the development of the Social Environmental Management Plan, carrying out, among other means, the preparation of collective resettlement, the realization of four individual relocations, and compensating 118 families with ownership of land within an area of less than five hectares.

Another project under construction is the Salaco chain, also located in Colombia. Through this initiative the smaller plants San Antonio, Limonar, and La Tinta-La Junca will be modernized, which for Emgesa implies a growth in installed capacity of an additional 144.8 MW, as well as an average energy increase of 482 Gwh.

Another relevant milestone was reached by our subsidiary Edegel, which obtained the

environmental approval for the hydroelectric plant in Curicamba in Peru. The plant will be located in the basin of the Tulumayo river, in the province of Jauja, located in the Region of Junín (about 360 kilometers from Lima), and will have an installed capacity of 188 MW.

The main objective will be to take full advantage of the hydroelectric potential from the Comas and Uchubamba rivers, found in the Tulumayo river basin. The plant will have a designed maximum flow volume of 86 m³/s, a gross drop height of 259 meters, and an average generation of 1,010 Gwh/year.

In Chile, in December, after the refusal of the Environmental Evaluation Commission (CEA) in the Atacama Region in June of 2012, the Committee of Ministers approved the Environmental Impact Assessment of the thermoelectric project Punta Alcalde (740 MW), accepting an appeal placed by Endesa Chile that claimed that the decision made by the CEA in Atacama was based on non-technical parameters and did not take into account all the records presented by the company during the evaluation process, which took place for over a period of three years.

The Punta Alcalde project, which will be located thirteen kilometers from the city of Huasco, will adopt the highest standards in technology, efficiency, and environmental commitment, heeding to international levels of emissions and operations. The initiative will be one of the most efficient electricity plants in Chile and South America.

As part of the additional commitments acquired by Endesa Chile while processing the environmental standards for the project, an agreement was reached with the Compañía de Aceros del Pacífico, CAP, to install an electrostatic precipitator in the chimney of the Pellets plant that CMP, a subsidiary of CAP, has in Huasco, and that will be financed by both parties. This ensures the complete reduction of

the equivalent emissions of the project in Punta Alcalde and generates a greater effect on the improvement of air quality in the Huasco area.

In this same plant, the company voluntarily assumed the responsibility to establish the maximum level of MP emissions at 27 mg/Nm³, or in other words, 10% below what is normally required by the emissions standard. Moreover, the coal field will be completely isolated by domes, eliminating any fugitive particles that could be carried by wind.

Regarding the HidroAysen project, we maintain the firm conviction that this initiative must be understood as an essential project for the country, and that Chile cannot afford to waste a priori a resource such as water, that is clean, available in nature, renewable, and offering low cost operations.

In April of 2012, the Supreme Court ruled in favor of HidroAysen, rejecting the appeals presented. Said actions had already been reviewed by the Court of Appeals of Coyhaique and later by its equal in Puerto Montt, also ruling in favor of HidroAysen.

Our partner in the HidroAysen project, Colbun, presented in May an essential fact before the Superintendencia de Seguros y Fianzas (SVS), proposing that the Board of HidroAysen postpone the environmental processes of the transmission line until consensus was attained concerning the country's energy policy. Subsequently, HidroAysen, by the means of a press release, indicated that the Board of the company entrusted senior management to direct a series of evaluations of the resolution suggested by Colbun.

The project is still underway, advancing slower than what we had hoped. We are working in tandem to the pace of the relative outlines established by the Electricity Highway Law project, which is currently under review by Congress and the Committee of Ministers, which must resolve the appeals presented by both

HidroAysen and environmental organizations opposing the Environmental Qualification Resolution (RCA), granted favorably to the generation project on June 9th of 2011.

Today, more than ever before, it is absolutely necessary and fundamental to count on clear guidelines to develop long-term investment projects. During 2012 we witnessed a substantial shift in the relationship between companies and communities, between communities and the authorities, a change that we are not foreign to and to which we feel a part of, as a company responsible for the surroundings we operate in.

A New Scenario

The year 2012 was not easy for productive firms in Chile. The cases of Freirina and the rejection by the Supreme Court of the Castilla project after being approved by environmental authorities are still in our retina. The greater social demand, profuse judicial process of projects, and the lack of clarity in certain matters have led to the paralysis of investments or halting them until the rules of the game normalize. This all instills an amount of risk in the future for the supply of electricity, particularly if one considers the greater dynamism that the Chilean economy is displaying.

We experienced a process of great change. Numerous communities no longer want industrial projects in their areas. The few times these were accepted, they demanded that the companies insert themselves as good neighbors from the very first moment, and that the benefits be shared between the company and the people. A symptom of change? Yes. The economies of the region reflect a continuous dynamism, never seen before, and seem isolated from the turbulence that shook developed countries with the subprime crisis, and now, Europe with its debt crisis.

Situations such as the opposition of hydroelectric projects in Chile, Colombia, and Brazil, or claims stemming from indigenous issues in Peru and Chile, are expressions of the new scenario brewing in South America. As a company and Group with the vocation to remain in the region, we must be a part of this new configuration and must improve our efforts to adjust to it.

The challenge is even greater: we must be capable of combining the authorities' expectations, needs of the community, and the legitimate interests of the companies. We want to be a part of the solution and not the problem, due to this, and going along the same lines as last year, we have arranged a new way to relate to our surroundings, by the means of projects that integrate, since their inception comments made by communities (design through mitigation), sharing with our neighbors (early immersion), looking after their needs and demands.

But we also have another challenge: be capable of satisfying the growing needs of our customers.

Innovation

In the segment of electricity distribution we have launched innovative ideas such as the Full Electric and Solar Electric solutions. We have seen significant progress in the telemetry projects and took a great step towards officially inaugurating the first smart city in South America in Buzios, Brazil.

Cidade Inteligente Búzios, located in Armação dos Búzios, in the state of Rio de Janeiro, is designed to be the model in terms of applications and technologies of smart networks and efficient consumption of electricity.

The smart city is based on the experience and success of other initiatives developed by Enel and Endesa, such as Smartcity Málaga (2009), which has transformed the city into one of the

smartest in the distribution of electricity at an international level. Furthermore, the Group also accounts for Smartcity Barcelona in Spain, and three projects in Italy, located in Turin, Genova, and Bari.

The Brazilian initiative, developed through the subsidiary Ampla, will allow the city and its residents the application, among others, of different tariffs according to consumption hours, the use of sustainable systems of public lighting, and the development of energy efficiency in public buildings and residences, allowing the control of consumption in real-time.

In this same field, this past January 7th our subsidiary Chiletra, alongside Ciudad Empresarial, placed the first brick for "Smartcity Santiago", the first prototype of a smart city in Chile. This model permits the incorporation of electric mobility projects, telemetry, home automation operations, photovoltaic generation through solar energy, automation of the electric grid, public lighting using LED, remote monitoring, among others.

We have also progressed in fulfilling our commitment to lead electric mobility in the markets in which we operate, placing new recharging docks for electric vehicles at our users' disposition.

An example of this was developed by our subsidiary Codensa in Colombia. During 2012, fifteen electric vehicles were incorporated to the transportation fleets of the firms owned by the Group; a pilot plan launched of fifty taxis using the business model structure, and thirty-four electric motorcycles were incorporated in the operation as a pilot plan to evaluate its performance.

I cannot omit two milestones in the generation business. On one hand, the certification for the use of an Energy Management System (SGE)

based on the international norm ISO 50001, Energy Management Systems, achieved by the Quintero thermoelectric plant, located in the Region of Valparaiso, Chile.

The approval of Quintero, an open-cycle unit that uses natural gas as fuel, was outstanding. The plant became the first open-cycle unit in the Group to receive this validation, making Endesa Chile the first utilities company in South America to carry ISO 50001 certification.

The second milestone is linked to the agreement endorsed by both Endesa Chile and Crystal Lagoons to carry out research regarding the utilization of cooling pools for thermal plants as an alternative to conventional cooling systems. This project will be employed in the San Isidro thermoelectric plant, located in the Region of Valparaiso, Chile.

Endesa Chile undertook this project as a research and trial initiative, which aims to determine its viability as an alternative to conventional processes, such as cooling towers. We seek to understand the empirical details of this technology, which eventually would be an environmentally-friendly solution and, in theory, requires less water. This pilot pool, being a research initiative, will only use 1% of the water currently used by San Isidro for cooling purposes.

Plan 2013-2017

Esteemed shareholder, for the upcoming years our strategy will focus on the generation business with the following characteristics: a demand that is supported by solid economic performance, an increase in installed capacity, greater efficiency in our generation plants, and starting new businesses. The objective is to rise the production of electricity and the amount of energy sold in 2017 vs. 2012, having a portfolio

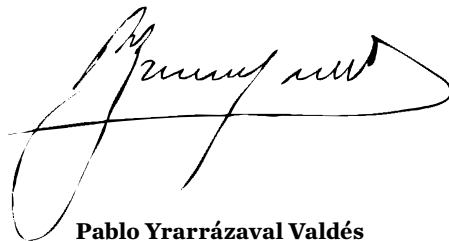
of projects that generate over 11,000 MW, and improve load factors during period, and gas supply.

In the distribution business, our actions will cater to: new connections, the development of new projects, reduction of energy losses, and regulatory management. The objective is to increase our customer base by nearly 400,000 new clients a year, implementing digital meters, improvements in energy losses in Brazil, and the conservation of margins in Argentina.

The ever-increasing challenges in the electricity industry in South America require firms capable of facing energy requirements, environmental care, and respect towards communities.

Enersis and its subsidiaries possess the necessary tools, knowledge, support of the Enel Group, and the commitment of its more than 11,000 employees to lead and face these challenges. Trust that we will do everything necessary to keep our leading position in South America and will continue to provide safe, reliable, and competitive electricity to over 50 million people.

Best regards,

A handwritten signature in black ink, appearing to read 'Pablo Yrarrázaval Valdés', with a large, sweeping flourish at the end.

Pablo Yrarrázaval Valdés
Chairman



02



highlights



Highlights 2012

Chilectra inaugurates electric car charging stations

With the objective to facilitate and promote electric vehicles, Chilectra and the Municipality of Vitacura inaugurated the first electric car charging station. The station is located in the public parking area of the Municipality building, becoming the third station of this nature in Santiago.

Endesa Chile signs an agreement with Contac

The technology firm Contac and the University of Chile will develop a technology-based application that will use mathematical models to predict and contribute to the monitoring of electricity generating equipment that the company has in the country.

Emgesa accomplishes significant milestone in the Project El Quimbo with the course diversion of the Magdalena River

After ensuring that the required conditions of the tributary guaranteed safe activity, the company successfully diverted the course of the Magdalena River. By achieving this milestone, Emgesa can continue its construction work for the Hydroelectric El Quimbo Project in Colombia, a unit that will have a capacity of 400 MW.

Santiago Stock Exchange recognizes both Enersis and Endesa Chile

The Santiago Stock Exchange gave recognition to Enersis and Endesa Chile for being among the companies in the Selected Share Price Index (IPSA in its Spanish acronym), an index that ranks the 40 organizations with the greatest stock-market presence in the local stock exchange in 2012.

EEnersis and Endesa Chile participate in the LirA 2011 awards

Being recognized in 9 out of the 12 categories of the competition, Enersis and Endesa Chile had a strong participation in the first version of the Latin America's Investor Relations Awards 2011 (LirA'11). The Latin America's Investor Relations Awards 2011 are the only awards in the region that recognize excellence in investor relations and communication of corporate governance of companies with stock-market presence in Chile, Colombia, and Peru.

January



Symphony for Peru

Edelnor and the Association Sinfonía por el Perú, signed an agreement for the creation of a children's orchestra. This inclusive social project aims to train, prevent, and aid in the recovery of vulnerable groups, specifically low-income children and youths.

February



The water footprint in power plants and in the corporate headquarters was measured

Due to the importance of water as the main natural resource, Endesa Chile strove to create methods to calculate the Water Footprint, which represents the total volume used in each facility to produce electricity in a determined period of time. A pilot phase was developed in the thermal generating power plants Bocamina and San Isidro, the hydraulic plant Rapel, the wind park Canela, and at the corporate building.

Endesa Chile launches corporate optimization

The Board of Endesa Chile agreed to begin a corporate optimization program of certain Chilean subsidiaries through a process of successive multi-step merges. This operation seeks to simplify corporate structure and involves merging Ingendesa, Compañía Eléctrica San Isidro, Central Eléctrica Tarapacá, Inversiones Endesa Norte, Endesa Eco, Enigesa, and Empresa Eléctrica Pangué into Endesa Chile.

March



Open Doors Program of Ampla is extended

In 2012 the program "Ampla de Puertas Abiertas" went on to establish meetings with clients in other municipalities of the concession area in addition to the head office in Niterói. The main objective of this program is to promote the integration of the firm with its customers, aiming to strengthen relationships and build bonds based on trust, with transparency and respect.

Edesur successfully manages extreme contingency in Buenos Aires

After extreme weather conditions that registered gusts of wind that reached a speed of 113 kilometers that affected most of the metropolitan area of Buenos Aires - causing the destruction of 6,000 electric posts in the concession area - Edesur launched its Contingency Plan, restoring service to 90% of its customers within the first 48 hours and completed full infrastructure reconstruction in a week.

Supreme Court approves the HidroAysén project

The Third Chamber of the Supreme Court dismissed the appeal presented by ecological groups regarding the environmental procedures for the hydroelectric project. This ruling confirmed that the process of environmental assessment fulfilled the country's requirements for current regulations and corroborates the verdict given by Puerto Montt's Court of Appeals

ANEEL bestows honor to Coelce

The National Agency of Electricity (ANEEL in its Portuguese acronym) published a ranking placing Coelce as the electricity distribution company with the best service quality in Brazil. The study evaluated 63 companies throughout the country between January and December of 2011.

Edegel is recognized for its Good Corporate Governance

The Lima Stock Exchange (BVL in its Spanish acronym) acknowledged 24 publicly traded companies for their practices in Good Corporate Governance (IBGC). The 10 companies that will be part of IBGC's new portfolio for the 2012-2013 period were disclosed, and after a process of approval by Pacific Credit Rating (PCR), Edegel was selected to be part of the portfolio for the fifth consecutive year.

Endesa Chile received the award for the "Greatest Value Creation 2011, Utilities Sector"

A ranking showing the companies that led in sales, profits, and value creation, was performed by the Equity Research Department of Santander Global Banking and Markets, recognizing Endesa Chile with the award "Greatest Value Creation 2011, Utilities Sector". The ranking was formulated by following a series of methodological steps with the objective to ascertain the final winner.

Endesa Chile shines in EVA Ranking 2012

Endesa Chile received the award for best firm in the Electricity-Generation sector in the EVA Ranking 2012, granted by Econsult and the magazine Qué Pasa. This distinction measures the companies with the greatest generation of value added for its shareholders. The measurement is performed since 2003 and quantifies the Economic Value Added (EVA) of 132 firms in the country.

April



May



June



Inauguration of the Bicentenario Substation

In order to satisfy and cover the growing electricity demand in greater Santiago, specifically the southwest area of the capital, Chilectra connected the Bicentenario Substation to its electric system, located in Maipú. The new facilities, at their initial phase, have a 25 MVA capacity and supply electricity to approximately 30,000 homes.

Ecoelce awarded by the Federal Government of Brasilia

The Ecoelce Program received an award from the General Secretariat of the Presidency of the Republic for its best practices that contribute to the country's development at a formal ceremony that was attended by President Dilma Rousseff. The program was ranked among the 51 best practices in Brazil.

Quintero Power Plant was certified under the norm ISO 50001

Endesa Chile is the first utility in Latin America to receive certification for the application of the Electricity Management System (SGE in its Spanish acronym) based on the international norm ISO 50001. The Quintero Plant, located in the Region of Valparaiso, successfully passed the certification audit performed by the specialized certifying entity AENOR.

Endesa Chile appeals to the Committee of Ministers to approve the EIA of Punta Alcalde

The company petitioned the appeal to receive approval for the construction of the Punta Alcalde project, after being initially rejected by the Environmental Assessment Commission of the Atacama Region, due to non-technical parameters and background information from the company's three year assessment process that were not considered.

Endesa (Spain) proposes a capital increase at Enersis

Through a Significant Event sent to the Superintendence of Securities and Insurance (SVS) the Enersis Board of Directors informed the local market of the decision to convene the Extraordinary Shareholders Meeting on September 13th, in order to release Endesa's (Spain) proposal to increase the capital of the company in Chilean peso to in an amount equivalent to US\$8,020 million or the sum agreed upon by the Extraordinary Shareholders Meeting. On June 22nd, 2012 the Chairman of the Enersis Board received a letter dated June 18th, 2012, from Endesa Latinoamérica, S.A. (controlling shareholder), proposing the Capital increase to the Board.

Endesa Chile signed agreement with Crystal Lagoons

The agreement seeks to research the application of cooling pool technology for thermal power plants as an alternative to conventional cooling systems. The project consists of several experiments directed towards the verification and improvement of the dissipating capacities of bodies of water, using part of the refrigerating water from the San Isidro plant in a trial pool with a surface area of 5,000 m² that will be built

Chilectra and Ciudad Empresarial sign agreement to launch the Smartcity project

The agreement aims to develop the first prototype of a Smart City in Chile, appropriately named "Smartcity Santiago". This model will incorporate electric mobility, telemetry, units of domotic operations, photovoltaic generation through solar energy, automation of the electric network, public lighting using LED lights, remote monitoring, among others.

SVS considers the capital increase operation to be a transaction among related parties

The SVS stated that the Board of Directors of Enersis must inform, within 5 business days, the measures it will adopt to ensure compliance with the regulations stipulated in articles 15, 67 and the Title XVI of Law 18,046 (Corporations Law) given that these are complementary and must be applied jointly. These dispositions regard the capital increase operation and operations among related parties, respectively.

Endesa Chile settles disagreements with Tricahue in Pehuenche

The Boards of Inversiones Tricahue and Endesa Chile approved, respectively, an agreement that will allow signing a new electricity supply contract between Endesa Chile and Empresa Eléctrica Pehuenche S.A., replacing the current contract which has been in place since 2007. With this initiative, disagreements between both shareholders of Pehuenche have been settled, concluding the arbitral process that was taking place.

July



August



Chilectra powered 800

The company powered and started up the second banco de autotransformadores of 400 MVA, 220/110 KV in the substation El Salto, becoming Chilectra's first facility to have an installed capacity of 800 MVA.

Enersis accepts SVS' instructions and proceeds with capital increase

After analyzing the statement decreed by the Superintendence of Securities and Insurance (SVS), the Board of the company decided to proceed with the capital increase, applying the norms of Title XVI of the Corporations Law. Additionally, the Board chose to postpone the Extraordinary Shareholders Meeting, originally scheduled for September 13th, to a later date that is yet to be determined, as well as the summoning of a new Board Meeting on August 22nd, with the purpose to define the company's next steps.

Enersis begins search for an independent evaluator

The Board of Directors agreed to proceed with Endesa's (Spain) proposal for the Capital increase, for which it launched the search for an independent evaluator, without regard to Directors Committee resolution. The Board noted that it had received a letter from the controlling shareholder, through which Endesa (Spain) expresses its interest in proceeding with the capital increase process suggested, requesting to convene a Shareholders Meeting taking into consideration the norms of the Title XVI of the Corporations Law, and to do so leaving enough time for all Enersis shareholders to participate.

Chilectra and Endesa Chile recognized for their CSR policies

Within the framework of the VIII National Ranking on Corporate Social Responsibility, that is performed each year by the PROhumana Foundation, Qué Pasa Magazine, and the CPC, Chilectra and Endesa Chile were ranked in the first and seventh place, respectively. In this study, the firms were ranked through an integral evaluation that analyzes their CSR policies and programs.

Environmental Impact Assessment (EIA in its Spanish acronym) of Hydroelectric Curibamba plant is approved

The Peruvian Ministry of Energy and Mining (MEM in its Spanish acronym) approved the Environmental Impact Assessment (EIA) of the Hydroelectric Curibamba power plant, a project being developed by the subsidiary Edegel. Total installed capacity will be 188 MW.

Endesa Chile obtains environmental approval for the Renaico Wind Farm

Through its subsidiary Endesa Eco, the company obtained the environmental approval from DIA (in its Spanish acronym) of the Renaico Wind Farm, an initiative that proposes the construction and operation of a wind farm composed of 44 wind turbines – of an approximate height of 100 meters – which will have an installed capacity of up to 106 MW.

Board appoints independent evaluator for the capital increase

The Enersis Board appointed IM Trust as the independent evaluator for the capital increase due to the firm's high professional and technical qualities, its renowned prestige in these matters, as well as its objectivity. This is all in accordance with the formalities stipulated by the Title XVI of the Corporations Law.

Board appoints independent evaluator for the capital increase

Following the stipulations of Title XVI of the Corporations Law, the Board hired Claro and Associates Ltd. as an independent evaluator for the capital increase having achieved its objectivity, the absence of conflicts of interests in this matter, and its technical and professional quality.

Consulting firm CEOP grants the Prestige Award to Edesur

Edesur was acknowledged as the most prestigious firm in the Argentine electricity sector. This was shortly after receiving the "Prestige" Award from the Consulting firm CEOP, this year delivered by the economic media press, the *Diario Ámbito Financiero*.

Endesa Chile begins commercial operation of Bocamina II

After a startup period, the company began placed the power plant at the disposal of the Central Interconnected System (SIC in its Spanish acronym), with an installed capacity of 350 MW.

Directors Committee submits report concerning the capital increase

Through a Significant Event, it was released to the local market that the Directors Committee, in its October 29th session, which lasted until early hours of October 30th, had formally issued a report concerning the capital increase underway, in accordance with the article 50 of the Corporations Law. The document is available to shareholders and the general public at the company's main office and website www.enersis.cl.

Enersis informs Endesa's (Spain) letter relative to the conditions of the Capital increase

Through a Significant Event, Enersis informed the local market that it received a letter from Endesa (Spain) dated on October 30th, concerning the conditions associated to the capital increase proposal. Endesa (Spain) asks to propose to the Extraordinary Shareholders Meeting that the subscription and payment of shares are subject to the fulfillment of a condition precedent. This condition requires that shareholders subscribe, be it during the preemptive subscription period or the remnant period, to a certain number of shares that prevent Endesa (Spain) from exceeding 65% of shares with voting rights.

September



October



Instituto Superior Tecnológico Nuevo Pachacútec

The Instituto Superior Tecnológico Nuevo Pachacútec, the main educational program that supports the Group in Peru, has six graduating classes, with 9 out of 10 students working. Efforts this year have been directed towards making this the best electricity institute and a referral for electricity firms, and therefore Fundación Endesa has joined.

Evaluadores Independientes entregaron informes sobre aumento de capital

Los evaluadores independientes mandatados para analizar la propuesta de aumento de capital en Enersis, IM Trust y Claro y Asociados Ltda., entregaron sus respectivos informes. De esta manera, se completó un hito relevante en el marco de la operación propuesta por Endesa (España).

Enersis Board members release their opinions regarding the capital increase

Enersis board members individually released their respective opinions, as established in the numbers 5 and 6 of article 147 of the Corporations Law regarding the capital increase. These documents are at the shareholders and general public's disposal at company offices and website www.enersis.cl

Sales settlements of El Chocón

In November the Secretariat of Energy authorized El Chocon to transfer its sales settlements for 2013 and future settlements to Endesa Costanera, in order to finance Endesa Costanera's Investment plans. The permission granted by the Authority, implies that the sales settlements of El Chocon for that period will be paid and taxes of approximately US\$23.6 million will be deferred.

Letter of Commitment from Endesa (Spain) with regards to the capital increase

Enersis informed the local market about a statement received from Endesa (Spain) with regards to the position of the controlling shareholder concerning certain aspects of the capital: guarantees for the Cono Sur operation, the sole vehicle for growth, dividend policies, use of funds, and promise of permanence.

Board of Directors of Enersis convenes an Extraordinary Shareholders Meeting to take place December 14th

On November 21st, Enersis received a communication from pension fund administration companies (AFP in its Spanish acronym) AFP Habitat, AFP Planvital, AFP Provida, AFP Capital, AFP Cuprum and AFP Modelo, all being shareholders of Enersis and that jointly represent 13.63% ownership, requesting an Extraordinary Shareholders Meeting to take place prior to the one scheduled for December 20th. The Board decided to summon a Meeting in order to inform, in detail, the reasons for calling for an Extraordinary Shareholders Meeting, among other matters.

November



Enersis Board of Directors convenes an Extraordinary Shareholders Meeting to take place December 20th

The Board summoned an Extraordinary Shareholders Meeting with the purpose to deliberate on the capital increase, under the terms proposed by Endesa (Spain). Subject to approval, among other points, are increasing capital to an amount not less than US\$5,915 million nor greater than US\$6,555 million, or in the determined by the Extraordinary Shareholders Meeting. Through another Significant Event the Board's agreement regarding a series of points of interest for shareholders with regards to the capital increase was disclosed, among them, that the value of the contribution of Endesa (Spain), through the shares it holds of different companies in South America, should be within the US\$3,586 million and US\$3,974 million range, and the Board agreed to request Endesa (Spain) to give its opinion concerning several aspects of social interest.

Enersis and Endesa Chile received the Sello Iguala granted by Sernam

Contributing to the participation, placement, and the improvement of employment quality for women, decreasing the barriers that affect women in the work place, is the objective of Sello Iguala. It is an initiative of the National Women's Service (SERNAM in its Spanish acronym) that acknowledges the efforts made by institutions, both public and private, to incorporate best practices that promote gender equality.

Inauguration of the first Smartcity in South America

Cidade Inteligente de Búzios, located in Buzios, Brazil, is the first Smart City in the region. It will allow, among several aspects, the application of differentiated fees, the use of sustainable public lighting, and encourage energy efficiency.

Coelce wins first place for customer satisfaction in Latin America

Coelce received the award as the best electricity distributor in Latin America in terms of Customer Satisfaction. The internationally-recognized award is granted by the Commission for Regional Energy Integration (CIER in its Portuguese acronym). Besides the award, the company received a special mention for its performance in social responsibility.

Edelnor starts up electric mobility project

Aiming to study the possibilities of electric mobility in Peru, Edelnor and Mitsubishi Motors signed a cooperation agreement that seeks inform the reach of new innovative technology and environmental sustainability in transportation.

Ministers Committee approves Punta Alcalde project

The Punta Alcalde power plant project, which will have an installed capacity of 740 MW and will be located 13 kilometers from the city of Huasco, received the environmental approval by the Ministers Committee. As part of the additional commitments acquired by Endesa Chile, an agreement was reached with the Compañía de Aceros del Pacífico (CAP in its Spanish acronym), to install an Electrostatic Precipitator in a chimney of the Pellets plant that CMP, a subsidiary of CAP, has in Huasco, which will be financed by both parties.

Endesa (Spain) presents proposal to the AFPs concerning the Capital increase in Enersis

Enersis informed the market, through a Significant Event, that they had received a press release from Endesa (Spain), which discloses a proposal from the controlling shareholder to the Pension Fund Administration Companies, AFP Habitat, AFP Planvital, AFP Provida, AFP Capital and AFP Cuprum as beneficial for all Enersis shareholders. The release also included states that the capital increase would be for a total of 16,441,606,297 shares at a price of \$173 per share, and that Endesa (Spain) would contribute a total of 9,967,630,058 shares, while the minorities would contribute 6,473,976,239 shares.

Bond Placement by Emgesa

With a 370% demand surplus (3.8 times) for the offered total of \$350,000 million Colombian pesos, Emgesa placed a corporate bond issue for a total value of up to \$500,000 million Colombian pesos.

Board of Directors of Enersis fixes price for shares issued for capital increase

It was agreed to propose to the Extraordinary Shareholders Meeting that would take place on December 20th, a price for newly issued shares to fall within the \$160 and \$187 per share range. Furthermore, the Board declared that the total amount of the capital increase, the value of assets, and the maximum number of issued shares released through press releases of Endesa's (Spain), as well as of five AFPs (AFP Habitat, AFP Planvital, AFP Provida, AFP Capital, and AFP Cuprum) are within the contemplated parameters in the reports submitted by the independent evaluators and by the Directors. In that same document, an answer to the Memorandum N°28,292 was released by the SVS.

Directors Committee examines share subscription contract between Enersis and Endesa (Spain)

The subscription contract to take place between Enersis and Endesa (Spain), sent to the Board without observations, and was disclosed to the Company's shareholders. The document will be submitted for approval at the Extraordinary Shareholders Meeting on December 20th. Citibank, the depository, announced that it would not grant discretionary voting to the Chairman of the Board concerning ADR holders that have not expressed their voting intention.

Success for Enersis regarding the capital increase: 86% of shareholders approved the proposal

With a vast majority, the equivalent of 81.94% of all shares with voting rights, practically an 86% of shareholders present in the Meeting, approved the capital increase proposal, with the following characteristics: 1) A maximum total of \$2,844,397,889,381 divided into 16,441,606,297 ordinary nominative payment shares of the same series, with no preferences and no par value, 2) Value of non-in-kind contributions to be capitalized: The total issued capital of Cono Sur, Company that will concentrate the shareholders to be contributed by Endesa to Enersis S.A., will amount to Ch\$ 1,724,400,000,034 corresponding to 9,967,630,058 shares of Enersis S.A. at a price of Ch\$ 173 per share, 3) Placement share price: A fixed price of Ch\$173 for every payment share to be issued as a result of the capital increase.

December

**Opening of the Salaco project in Colombia**

With the objective to realign and modernize the chain of small power plants of San Antonio, Limonar, and La Tinta-La Junca, the Salaco project was approved so that they can operate like the plants Salto II, Laguneta, and Dario Valencia, in terms of the dispatch of central filo de agua. This project will raise Emgesa's installed capacity by 114.8 MW and an expected an average increase in energy generation of 482 Gwh/yr.

Extraordinary Shareholders Meeting requested by the AFPs

The company held the Extraordinary Shareholders Meeting requested by the AFPs, an informative meeting, to give both general and detailed answers to the concerns posed by Pension Fund Administrators.

Presentation of background information and prospects for the registration of shares

On December 31st Enersis requested the SVS the registration in the Securities Registry of the SVS, of the shares issued as part of the \$ 2,844,397,889,381 capital increase equivalent, the same day Extraordinary Shareholders Meeting was held, to 16,441,606,297 ordinary nominative payment shares of the same series, with no preferences and no par value.



main financial and operational indicators



1. Main Financial and Operational Indicators

| | At December 31 of each year (figure in millions of nominal pesos) | | | | | |
|-----------------------------|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2007 (1) | 2008 (2) | 2009 (2) | 2010 (2) | 2011 (2) | 2012 |
| Total Assets | 11,437,767 | 13,781,177 | 13,210,140 | 13,005,845 | 13,733,871 | 13,317,834 |
| Liabilities | 5,792,790 | 7,752,045 | 6,833,137 | 6,491,817 | 6,837,717 | 6,354,065 |
| Operating Revenue | 4,686,676 | 6,579,945 | 6,472,056 | 6,563,581 | 6,534,880 | 6,577,667 |
| Ebitda | 1,680,994 | 2,301,714 | 2,467,101 | 2,261,691 | 2,127,368 | 1,982,924 |
| Net Income (3) | 188,376 | 507,590 | 660,231 | 486,227 | 375,471 | 377,351 |
| Liquidity Ratio | 1.30 | 1.09 | 1.17 | 0.97 | 1.03 | 0.99 |
| Debt coefficient (4) | 1.03 | 1.29 | 1.07 | 1.00 | 0.99 | 0.91 |

| Generation Business | At December 31 of each year | | | | | |
|----------------------------|-----------------------------|----------|----------|----------|----------|--------|
| | 2007 | 2008 (2) | 2009 (2) | 2010 (2) | 2011 (2) | 2012 |
| ARGENTINA | | | | | | |
| Number of employees | 323 | 325 | 332 | 426 | 473 | 501 |
| Number of generation units | 20 | 20 | 20 | 20 | 20 | 20 |
| Installed capacity (MW) | 3,644 | 3,652 | 3,652 | 3,652 | 3,652 | 3,652 |
| Electricity generated(GWh) | 12,117 | 10,480 | 11,955 | 10,940 | 10,801 | 11,289 |
| Sales of electricity (GWh) | 12,406 | 11,098 | 12,405 | 11,378 | 11,381 | 11,852 |
| BRASIL | | | | | | |
| Number of employees | 191 | 193 | 200 | 193 | 202 | 202 |
| Number of generation units | 13 | 13 | 13 | 13 | 13 | 13 |
| Installed capacity (MW) | 987 | 987 | 987 | 987 | 987 | 987 |
| Electricity generated(GWh) | 3,954 | 3,379 | 3,319 | 5,095 | 4,155 | 5,177 |
| Sales of electricity (GWh) | 7,348 | 7,093 | 6,869 | 6,790 | 6,828 | 7,291 |
| CHILE | | | | | | |
| Number of employees | 841 | 1,123 | 1,172 | 607 | 1,081 | 1,141 |
| Number of generation units | 63 | 65 | 110 | 107 | 107 | 111 |
| Installed capacity (MW) | 4,779 | 5,283 | 5,650 | 5,611 | 5,611 | 5,961 |
| Electricity generated(GWh) | 18,773 | 21,267 | 22,239 | 20,914 | 20,722 | 20,194 |
| Sales of electricity (GWh) | 19,212 | 21,532 | 22,327 | 21,847 | 22,070 | 21,277 |
| COLOMBIA | | | | | | |
| Number of employees | 399 | 404 | 415 | 444 | 498 | 517 |
| Number of generation units | 28 | 29 | 29 | 30 | 30 | 30 |
| Installed capacity (MW) | 2,829 | 2,895 | 2,895 | 2,914 | 2,914 | 2,914 |
| Electricity generated(GWh) | 11,942 | 12,905 | 12,674 | 11,283 | 12,090 | 13,294 |
| Sales of electricity (GWh) | 15,613 | 16,368 | 16,806 | 14,817 | 15,112 | 16,304 |
| PERU | | | | | | |
| Number of employees | 206 | 219 | 224 | 244 | 247 | 263 |
| Number of generation units | 24 | 24 | 25 | 25 | 25 | 25 |
| Installed capacity (MW) | 1,468 | 1,467 | 1,667 | 1,668 | 1,668 | 1,657 |
| Electricity generated(GWh) | 7,654 | 8,102 | 8,163 | 8,466 | 9,153 | 8,740 |
| Sales of electricity (GWh) | 7,994 | 8,461 | 8,321 | 8,598 | 9,450 | 9,587 |



| Distribution Business | At December 31 of each year | | | | | |
|----------------------------|-----------------------------|-----------|-----------|-----------|-----------|-----------|
| | 2007 | 2008 (2) | 2009 (2) | 2010 (2) | 2011 (2) | 2012 |
| ARGENTINA | | | | | | |
| Sales of electricity (GWh) | 15,833 | 16,160 | 16,026 | 16,759 | 17,233 | 17,338 |
| Number of Customers | 2,227,742 | 2,262,231 | 2,305,060 | 2,352,720 | 2,388,605 | 2,388,675 |
| Energy losses | 10.7% | 10.6% | 10.5% | 10.5% | 10.5% | 10.6% |
| Number of employees | 2,534 | 2,590 | 2,628 | 2,627 | 2,849 | 2,948 |
| Customers / employees | 879 | 873 | 877 | 896 | 838 | 810 |
| BRASIL | | | | | | |
| Sales of electricity (GWh) | 16,212 | 16,689 | 17,253 | 18,777 | 19,193 | 20,694 |
| Number of Customers | 5,067,317 | 5,308,306 | 5,487,066 | 5,665,195 | 5,867,888 | 6,050,522 |
| Energy losses | 17.4% | 16.4% | 16.8% | 16.8% | 16.2% | 16.3% |
| Number of employees | 2,682 | 2,576 | 2,533 | 2,484 | 2,496 | 2,382 |
| Customers / employees | 1,889 | 2,061 | 2,166 | 2,281 | 2,351 | 2,540 |
| CHILE | | | | | | |
| Sales of electricity (GWh) | 12,923 | 12,535 | 12,585 | 13,098 | 13,697 | 14,445 |
| Number of Customers | 1,483,239 | 1,533,866 | 1,579,069 | 1,609,652 | 1,637,977 | 1,658,637 |
| Energy losses | 5.9% | 5.9% | 6.1% | 5.8% | 5.5% | 5.4% |
| Number of employees | 728 | 717 | 731 | 719 | 712 | 734 |
| Customers / employees | 2,037 | 2,139 | 2,160 | 2,239 | 2,301 | 2,260 |
| COLOMBIA | | | | | | |
| Sales of electricity (GWh) | 11,441 | 11,822 | 12,114 | 12,515 | 12,857 | 13,364 |
| Number of Customers | 2,208,559 | 2,284,855 | 2,473,747 | 2,546,559 | 2,616,909 | 2,712,987 |
| Energy losses | 8.7% | 8.1% | 8.4% | 8.5% | 8.1% | 7.5% |
| Number of employees | 931 | 932 | 1,017 | 1,083 | 1,101 | 1,127 |
| Customers / employees | 2,372 | 2,452 | 2,432 | 2,351 | 2,377 | 2,407 |
| PERU | | | | | | |
| Sales of electricity (GWh) | 5,201 | 5,599 | 5,716 | 6,126 | 6,572 | 6,863 |
| Number of Customers | 986,451 | 1,027,750 | 1,060,508 | 1,097,533 | 1,144,034 | 1,203,061 |
| Energy losses | 8.1% | 8.2% | 8.1% | 8.3% | 8.2% | 8.2% |
| Number of employees | 544 | 571 | 595 | 553 | 550 | 607 |
| Customers / employees | 1,813 | 1,800 | 1,782 | 1,985 | 2,080 | 1,982 |

(1) Financial statements prepared according to generally accepted accounting principles in Chile.

(2) IFRS accounting figures. Until 2008, the annual financial statements were prepared in accordance with accounting principles generally accepted in Chile. Since 2009, the financial statements have been prepared in accordance with International Financial Reporting Standards, also presenting the 2008 financial statements under this new accounting standard. Due to this change, companies of joint control in which Enersis has participation, are consolidated according to the proportion Enersis represents of its social capital, therefore the figures in 2008, 2009, 2010, 2011 and 2012 include the percentage of power generation, energy sales and employees of these companies.

(3) For 2008, 2009, 2010, 2011, and 2012 it is net profit attributable to parent company.

(4) Total Liabilities/Equity plus Minority Interest.





identification of the company and documents of incorporation

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Identification of the
Company

p. 27
Corporate Purpose

p. 26
Documents of
Incorporation



1. Identification of the Company

| | |
|--------------------------------------|---|
| Address | Santiago, although able to establish branches or agencies in other parts of the country or abroad |
| Type of Company | Publicly traded company |
| Tax ID | 94,271,000 - 3 |
| Address | Santa Rosa N° 76, Santiago, Chile |
| Telephone | (56-2) 2353 4400 - (56-2) 2378 4400 |
| Fax | (56-2) 2378 4788 |
| P.O. Box | 1557, Santiago |
| Web site | www.enersis.cl |
| Email | informaciones@enersis.cl |
| Securities Registration number | N°175 |
| External Auditors | ERNST & YOUNG |
| Subscribed and paid-in capital (M\$) | 2,824,882,835 |
| Ticker in Chilean stock exchanges | ENERSIS |
| Ticker in New York stock exchange | ENI |
| Ticker in Madrid stock exchange | XENI |
| Custodial Bank ADR's | Banco Santander Chile |
| Depository Bank ADR's | Citibank N.A. |
| Latibex custodial bank | Banco Santander |
| Latibex link | Santander Central Hispano Investment S.A. |
| Domestic Risk Rating Agency | Feller Rate and Fitch Ratings |
| International Risk Rating Agency | Fitch Ratings, Moody's and Standard & Poor's |

2. Documents of Incorporation

The company that gave rise to Enersis S.A. was formed initially with the name Compañía Chilena Metropolitana de Distribucion Electrica S.A. by public deed dated June 19, 1981 granted by the notary Patricio Zaldívar Mackenna in Santiago, and was modified by public deed dated July 13 the same year before the same notary. The company's incorporation was authorized and its bylaws approved by Resolution 409-S of July 17, 1981 of the Securities and Insurance Commission (SVS). The extract of the incorporation authorization and approval of the bylaws was registered in the Santiago Trade Registry on page

13,099 N°7,269 for year 1981, and were published in the Official Gazette of July 23, 1981. The bylaws of Enersis have since undergone a number of modifications.

On August 1, 1988, the company's name was changed to Enersis S.A. The latest modification is that set out in public deed dated December 28, 2012, certified by the Santiago notary Iván Torrealba Acevedo, whose extract was registered in the Santiago Trade Register for 2013, page 3,562, N°2,344 and published in the Official Gazette on January 11, 2013.



3. Corporate Purpose

The company's objectives are to explore, develop, operate, generate, distribute, transmit, transform and/or sell energy in any of its forms or nature, in the country or abroad, directly or through other companies, and also telecommunications activities and the provision of engineering consultancy within the country and abroad. It may also invest and manage its subsidiaries and associate companies, whether generators, transmitters, distributors or traders of electricity or whose business is any of the following: (i) energy, in any of its forms or nature, (ii) the supply of public utilities or whose main raw material is energy, (iii) telecommunications and information technology, and (iv) trading over internet.

In complying with its main objects, the company will carry out the following functions: a) promote, organize, build, modify, dissolve or liquidate companies of any nature which have similar corporate objects to its own; b) propose

investment, financing and business policies to subsidiary companies, as well as accounting criteria and systems that these should follow; c) supervise subsidiary management; d) provide subsidiary or associate companies with the necessary financing for their business development and provide management services; financial, technical, legal and auditing advice; and in general any type of service that appears necessary for their best performance.

In addition to its main objects and always acting within the limits established by the Investment and Financing Policy approved by the shareholders meeting, the Company may invest in: i) the acquisition, operation, construction, rental, administration, intermediation, trading and disposal of all kinds of movable and immovable assets, either directly or through subsidiaries or associate companies; ii) all kinds of financial assets, including shares, bonds and debentures, commercial paper and in general all kinds of titles or securities and company contributions, either directly or through subsidiaries or associate companies.



ownership and control

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changes in ownership

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Summary of Director's
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and proposals

1. Ownership Structure

The company capital is divided into 32,651,166,465 shares of no par value and of the same sole series.

As of December 31, 2012, all shares were subscribed and paid, and distributed in the following manner:

| Shareholders | Number of shares | Participación |
|--|-----------------------|----------------|
| Endesa Latinoamérica S.A. | 19,794,583,473 | 60,62% |
| Pension funds | 4,416,326,235 | 13,53% |
| ADR'S (Citibank N.A. according to circular N°1.375 of the SVS) | 3,694,698,650 | 11,32% |
| Stock brokers, insurance companies, mutual funds | 1,867,308,133 | 5,72% |
| Foreign Investment Funds | 1,233,428,182 | 3,78% |
| Banco de Chile on behalf of third parties | 977,171,885 | 2,99% |
| Other shareholders | 667,649,907 | 2,04% |
| Total Shares | 32,651,166,465 | 100,00% |

2. Controllers

According to Chapter XV of Law 18,045, the direct controller of the Company is Endesa Latinoamérica S.A., a Spanish corporation that holds 60.62% of Enersis.

Endesa Latinoamérica S.A., in turn is controlled 100% by ENDESA, S.A., a corporation located in the Kingdom of Spain and whose main shareholders as of December 31, 2012, and according to the CNMV (Spanish National Securities Market Commission) are: ENEL ENERGY EUROPE S.L. with a 92.063% shareholding (ENEL ENERGY EUROPE S.L) which in turn is controlled 100% by ENEL S.p.A. The free float¹ of ENDESA S.A. as of December 31, 2012 was 7.937%.

(1) Free float entendido como porcentaje de las acciones de la sociedad mantenido bajo la propiedad de accionistas distintos a la controladora.

3. The twelve largest shareholders of the Company

As of December 31, 2012, Enersis had 7,339 shareholders. The twelve largest were:

| Name | ID | Number of Shares | Participation |
|---|--------------|-----------------------|---------------|
| Endesa Latinoamérica, S.A. | 59,072,610-9 | 19,794,583,473 | 60.62% |
| Citibank N.A. (according to circular N°1.375 SVS) | 59,135,290-3 | 3,694,698,650 | 11.32% |
| AFP Provida S.A. | 98,000,400-7 | 1,304,042,640 | 3.99% |
| AFP Habitat S.A. | 98,000,100-8 | 1,122,471,041 | 3.44% |
| Banco de Chile (on behalf of third parties) | 97,004,000-5 | 977,171,885 | 2.99% |
| AFP Cuprum S.A. | 98,001,000-7 | 930,517,958 | 2.85% |
| AFP Capital S.A. | 98,000,000-1 | 911,634,819 | 2.79% |
| Banco Itaú (on behalf of investors) | 76,645,030-K | 642,734,035 | 1.97% |
| Banco Santander (on behalf of foreign investors) | 97,036,000-K | 482,166,494 | 1.48% |
| Banchile corredores de Bolsa S.A. | 96,571,220-8 | 288,428,936 | 0.88% |
| Bolsa de Comercio de Santiago Stock Exchange | 90,249,000-0 | 157,245,378 | 0.48% |
| Larrain Vial S.A. Stock Broker | 80,537,000-9 | 155,098,236 | 0.48% |
| Subtotal 12 shareholders | | 30,460,793,545 | 93.29% |
| Other 7,327 shareholders | | 2,190,372,920 | 6.71% |
| Total 7,339 shareholders | | 32,651,166,465 | 100% |

4. Most important changes in ownership

The most important changes in the ownership of Enersis during 2012 were:

| Name | N° of shares at 12/31/2011 | N° of shares at 12/31/2012 | Change in number of shares |
|---|----------------------------|----------------------------|----------------------------|
| Citibank N.A. (according to circular N°1,375 de la SVS) | 4,122,810,400 | 3,694,698,650 | - 428,111,750 |
| AFP PROVIDA S.A. | 1,252,405,010 | 1,304,042,640 | 51,637,630 |
| AFP HABITAT S.A. | 1,080,565,611 | 1,122,471,041 | 41,905,430 |
| Banco de Chile on behalf of non-resident third parties | 1,003,023,860 | 977,171,885 | - 25,851,975 |
| AFP CUPRUM S.A. | 915,000,398 | 930,517,958 | 15,517,560 |
| AFP CAPITAL S.A. | 858,397,086 | 911,634,819 | 53,237,733 |
| Banco ITAU on behalf of investors | 479,268,568 | 642,734,035 | 163,465,467 |
| Banco Santander on behalf of foreign investors | 406,254,158 | 482,166,494 | 75,912,336 |
| Banchile Corredores de Bolsa S.A. | 299,299,568 | 288,428,936 | - 10,870,632 |
| Bolsa de Comercio de Santiago Stock exchange | 265,018,247 | 157,245,378 | - 107,772,869 |
| Larrain Vial S.A. Corredora de Bolsa | 142.613.678 | 155.098.236 | 12.484.558 |
| AFP Planvital S.A. | 126.284.986 | 124.687.072 | - 1.597.914 |

5. Stock Exchange transactions by related parties

| Accionista | RUT | Comprador/ Vendedor | Fecha de Transacción | Número de Acciones Transadas | Precio Unitario Transacción (Pesos) | Monto Total de la Transacción (Pesos) | Objeto de la Transacción | Relación con la Sociedad |
|---------------------------------------|--------------|------------------------|-------------------------|------------------------------------|--|--|-----------------------------|--|
| Sebastián Pablo Somerville Barbosa | 9,980,165-4 | Seller | 04-01-2011 | 100,000 | 219.90 | 21,990,000 | Financial investment | Related to Hernán Somerville Senn Board Member Enersis |
| Soc. Inv. y Asesorías El Canelo Ltda. | 78,588,040-4 | Buyer | 30-04-2011 | 89,986 | 190.00 | 17,097,340 | Financial investment | Related to Eugenio Tironi Barrios Board Member Enersis |
| Soc. Inv. y Asesorías El Canelo Ltda. | 78,588,040-4 | Buyer | 09-05-2011 | 6,574 | 200.52 | 1,318,218 | Financial investment | Related to Eugenio Tironi Barrios Board Member Enersis |
| Soc. Inv. y Asesorías El Canelo Ltda. | 78,588,040-4 | Buyer | 09-05-2011 | 211 | 199.00 | 41,989 | Financial investment | Related to Eugenio Tironi Barrios Board Member Enersis |
| Santana S.A. | 90,856,000-0 | Buyer | 18-08-2011 | 2,776,701 | 180.07 | 499,999,872 | Financial investment | Related to Leonidas Vial Echeverría Board Member Enersis |
| Inversiones Santa Verónica Ltda. | 79,880,230-5 | Buyer | 11-04-2012 | 1,000,000 | 197.34 | 197,340,000 | Financial investment | Related to Hernán Somerville Senn Board Member Enersis |
| Jean Paul Zalaquett | 8,668,933-2 | Seller | 14-12-2012 | 1,530 | 172.00 | 263,160 | Financial investment | Sustainability Manager of Chilectra |

6. Summary of Director's Committee and shareholders comments and proposals

Enersis did not receive any comments or proposals on the progress of the business during 2012 from the Directors Committee or shareholders representing or holding 10% or more of the issued shares with voting rights, in accordance with the provisions of Article 74 of Law 18,046 and Articles 82 and 83 of the Corporations Law.



administration

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Board of Directors

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Main Executives

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Directors' Committee

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Organizational Structure



1. Board of Directors



CHAIRMAN
Pablo Yrarrázaval Valdés
President of the Santiago,
Chile Stock Exchange
Tax ID: 5,710,967-K



VICE CHAIRMAN
Andrea Brentan
Civil Mechanic Engineer
Politécnico di Milano and
Master in Applied Science
New York University
Passport: YA0688158



DIRECTOR
Rafael Miranda Robredo
Industrial Engineer
Instituto Católico de Artes e
Industrias de Madrid
Tax ID: 48,070,966-7



DIRECTOR
Hernán Somerville Senn
Lawyer
Universidad de Chile and
Master of Comparative
Jurisprudence New York
University
Tax ID: 4,132,185-7



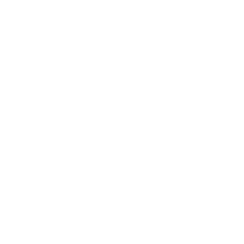
DIRECTOR
Eugenio Tironi Barrios
Sociologist
Escuela de Altos Estudios of
Social Sciences, París, Francia
Tax ID: 5,715,860-3



DIRECTOR
Leonidas Vial Echeverría
Vice Chairman of the Santiago
Stock Exchange
Tax ID: 5,719,922-9



DIRECTOR
Rafael Fernández Morandé
Civil Industrial Engineer
Pontificia Universidad Católica
de Chile
Tax ID: 6,429,250-1



**SECRETARY TO BOARD OF
DIRECTORS**
Domingo Valdés Prieto
Lawyer
Universidad de Chile and
Master of Laws University of
Chicago
Tax ID: 6,973,465-0

Enersis is managed by a 7-member board of directors each of who remains in office for a period of 3 years and may be reelected.

The board of directors was elected at the ordinary shareholders meeting held on April 22, 2010. The chairman, vice-chairman and the secretary to the board were appointed at board meeting N°4 held on April 23, 2010.

1.1. Directors' Compensation

Pursuant to article 33 of the Corporations Law 18,046, the ordinary shareholders meeting held on April 26 approved the compensation of the board members for 2012.

The amounts paid to the directors as of December 31, 2012 as members of the board as such, and as members of the Directors' Committee and Audit Committee, are detailed below:

| At December 31 2012 in thousands of pesos | | | | | | | |
|---|---------------|-------------------|----------------------------|-------------------------------|----------------------|--------------------------|----------------|
| Name | Position | Period held | Enersis Board of Directors | Subsidiary Board of Directors | Director's Committee | Variable Net income 2011 | Total |
| Pablo Yrarrázaval | Chairman | 01/01/12-12/31/12 | 120,654 | | | 12,323 | 132,977 |
| Andrea Brentan (*) | Vice chairman | 01/01/12-12/31/12 | | | | | |
| Rafael Miranda | Director | 01/01/12-12/31/12 | 60,327 | | | 6,161 | 66,488 |
| Leonidas Vial | Director | 01/01/12-12/31/12 | 60,734 | | 18,479 | 7,607 | 86,819 |
| Rafael Fernández | Director | 01/01/12-12/31/12 | 61,141 | | 18,886 | 7,607 | 87,634 |
| Hernán Somerville | Director | 01/01/12-12/31/12 | 61,141 | | 18,886 | 7,607 | 87,634 |
| Eugenio Tironi | Director | 01/01/12-12/31/12 | 60,327 | | | 6,161 | 66,488 |
| Totales | | | 424,324 | | 56,251 | 47,465 | 528,040 |

(*) Mr. Andrea Brentan waived his compensation as member of the Board of Directors of the Company.

1.2. Incentive Plans

It is considered an incentive plan to pay a variable annual compensation equivalent to one thousandth of the net income of the current year. One monthly salary was determined to be paid in advance, a portion under all circumstances and a portion circumstantial, accounted for as the variable compensation in reference.

Chairman of the Committee and Mr. Domingo Valdés Prieto as secretary. In the same meeting, the Board of Directors appointed Mr. Leonidas Vial Echeverría as the Financial Expert. As of January first, 2012, the Director's Committee did not record variations with respect to the foregoing.

1.3. Board consultancy fees

The board paid no consultancy fees during 2012.

2.1. Annual Management Report

The Directors' Committee has met 23 times during 2013.

2. Directors' Committee

According to Article 50 bis of the Corporations Law 18,046, Enersis has a 3-member Directors' Committee whose powers and duties are set out in that article and those delegated by the Board of Directors which are stated in the Directors' Committee Regulation.

At the meeting held April 23, 2010, the board of the company appointed Hernán Somerville Senn (independent), Rafael Fernandez Morande (independent), and Leonidas Vial Echeverría (independent) as members of the Directors Committee.

The Directors Committee, meeting the same date, appointed Mr. Hernán Somerville Senn as

At its **first meeting**, held on January 31, 2012, the Directors Committee declared having examined the consolidated financial statements of the company at December 31, 2011, its Notes, Income Statements and Relevant Facts, and also the reports of external auditors and accounts inspectors. In addition, the Directors Committee formally and expressly noted the report dated January 25, 2012, prepared by Ernst & Young on bank transfers and money brokerage, as set forth in Circular No. 960 of the Superintendence of Banks and Financial Institutions and Securities and Insurance, as well as the internal control letter of Enersis SA dated January 25, 2012, prepared by the external auditors Ernst & Young, in accordance with the provisions of the Joint Circular No. 422 of the Superintendence of Securities and Insurance.

In its **second meeting**, which took place on February 29, 2012 the Directors' Committee approved the fees paid by the Enersis Group during 2011 to the external auditor firms hired and authorized the estimated of fees to be paid for the year 2012. The Committee proceeded to favorably evaluate the work performed by the company's external auditors during 2011, and also proposed to the Board, that they suggest to the general shareholders meeting; the signatures of the private national risk rating agencies, Feller Rate Clasificadora de Riesgo Limitada and Fitch Chile Clasificadora de Riesgo Limitada and; the signatures of the private International risk rating agencies, Fitch Ratings, Moody's Investors Service and Standard & Poor's International Ratings Services, of Enersis S.A. for year 2012. Certain services rendered by other external auditors, different from the firms that performed the external audit, were examined, and it was agreed to declare that the technical suitability or the independence of judgment of the external audit firms is not at risk, and proceeded to issue the corresponding report, all according to the dispositions of Section 202 of the Sarbanes Oxley, final paragraph of the Securities Market Law 18,045.

During the **third meeting**, which took place on March, 28, 2012, the Directors' Committee agreed to propose to the Board of the Company, in compliance with Circular N°718 of the Superintendence of Securities and Insurance (SVS), dated February 10, 2012, which, among other clarifications, establishes, with respect to the proposition of external auditors, that "the Board of Directors' must present shareholders the grounds of the different options it will propose to the shareholders meeting, so that they have all the relevant information to choose the external auditor firm that will examine the financial statements..." the following external auditor firms as the external auditors of Enersis S.A. for year 2012, according to the following prioritization, and also consider the arguments presented by the Directors' Committee on order to do so, as their own: \ 1.- Ernst & Young; 2.- KPMG y 3.- BDO Auditores & Consultores Ltda. It was agreed to approve the Budget of Directors' Committee proposed for 2012, amounting to 6,000 Unidades de Fomento to finance the expenses and operation of the

Directors' Committee and its' advisors. Also, the members of the Directors' Committee resolved submitting the aforementioned budget for 2012 to the General Shareholders meeting of Enersis S.A. for approval, for it to finally decide on the matter. At the same time, the Directors' Committee resolved requesting, for the a future session, a presentation with respect to how many services have been examined by the Directors' Committee during 2011 and up to date of 2012 and the corresponding cost. The Directors' Committee agreed the approval of the wording of the 20-F Form and to propose to the Board that it authorize filing the document with the United States of America Securities and Exchange Commission (SEC), in order to comply with the standards and requirements outlined by the authority related to the issuance of securities in such country.

In its **fourth meeting** which took place on April 25, 2012 the Directors' Committee declared having examined Enersis S.A. March 31, 2012 Consolidated Financial Statements, its Notes, Income Statements and Relevant Facts and also the special opinion issued by Ernst & Young with regard to the note on balances and transactions with related companies. Certain services rendered by other external auditors, different from the firms that performed the external audit, were examined, and it was agreed to declare that the technical suitability or the independence of judgment of the external audit firms is not at risk, and proceeded to issue the corresponding report, all according to the dispositions of Section 202 of the Sarbanes Oxley, and in the final paragraph of the Securities Market Law 18,045.

In its **fifth meeting**, extraordinary, which took place on May 15, 2012 and held as requested by the Director Mr. Hernán Somerville Senn, with the purpose of deepening the understanding of the situation of Enersis S.A. Argentine subsidiaries, particularly under the perspective of the provisions that have been booked and that could possibly be booked under certain scenarios, not yet verified. The Chief Executive Officer, Ignacio Antoñanzas Alvear and Angel Chocarro García, Regional Accounting Manager made a presentation on the matter; the CEO expressing his concern about the latest performance of the economy and regulatory

situation in Argentina, concern shared and also expressed by the Directors' Committee, requesting that the Regional Planning and Control Manager, Ramiro Alfonsín Balza, refer to the latest news and changes experienced in the Argentine context. Ramiro Alfonsín Balza made a brief presentation relating the changes that had occurred in the generation market to the expectations in terms of a potential revision of distribution tariffs in the country and certain actions adopted by public authorities in Argentina. The Director, member of the Committee, Mr. Rafael Fernández Morandé, inquired about the behavior of the financial sector in Argentina, and his vision of the entire process taking place in the country, which was responded by the Regional Finance Manager at the time, Alfredo Ergas S. The Director Mr. Rafael Fernández Morandé, requested discussing the process of setting objectives and determining compensation bonuses. The Human Resources Manager, made a presentation. The Human Resources Manager presented the assignment of 2011 annual bonuses for management, the criteria applied in such determination. The objectives for 2012 were also revised.

In the **sixth meeting** of the period, that took place May 30, 2012, the Directors' Committee issued its opinion with respect to each one of the complaints received through the Ethics Channel was delivered, providing guidelines for each one and confirming what had been resolved by the this body, in terms of it being responsibility of the Chairman of the Directors' Committee to determine whether or not to call for an extraordinary meeting, if the complaint would justify it, according to the Chairman of the Committee's opinion. Also, The Directors' Committee agreed that hiring a previous employee of the external auditing firm KPMG Auditores Consultores Ltda., external auditors of Endesa Chile, to fill an "auditor" position within the Internal Auditing Department does not contravene the requirements of independence of external auditors determined by the Securities and Exchange Commission (SEC) nor local legislation and therefore, there would be no legal obstacle to do so. It was stated that, in compliance with Enersis' Group Employment Policy of ex-employees of External Auditing

firms, a letter of the main partner of KPMG Auditores Consultores Ltda. was received, explicitly stating that having analyzed the background and performing the corresponding internal verification, the proposed does not contravene the requirements of independence of external auditors determined by the Securities and Exchange Commission (SEC) of the United States of America, nor would it represent a violation to rules and regulations that would affect Enersis or its subsidiaries.

Notwithstanding, the opinion of Directors Mr. Leonidas Vial and Mr. Rafael Fernández Morandé was to analyze if it was really necessary that Enersis S.A. hire an employee of the subsidiary Endesa Chile external auditor firm, KPMG Auditores Consultores Ltda., and if there were other alternatives available in the market considering that such person worked, precisely on the external audit of the subsidiary Endesa Chile and its Chilean and Peruvian subsidiaries. The Chairman of the Directors Committee noted that if it was in compliance with applicable legislation, he could see no inconvenience as long as it was not a widespread practice. Finally, and in virtue of the above, the hiring proposal was not approved by the directors Mr. Vial Echeverría, and Mr. Fernández Morandé. Certain services rendered by other external auditors, different from the firms that performed the external audit, were examined, and it was agreed to declare that the technical suitability or the independence of judgment of the external audit firms is not at risk, and proceeded to issue the corresponding report, all according to the dispositions of Section 202 of the Sarbanes Oxley Act and Article 242, final paragraph of the Securities Market Law 18,045. Considering that the Chairman of the Directors' Committee, Mr. Hernán Somerville Senn, had requested that in this session complementary information be presented regarding the provisions in Argentina and, particularly, with respect to the situation under certain circumstances that could affect Argentine subsidiaries, the Chief Executive Officer, Ignacio Antoñanzas Alvear, referred to particular scenarios, not yet confirmed, that could lead to new provisions, but at this time, due to the application of IFRS standards, the company is prevented from so doing. The

Chairman of the Directors' Committee, asked about the assumptions of the hypothetical scenarios and the performance of certain Argentine subsidiaries if certain assumptions changed.

In the **seventh meeting** of the period, held on June 22, 2012, certain services rendered by other external auditors, different from the firms that performed the external audit, were examined, and it was agreed to declare that the technical suitability or the independence of judgment of the external audit firms is not at risk, and proceeded to issue the corresponding report, all according to the dispositions of Section 202 of the Sarbanes Oxley Act and Article 242, final paragraph of the Securities Market Law 18,045. The Director, Rafael Fernández Morandé, stated that, although he was aware that during the Board meeting to take place following the present meeting, the matters relating to a potential capital increase to take place of Enersis S.A., he considered it was necessary to refer to it in the current Directors Committee. The Director Fernandez Morandé stated that, in his view, this capital increase was a transaction between related parties and should be led by the Committee of Directors. The Legal Counsel and secretary of the Directors Committee, Domingo Valdés Prieto, explained the reasons and rationale of why he considered it was not an operation among related parties. Additionally, the Legal Counsel and Secretary of the Board informed that a legal opinion report had been performed by the Olivos, Novoa and Errázuriz law firm and that such opinion confirmed that a capital increase which is, due to a legal mandate, a matter exclusive to an Extraordinary shareholders meeting, should not be considered an operation among related parties, that the Chairman of the Directors' Committee, Mr. Hernán Somerville Senn, asked Legal Counsel and secretary of the Directors Committee, if, from the United States of America legislative perspective, the Directors Committee should comply with additional obligations to those established by Chilean Law, and therefore the operation described should be analyzed by the Directors Committee. Legal Counsel and secretary of the Directors Committee responded that neither Chilean Law nor United States of

America legislation applicable to foreign issuers, such as Enersis S.A., confer powers or duties to the Directors Committee in order to discuss or comment on a capital increase with non-cash contributions. The Directors Committee agreed to record Rafael Fernández Morandé concerns in the session's minute and file an official copy of the Guerrero, Olivos, Novoa y Errázuriz Law firm's opinion which explains that the potential capital Increase referred to does not constitute a transaction among related parties.

On July 12, 2012 the **eighth session**, extraordinary, was held due to a request presented by the Director and member of this Committee Rafael Fernández Morandé, in which he stated his concern with respect to the role of the Directors Committee in terms of the operation proposed by Endesa Latinoamérica, the Directors Committee, by the majority of its members and with the vote of the Director Fernández Morandé against the proposal, declaring that this capital increase of Enersis S.A., did not constitute a transaction among related parties and, therefore, should not be governed by Title XVI of the Corporations Law. Finally and due to differences of opinion, the director Fernandez Morandé proposed to consult with the Superintendence of Securities and Insurance, which was dismissed by the rest of the Committee, taking into consideration the strength and clarity of the opinions that had been presented by leading legal firms. Also, the Directors Committee resolved filing the legal opinions issued by the law firms Carey y Cía., Guerrero, Olivos, Novoa y Errázuriz and Chadbourne and Parke and the letter of the Director Rafael Fernández Morandé as official documents.

During the **ninth session** of the period, held on July 25, 2012, certain services rendered by other external auditors, different from the firms that performed the external audit, were examined, and it was agreed to declare that the technical suitability or the independence of judgment of the external audit firms is not at risk, and proceeded to issue the corresponding report, all according to the dispositions of Section 202 of the Sarbanes Oxley Act and Article 242, final paragraph of the Securities Market

Law 18,045. Also, the auditing plan of external auditors was approved. The Directors' Committee declared having examined Enersis S.A. June 30, 2012 Consolidated Financial Statements, its Notes, Income Statements, Performance Report, Relevant Facts and also the External Auditors Report, expressing their conformity with Financial Statements. The Directors' Committee also declared that the modifications to the consolidated financial statements of Enersis S.A. to March 31, 2012, had been examined in compliance with Memorandum N° 14.886 of the SVS.

On August 31, 2012 the **tenth session** of the period took place, in which certain services rendered by other external auditors, different from the firms that performed the external audit, were examined, and it was agreed to declare that the technical suitability or the independence of judgment of the external audit firms is not at risk, and proceeded to issue the corresponding report, all according to the dispositions of Section 202 of the Sarbanes Oxley Act and Article 242, final paragraph of the Securities Market Law 18,045. In addition, the Directors' Committee declared, by unanimous vote of its members, stated they had examined the incentives and compensation plans of the managers, senior executives and workers of the Company.

On September 5, 2012 the **eleventh session**, extraordinary, of the period took place, in which hiring Humphreys Clasificadores de Riesgo, as the private domestic risk rating agency, was approved in order to comply with the Risk Rating Commission's requirement that requested a third risk rating for the debt instruments of Enersis S.A. registered in the Securities and Insurance Registry, (including the information contained in the significant event dated July 25, 2012) call to shareholders meeting on the capital increase. In addition, it was agreed, according to the administrative interpretation performed by the Superintendence of Securities and Insurance (SVS) through its Ordinary Memorandum N°18,684 (Memorandum that had been analyzed in depth by the Board of Directors of the Company in sessions taken place on August 6 and 9 of 2012) by means of which the capital increase taking place should consider the rules of Title

XVI of the Publicly Traded Corporations Law, given that the Board of Directors of Enersis S.A. had assigned an independent evaluator, should begin a procedure to assign an independent evaluator different to that nominated by the Board of the Company. In compliance with such administrative interpretation, the Chairman stated that the Chief Executive Officer, Ignacio Antoñanzas Alvear, had proceeded to submit all information available to the Board to that date; and that the Board of Enersis S.A. had adopted an agreement resolving that all the new information that the latter corporate body would receive would be promptly forwarded to the Directors Committee. The Chairman stated that a work team should be formed to adequately support the Directors Committee and that such corporate body should develop a plan involving, if necessary, meetings in situ, in the offices of the main domestic and foreign subsidiaries of Enersis S.A., and at the same time have the support of a professional completely dedicated to the matter, and therefore agreed to Cristián del Sante as coordinator of all activities that arise as part of the plan that the Directors Committee would approve shortly, all the above, in addition to the recruitment that the Directors Committee could resolve as necessary for the matter.

In its **twelfth session** of the period, extraordinary, held on September 7, 2012, the designation of the Independent Evaluator was discussed, and for which invitation letters had been sent to three similar companies. The report to be issued was to, at least, include the following elements:

1. A description of the conditions of the operation.
2. An analysis of the effects and potential Impacts of the operation on Enersis, including:
 - a. If the operation contributed to social interest.
 - b. If the operation is consistent in price, terms and conditions to those that prevail in the market.
3. Other aspects specific to the operation, which the Directors Committee and the Board of Enersis may expressly require that they be evaluated by the Independent Evaluator.

As part of the analysis to reach the conclusions with respect to the aforementioned elements, the Independent Evaluator should likewise include,:

- i) An estimate of the value of shareholdings; ii) An analysis on how the contribution in assets of some shareholders compares to the contribution in cash of the rest of shareholders; and iii) An analysis on the purpose and use of contributions in cash by the rest of shareholders.

Finally, the Directors Committee agreed to designate the firm Claro y Asociados Ltda. as Independent Evaluator

In its thirteenth session of the period, held on September 13, 2012 the Chairman of the Directors Committee, Mr. Hernán Somerville Senn, informed the Directors Committee about the work plan developed to carry out the capital increase operation of Enersis S.A., requested by Endesa (Spain); and the Regional Finance Manager, Eduardo Escaffi made a presentation on the stages foreseen for the Directors Committee, within the framework of the plan of activities related to the capital increase taking place and taking into consideration the indications set forth by the SVS through its Memorandum N°21,001 dated August 28, 2012. The Directors, members of the Committee expressed that the appointed Independent Evaluator should not be given a deadline; that the work must be executed with the greatest diligence and as soon as possible, without anything limiting the freedom of independence of such Evaluator.

On October 2, 2012, the fourteenth session, extraordinary, took place in which it was agreed that once the contract with Claro y Asociados was negotiated, it be revised by an external legal firm, preferably Claro y CA., In order to verify that the independence of the evaluator is preserved and approve the final wording before being signed by the Regional Finance Manager. Also the Directors Committee declared that to such date they had no new elements or questions for the independent evaluators appointed with respect to the capital increase process in place. The Directors Committee agreed approving the presentation of an amendment to the Enersis 20-F by means of the registration of a Form 20-F/A for 2011. They also agreed that Enersis and its subsidiary Endesa Chile proceed to respond the letters with comments from the Securities and Exchange Commission of the

United States of America (SEC) giving adequate answers to their questions and within the time frame considered by such regulatory authority. The questions that the members of the Committee, Hernán Somerville Senn and Rafael Fernández Morandé asked, individually, that were delivered to the Independent evaluators, were disclosed.

In its fifteenth session, extraordinary, of the period that took place on October 22, 2012, the Directors Committee agreed to state as received, the document prepared by the Chairman of the Directors Committee Hernán Somerville Senn, and proceed to work with the greatest diligence, in order to reach consensus, as much as feasible, on the collective report that such corporate body must issue according to Article 50 bis of the Corporations Law and meet extraordinarily on October 29, 2012 at 2 p.m. at Santa Rosa 76, floor 17, in the Presidency of Enersis S.A., with the purpose of issuing the final report of the Directors Committee related to the capital increase taking place.

In its sixteenth session, extraordinary, of the period that took place on October 24, 2012, the Chairman of the Directors Committee Hernán Somerville Senn indicated that the contract signed between Enersis S.A. and the Independent evaluator Claro y Asociados Ltda. had been revised by the Claro y Cía. Law Firm, which, through its partner, Cristobal Eyzaguirre, verified that the terms of the contract preserved the independence of the evaluator appointed by the Committee and allowed the righteous implementation of the mandated services. Domingo Valdés Prieto, Legal Counsel and Secretary of the Board, read the statement issued by Claro y Asociados Ltda. in which he confirms his independence with respect to Enersis S.A., Endesa (Spain), the business groups these companies belong to, the external auditors, consultants or intermediaries in the operation affected by the independent evaluation report in reference. In such statement, he also establishes that Claro y Asociados Ltda. and the professionals of such company that participated in the independent evaluation do not have, with respect to persons referred to, any of the relationships described in Article 100 of the Securities Market Law N°18,045. The Chairman of the Directors Committee, Hernán Somerville Senn, expressed that after verifying the independence of the evaluator Claro y Asociados, appointed by the Directors Committee,

an analysis of the righteousness of the independent evaluator and of the report issued should be performed, and to do so he opened the floor for each of the members of the Directors Committee to proceed to ask questions about the different aspects of the methodology and parameters chosen as reference by C and A. The gentlemen Javier Contreras and José Ignacio Mujica answered every question made by the Chairman of the Directors Committee and the remaining members of this corporate body, indicating on which page of the report the specific subjects of the questions could be found. The Chairman asked the representatives of Claro y Asociados to confirm that they had responded to all the questions or points raised by the members of the Directors Committee, on an individual basis and stated that, having ascertained that the report complied with the requirements of form and righteousness required, the Directors Committee were to proceed to declare, considering the prima facie consideration of the report had been performed, that it satisfied the formalities required by the Superintendence of Securities and Insurance and the applicable legislation. The Directors Committee also formally received the final report prepared by the independent evaluator Claro y Asociados Ltda. which has stated its required independence through its representatives, and accredited the completion of all formalities and content prescribed by the legislation in force for the aforementioned report. The Chairman of the Directors Committee was empowered, acting individually, to present the report, referring to the capital increase in place prepared by the independent evaluator Claro y Asociados Ltda. to the Board of Directors of the Company.

On October 29, 2012, the seventeenth session, extraordinary, of the period took place, in which the Directors Committee agreed the wording of the final Report of the Directors Committee related to the capital increase operation proposed by the controlling shareholder of the company Endesa (Spain), presented as determined by Article 50 bis of the Corporations Law. It was also agreed to send the Report of the Directors Committee to the Company, in order to allow the Chief Executive Officer to distribute it according to requirements.

On October 31, 2012, the eighteenth session of the period took place in which certain services rendered by other external auditors, different from the firms that performed the external audit,

were examined, and it was agreed to declare that the technical suitability or the independence of judgment of the external audit firms is not at risk, and proceeded to issue the corresponding report, all according to the dispositions of Section 202 of the Sarbanes Oxley Act and Article 242, final paragraph of the Securities Market Law 18,045. Also, the Directors Committee agreed to recommend the Board of Directors of Enersis to give its consent in terms of authorizing Ernst & Young to place at the disposal of the Public Company Accounting Oversight Board (PCAOB) -PCAOB- the documents and reports related to the external audit services that Ernst & Young provides to Enersis S.A., within the terms requested by Ernst & Young and as long as the requirements in this respect established by the Ordinary Memorandum N° 3048 dated April 13, 2004, of the Superintendence of Securities and Insurance are satisfied, in order to allow Ernst & Young to comply with the requirements of the PCAOB. Through such communication, the external auditors are committed to not distribute or use the above mentioned documents for any other purpose, without written consent from the Company and they express that the PCAOB is bound by the applicable law to not disclose their proceedings nor the information gathered (Sarbanes Oxley Act). Also, the Chairman of the Directors Committee, Hernán Somerville Senn, stated that the Director Rafael Fernández Morandé, had sent him a letter related to the Boards need to make an announcement about the recommendations and precautions that the Committee made in its report with respect to the operation, and proceeded to read the letter and the Directors Committee agreed to file it as an official document of the Committee.

On November 6, 2012 the nineteenth session, of the period, extraordinary, the Directors' Committee declared having examined Enersis S.A. September 30, 2012 Consolidated Financial Statements, its Notes, Income Statements, Performance Report, Relevant Facts and also the special opinion issued by Ernst & Young with respect to the note on balances and transactions among related parties. Also, and according to the request presented by the Director Rafael Fernández Morandé during the session dated October 29, 2012, the Directors' Committee revised and declared having examined the objectives set for the top executive of Enersis S.A. for year 2012.

The twentieth session of the period was held on November 28, 2012, in which certain services rendered by other external auditors, different from the firms that performed the external audit, were examined, and it was agreed to declare that the technical suitability or the independence of judgment of the external audit firms is not at risk, and proceeded to issue the corresponding report, all according to the dispositions of Section 202 of the Sarbanes Oxley Act and Article 242, final paragraph of the Securities Market Law 18,045. Also, the Directors Committee agreed to place on record that they had examined and taken formal knowledge of the Internal Control Charter referred to Enersis S.A dated November 15, 2012 prepared by Ernst & Young, the external auditors of the Company.

On December 12, 2012, the twenty first session of the period took place. Certain services rendered by other external auditors, different from the firms that performed the external audit, were examined, and it was agreed to declare that the technical suitability or the independence of judgment of the external audit firms is not at risk, and proceeded to issue the corresponding report, all according to the dispositions of Section 202 of the Sarbanes Oxley Act and Article 242, final paragraph of the Securities Market Law 18,045. During such session, the calendar of the Directors Committee's ordinary sessions for year 2013 were approved.

On December 13, 2012, the twenty second session of the year, extraordinary, was held. The Directors Committee analyzed the Subscription Contract that the Company should subscribe with Endesa (Spain), required in order to materialize the capital increase taking place. This took place with the presence and presentation of the partner in the law firm of Carey y Cía., Claudio Lizana Anguita, who had prepared the draft of the document. The Chairman informed the members of the Committee that in the opinion of Carey y Cía. the Subscription Contract was set to right and reflected the constraints expressed in the proposal of Endesa (Spain); and that, with respect to the representations and warranties and indemnification clauses, such law firm considered that the Subscription Contract contained conditions that were adequate in order to document the proposal of Endesa (Spain) and customary for an operation such as the proposed, all confirmed by

the partner of Carey y Cía., Claudio Lizana Anguita. Notwithstanding the above, suggestions of the Directors Committee emerged from the debate to be included in a new draft, which would be analyzed in a forthcoming meeting. The Directors Committee, with the unanimous favorable vote of its members agreed to request Carey y Cía., with the support of Enersis S.A. management, to proceed to negotiate the additional aspects suggested by the Directors Committee resulting from the presentation made by Claudio Lizana Anguita and that, once the mentioned negotiations took place, the corporate body should session again to discuss the matter.

In its twenty third board session, extraordinary, held on December 18, 2012, called for the purpose of revising the outcome of the negotiation of the comments proposed to the subscription of shares contract to take place between the Company and Endesa (Spain), and which arises from the suggestions presented by the Directors Committee In its session dated December 13, 2012. The partner Claudio Lizana in the Carey y Cía. Law firm, and counsel of the same law firm, Mariana Gómez Moffat, were present. After analyzing the modifications to the Subscription Contract explained by Counsel Lizana Anguita, and having the Directors Committee expressed their acceptance of the changes, the Chairman of the Committee proposed that, in clause seven, Endesa (Spain) not limit their liability in respect of any damage that may occur due to a lack of Tax ID or inaccuracy of one or more of the statements made by the Subscriber regarding Cono Sur and that they be established in clause six, in addition to put on record that for purposes of this clause the value of the investment contribution of Dock Sud S.A. to be considered is US\$10,000,000 . Additionally, the floor was given to the Director Rafael Fernandez Morandé, who suggested the incorporation of the subjects that follow with the purpose of defining some of the terms and obligations contained in the contract: a) That Appendix I of the Subscription Contract also contain la legal opinion of a Spanish lawyer with respect to the incorporation and validity of such company; b) In the background section number III, specify that Appendix II Indicates the value, in terms of the Subscription Contract, of Cono Sur shareholdings; c) Within this same



section, specify that Appendix III contains legal opinions about Cono Sur shareholdings belonging exclusively to Cono Sur; d) In section 6.2 numeral (iv), specify that according to Appendix IV, which contains the “pro forma” balance statement of Cono Sur, such entity has no liabilities, and no relevant contingencies; e) In section 6.3, change the words “significant contingencies” to “relevant contingencies”; f) In section 6.3 letter (f), add that the change in control of Cono Sur does not generate and will not generate obligations or contingencies “derived from contractual obligations”, that could have a material adverse effect on Cono Sur and/or Enersis; g) Add to section 6.4 letter (c) compliance of all relevant aspects of “its contractual obligations”; h) Add the word cost in all charges that Endesa (Spain) is to be responsible of according clause; and i) In clause twelve, clarify that the Subscription Contract is subject to Chilean Law. After the matter is negotiated by lawyers of Carey y Cía., Claudio Lizana Anguita, partner of such firm, and Mariana Gómez Moffat, with Endesa (Spain), the acceptance of the changes is informed, with the sole exception of changes suggested to clause seven. In this regard they explained that Endesa (Spain) proposed that, for purposes of clause seven, the limit of liability in terms of Southern Cone be the value of the contribution of the shares of Cono Sur to the Company. The members of the Directors Committee express their conformity

with regard to the change suggested by the counterpart. The Directors Committee, with the unanimous favorable of its members, declared not having and additional comments to the draft of the Subscription Contract that was analyzed during the session and also agreed that it be submitted to the consideration of the Board of Directors of the Company, along with the report issued according to requirement by Article 50 bis of the Corporations Law stating that they believing that the aforementioned contract contributed to the social interest and is consistent with conditions to those prevailing in the market at the time of its approval.

In conclusion, during year 2012, the Directors Committee of Enersis S.A. has been completely dedicated to the matters defined by Article 50° bis of the Corporations Law N°18,046 and has analyzed and contributed to the better development of the operations previously analyzed.

2.2. Expenses of the Directors Committee

The Directors’ Committee made use of the total operating expense budget approved by the company’s ordinary shareholders meeting held on April 26, 2012, to hire its Independent Evaluator, within the context of the capital increase

3. Main Executives



CHIEF EXECUTIVE OFFICER
Ignacio Antoñanzas Alvear
Mining Engineer
Universidad Politécnica de Madrid
Tax ID: 22,298,662-1



DEPUTY CHIEF EXECUTIVE OFFICER
Massimo Tambosco
Bachelor in Business Administration
Università Commerciale Luigi Bocconi de Milán
Tax ID: 23,535,550-7



REGIONAL COMMUNICATIONS OFFICER
Juan Pablo Larrain Medina
Journalist
Universidad Finis Terrae
Tax ID: 11,470,853-4



INTERNAL AUDIT OFFICER
Alain Rosolino
Bachelor in Business Administration
L.U.I.S.S University of Rome
Tax ID: YA3359464



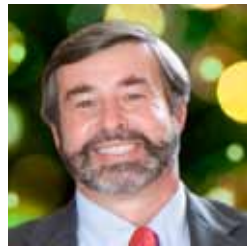
REGIONAL FINANCE OFFICER
Eduardo Escaffi Johnson
Civil Engineer
Universidad de Chile
Tax ID: 7.984.912-K



REGIONAL PLANNING AND CONTROL OFFICER
Ramiro Alfonsín Balza
Bachelor in Business Administration
Pontificia Universidad Católica de Argentina
Tax ID: 22,357,225-1



REGIONAL ACCOUNTING OFFICER
Ángel Chocarro García
Bachelor in Economics and Business Administration
Universidad del País Vasco
Tax ID: 14,710,692-0



LEGAL COUNSEL AND SECRETARY OF THE BOARD
Domingo Valdés Prieto
Lawyer
Universidad de Chile and Master of Laws University of Chicago
Tax ID: 6,973,465-0



HUMAN RESOURCES OFFICER
Carlos Niño Forero
Universidad Externado de Colombia
Tax ID: 23,014,537-7

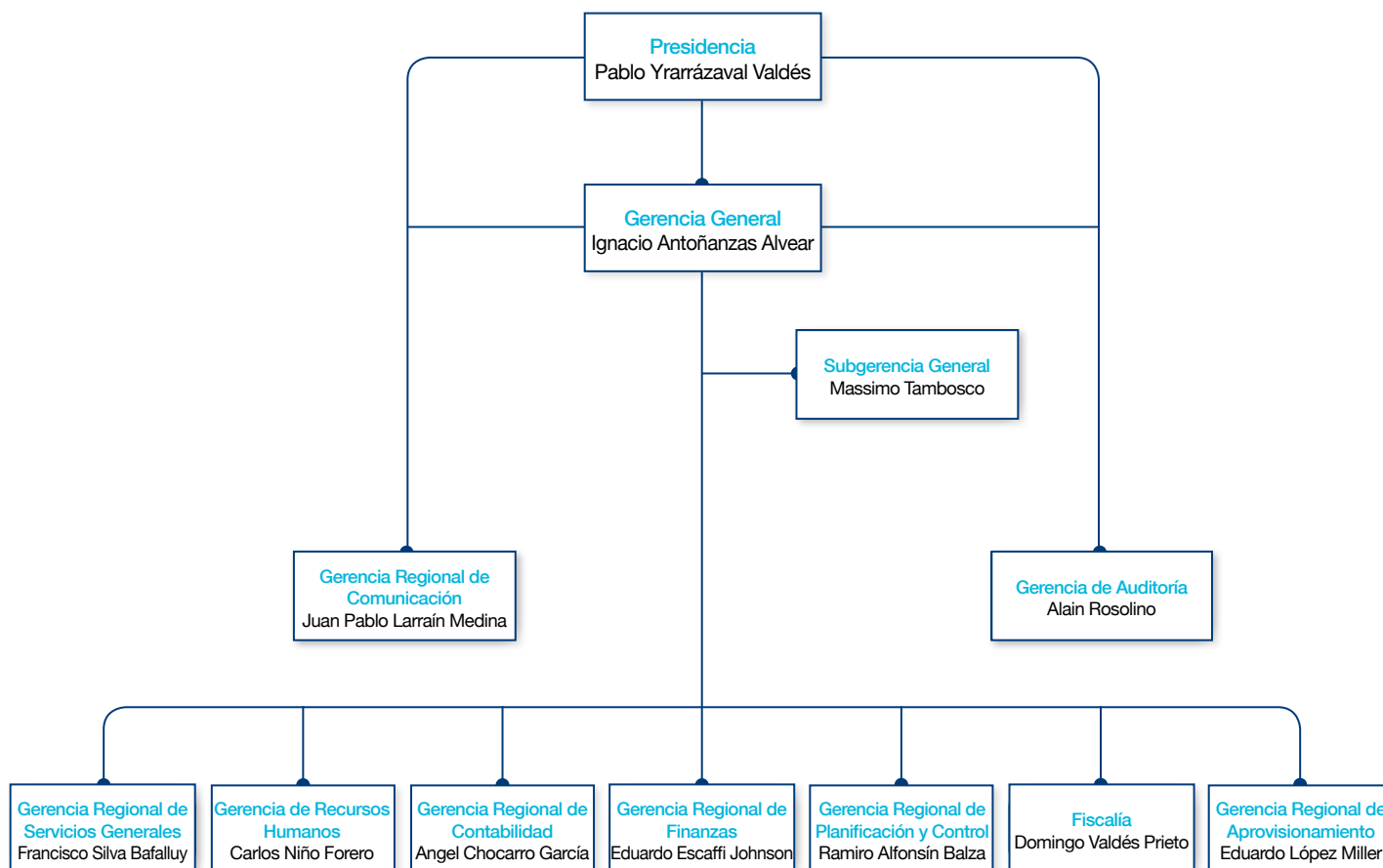


REGIONAL SHARED SERVICES OFFICER
Francisco Silva Bafalluy
Bachelor Public Administration
Universidad de Chile
Tax ID: 7,006,337-9



REGIONAL PROCUREMENT OFFICER
Eduardo López Miller
Commercial Engineer
Pontificia Universidad Católica de Valparaíso
Tax ID: 7,706,387-0

4. Organizational Structure



4.1. Compensation of managers and senior executives

The total compensation received by managers and main executives during 2012 amounted to de \$2,616 million.

4.2. Benefits for managers and senior executives

The Company provides complementary health insurance and catastrophic insurance for its senior executives and their duly-accredited family members. The Company also provides life insurance for each of its senior executives. These benefits are granted according to the management level of each employee at the time.

In 2012, the amount was \$18.6 million, which is included in the compensation received by the managers and senior executives.

4.3. Incentive plans for managers and senior executives

Enersis has an annual bonus plan for its executives based on meeting objectives and the level of individual contributions to the company's results. This plan includes a definition of ranges of bonuses according to the hierarchical level of the executives.

The bonuses when paid to the executives consist of a certain number of gross monthly wages.

4.4. Severance payments to managers and senior executives

During 2012, the severance payments made by Enersis reached a total of \$554.641.525.

4.5. Administration of main subsidiaries

Argentina

Endesa Costanera

José Miguel Granged Bruñen
Industrial Engineer
Escuela Técnica Superior de Ingenieros Industriales de Zaragoza

Hidroeléctrica El Chocón

Fernando Claudio Antognazza
Public Accountant
Universidad de Buenos Aires

Edesur

Antonio Jerez Agudo
Industrial Engineer
Universidad Politécnica de Barcelona

Brazil

Endesa Cachoeira

Guilherme Gomes Lencastre
Civil Engineer
Pontificia Universidad Católica Río de Janeiro

Endesa Fortaleza

Manuel Herrera
Industrial Engineer with a minor in Electricity
Pontificia Universidad Católica de Santiago

Endesa CIEN

Guilherme Gomes Lencastre
Civil Engineer
Pontificia Universidad Católica Río de Janeiro

Ampla

Marcelo Llévenes Rebolledo
Commercial Engineer
Universidad de Chile

Coelce

Abel Alves Rochinha
Mechanical Engineer
Pontificia Universidad Católica Río de Janeiro

Chile

Endesa Chile

Joaquín Galindo Vélez
Industrial Engineer
Universidad de Sevilla

Chilectra

Cristián Fierro Montes
Electric Engineer
Universidad de Chile

Colombia

Emgesa

Lucio Rubio Díaz
Bachelor in Business and Economics
Universidad Santiago de Compostela

Codensa

David Felipe Acosta Correa
Electric Engineer
Universidad Pontificia Bolivariana

Peru

Edegel

Carlos Luna Cabrera
Civil Engineer
Escuela Colombiana de Ingeniería

Edelnor

Ignacio Blanco Fernández
Ingeniero Industrial
Bachelor in Business and Economics
Universidad de Zaragoza







human resources

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Distribution of human
resources

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management

1. Distribution of human resources

The personnel distribution of the Company, including information relating to subsidiaries in the five countries where the Enersis Group operates in South America, to December 31, 2012, was as follows:

| Company | Managers and main executives | Professionals and technicians | Workers and others | Total |
|---------------------------------|------------------------------|-------------------------------|--------------------|---------------|
| Enersis ⁽¹⁾ | 11 | 350 | 76 | 437 |
| Endesa Brasil ⁽²⁾ | 25 | 2,377 | 260 | 2,662 |
| Endesa Chile ⁽³⁾ | 41 | 2,344 | 148 | 2,533 |
| Chilectra ⁽⁴⁾ | 11 | 593 | 130 | 734 |
| Edesur | 11 | 1,972 | 965 | 2,948 |
| Edelnor | 7 | 457 | 143 | 607 |
| Codensa ⁽⁵⁾ | 11 | 1,077 | 39 | 1,127 |
| Manso de Velasco ⁽⁶⁾ | 1 | 28 | 10 | 39 |
| Total general | 118 | 9,198 | 1,771 | 11,087 |

Notes:

(1) Includes: ICT Servicios Informáticos.

(2) Includes: Ampla, Coelce, CIEN, Cachoeira Dourada, Fortaleza, En-Brasil Comercio e Serviços, CTM y TESA.

(3) Includes: Ingendesa (Chile, Brazil and Peru), Pehuenche, Celta, El Chocón, Edegel, Emgesa, Costanera, Túnel el Melón, GasAtacama,

(4) Includes: Empresa Eléctrica de Colina and Luz Andes.

(5) Includes: Empresa Eléctrica Cundinamarca.

(6) Includes: Aguas Santiago Poniente, Const. and Proyecto Los Maitenes

2. Employee relations

During 2012 the Company has continued having periodical meetings with the unions, which has allowed keeping an open dialog over time, frank and without restrictions with the representatives of the workers, benefiting working conditions and organizational climate.

and behavior that come up on a daily basis when carrying out accident prone activities.

Safety campaigns: Development of activities within the Week of Safety framework during the months of April and November aiming to publicize and strengthen preventive actions to avoid the occurrence of work-related accidents.

3. Safety and occupational health

3.1. Relevant actions adopted in safety and occupational health

Communicating lessons learned: Project that involves distributing a folder with documents to learn and consult including an analysis of each of the serious and fatal accidents that have occurred within the Group. The causes of the unfortunate accidents and means of prevention as considered lessons learned. This document, therefore, contributes to eliminate substandard conditions

Improvement in safety of jobs performed at heights: Definition and implementation of equipment to perform jobs in heights, distributing the new safety harness and other accessories and equipment to decrease the risk of falls, and allow the rescue in emergency situations.

Improvement in safety of electricity related jobs: Definition and implementation of equipment to perform electric installations, distributing flame-resistant clothing and facial masks.

Development of training programs: Offering training programs teaching how to rescue workers in emergency situations

4. Human Resource management

4.1. Human resource development

4.1.1. Executive skills development program

During the year 2012 the Second Climate and Security Survey for Endesa Chile took place. The study represents a valuable channel for communication and diagnosis that addresses all employees. The focal point of the latest version deepens into two related themes of great priority for the Group, health and safety.

It is important to highlight that the courses of action and improvements defined in the previous survey of 2010 were executed in their entirety, and in that manner three transverse and relevant aspects were emphasized:

- Merit-based recognition and appreciation.
- Training and development.
- Communication and vision.

4.1.3. Eighth place in best firms for working parents

The magazine Ya of El Mercurio alongside Fundación Chile Unido list an annual ranking of the best firms for working parents. In 2012, and for its third consecutive year, Enersis Group participated jointly, obtaining the eighth place in the ranking.

This award recognizes the companies with the best policies in the area of work-life balance, and which simultaneously promote the adoption of these practices among their employees, this year featuring the implementation of the pilot project called telecommuting.

4.1.4. Performance Evaluation

Performance management is an important tool for employee development. For this reason, since 2010 a transverse evaluation system has been applied to all firms at a national level, which includes one evaluation on behavior BARS (Behaviorally Anchored Rating Scales), as well

as another one on reaching objectives. These evaluations are an essential tool for a person's development, and are a means to guide training development activities.

4.1.5. Great Place to Work

In the months of May and June of 2012 we partook in the Study "Great Place to Work". The objective was to know employee perceptions in the dimensions of: Credibility – Respect – Impartiality – Pride – Camaraderie. This study allows the company to compare itself with the best firms to work for in Chile, understanding their good work practices as a means to design and execute courses of action and improvement in accordance to the needs of each office and/or business with the purpose to ascend within the ranking of the best firms to work.

4.1.6. Family-Responsible Firm

This involves a Spanish standard created by the foundation Masfamilia which aims to improve human sustainability and bolster the quality of life of employees, especially in the resolve between personal, family, and work life with equal opportunities. The Group took on the challenge and commitment to obtain this certification, which has implied a significant diagnostics task during 2012 in terms of legal aspects, management and employee opinions, as well as benchmarking with multinational firms within the market. After this diagnostics stage, the certification process was initiated under the external auditing of AENOR, becoming the third firm in the country and the first energy firm certified in the standard.

4.1.7. Telecommuting Pilot Program

The Group's companies in Chile implemented a pilot project called Teletrabajo (telecommuting). The objective this practice seeks is to encourage the balance between work and family life among employees by one day of telecommuting per week. This pilot program lasted two months and was positively received by employees and obtained excellent reviews from the project's participants. The fundamental principles of this practice are: reinforcing a managerial style based on trust and

commitment; promote work based on results and not on office time, and favor the reconciliation between professional, personal, and family life. It is important to highlight that in 2013, fifty open positions will be filled via the voluntary application of employees.

4.1.8. “Reconocernos” Program

This program was launched in 2012 and seeks to promote culture based on meritocracy and recognition from within the firm. It is a model that cements employee recognition on two levels; the first, is on a day-to-day basic level of recognition; and the second, is based on great achievements, allowing employees and their important and exceptional contributions to be recognized publicly at award ceremonies. In this manner the Program “Reconocernos” helps build the commitment employees have towards the Company.

4.2. Selection

Enersis, with the objective to promote the professional development of its employees within the organization, during 2012 has continued to strengthen internal mobility, aiming to provide development opportunities to its employees by announcing and filling job vacancies internally. By using this method, during 2012, 74 internal placements were effected (through internal contests and promotions), which correspond to 25% of the internal movements arranged through Selección Chile.

Additionally, during 2012, 451 open positions were posted on domestic selections, 81% of which were filled by December. In 2012 the selection process had an average duration of 20.35 business days. Moreover, a satisfaction survey was provided to internal clients once the selection process was closed, receiving an 89% in service satisfaction.

As a result of the constant concern for our employees, during 2012 the Induction Program was implemented to serve new employees that joined the company. The purpose of the program is to facilitate new employee adjustment to their roles and the firm, as well as delivering a tangible perspective about the business of electricity

generation and distribution, necessary tools to develop efficiently in the tasks of their respective roles. The Program had 120 participants.

Alternatively, as a strategy to capture market talent, especially young individuals with great potential searching for opportunities to develop international careers, the Young Professionals project took place. This pioneer initiative involved inviting the best students from several universities to participate. After recruiting over 500 individuals, five candidates were selected and placed into different areas of the Group in a Program that will allow them to lead a successful career in the company.

With the purpose to satisfy the support needs of different areas of the company, the Recruitment process of Interns was initiated. This initiative allows the best students to be selected for the process. During 2012, 213 students interned in diverse areas, later being evaluated with satisfactory reviews by their managers. During 2012, 14 interns were later incorporated into different positions within the organization.

The company has continued to take on the challenge to provide job positions for people living with disabilities. In this direction, in 2012 the project “Entrada” was strengthened, incorporating 11 individuals with some form of disability as student interns.

Finally, under the framework of the agreement signed in Spain between the Fundación Adecco and the Group with the objective to promote employment among low-income youth in South America, the Project Crecer+ was created, consisting of job training for youth at social risk, offering participants the opportunity to receive overall orientation on the job search process. Three, four-meeting workshops were offered, where 57 youths between the ages of 17 and 18 from different schools could learn about their individual potential and how to take advantage of it during their first job search, covering themes such as self-awareness, curriculum building, and job market knowledge, among others.

5. Educational action

Starting from the process of detecting training needs when defining the training programs for 2012, Enersis established a training schedule oriented towards rotation needs, which was expressed through a training offer articulated in two lines of action: one Transverse Plan with training themes for development and the other on functional technical training.

For its third consecutive year, professionals from Regional Procurement Department and from different subsidiaries attended the course “Category Management”, led by the Spanish consulting firm Management International Purchasing (MIP). The Category Management Purchase model is a systematic approach used by world-class organizations to maximize the contribution of procurement to the business. The objectives are to teach category buyers the needed tools and methods to: segment the total cost into categories in accordance to its impact on the business and market in which it is purchased, understand Market Intelligence, the suppliers markets, design a strategy for each category, analyze strategies, situations, and perspectives of materials, investments and services markets, and evaluate risk situations, establishing mitigation and contingency plans.

Another important activity that took place in Chile and other subsidiaries in South America, with the same consulting firm, was the course Cost Breakdown, the objectives being to elucidate if the composition of costs in an offer are reasonable or not, with the real costs that our request involves for the supplier. It also confirms whether the costs shown are coherent within their accounting information, and seeks to measure the impact on the suppliers’ margin and costs after our order, estimating how their production capacity both is affected, both in the short and the long term.

With the participation of 31 employees of the Enersis Group, the second version of the

course Electricity Markets was launched at the Universidad del Desarrollo. The objectives of this program include, among others, delivering the conceptual bases and practices that permit a greater analytical ability in regulatory and operative aspects that govern electricity systems, besides allowing to understand and analyze electricity market regulatory principles and provide tools and concepts that improve negotiation capacities in contracting electricity supply.

There was special concern on the subjects of work safety and health. In this context, the third version of the course “Occupational Risk, Safety and Health Management” led by the same University, concluded successfully. Its purpose being to develop the necessary skills for the management of these principles, and likewise to strengthen the tools that allow a stronger and more efficient control over them. Additionally, its fourth version took place between September and December with a total of 108 hours, attended by of 21 employees from the Enersis Group.

At the same time and with the idea to provide development and improvement opportunities within the company, education scholarships were awarded to 17 employees. This program aims to support employees in the completion of continuing education programs, or in the pursuit of studies in both undergraduate and postgraduate degrees.

Through the Executive Skills Development Program, certain characteristics such as leadership, strategic thinking, negotiation, and coaching were strengthened. The program was attended by 69 Enersis Group employees. Another important program was “Young Professionals”, sought to expand the vision of young professionals for them to contribute innovative ideas to the business and to assist their career development within the organization. This program took place in Universidad Adolfo Ibáñez and was attended by 34 Group employees.





08



stock transactions

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Stock trading in the
stock market

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Market Information



1. Stock trading in the stock market

The quarterly transactions of the last three years on the stock exchanges where Enersis shares are traded, both in Chile, through the Santiago Stock Exchange, and the Chile Electronic Exchange, and the Valparaíso Stock Exchange, and in the United States of America and Spain through the New York Stock Exchange (NYSE) and the Bolsa de Valores Latino Americanos de la Bolsa de Madrid (LATIBEX in its Spanish acronym) respectively, are detailed below:

1.1. Santiago Stock Exchange

During 2012, in the Santiago Stock Exchange 5,564 million shares were traded, equivalent to \$969,180 million. As of December, the closing share price was \$175.82.

| Periods | Units | Amounts (Pesos) | Average price |
|-------------------|----------------------|--------------------------|---------------|
| 1st quarter 2010 | 1,696,301,261 | 382,729,133,497 | 225.63 |
| 2nd quarter 2010 | 1,563,696,617 | 324,580,314,181 | 207.57 |
| 3rd quarter 2010 | 1,022,597,744 | 227,738,321,807 | 222.71 |
| 4th quarter 2010 | 1,036,873,297 | 234,604,964,411 | 226.26 |
| Total 2010 | 5,319,468,919 | 1,169,652,733,896 | |
| 1st quarter 2011 | 1,596,636,759 | 322,199,069,612 | 201.80 |
| 2nd quarter 2011 | 958,803,877 | 195,120,504,650 | 203.50 |
| 3rd quarter 2011 | 886,100,149 | 168,023,460,684 | 189.62 |
| 4th quarter 2011 | 900,057,047 | 165,182,488,252 | 183.52 |
| Total 2011 | 4,341,597,832 | 850,525,523,198 | |
| 1st quarter 2012 | 1,288,014,289 | 240,222,466,312 | 186.51 |
| 2nd quarter 2012 | 1,139,562,913 | 212,301,014,944 | 186.30 |
| 3rd quarter 2012 | 1,744,269,270 | 285,537,513,398 | 163.70 |
| 4th quarter 2012 | 1,392,408,280 | 231,119,124,139 | 165.99 |
| Total 2012 | 5,564,254,752 | 969,180,118,793 | |

1.2. Chile Electronic Exchange

606 million shares were traded at the Chilean Electronic Stock Exchange during the year, equivalent to \$106,684 million. The share closing price at December was \$175.00

| Periods | Units | Amounts (Pesos) | Average price |
|-------------------|--------------------|------------------------|---------------|
| 1st quarter 2010 | 210,199,356 | 47,800,601,634 | 227.41 |
| 2nd quarter 2010 | 202,242,321 | 42,504,403,849 | 210.17 |
| 3rd quarter 2010 | 107,290,041 | 23,896,117,579 | 222.72 |
| 4th quarter 2010 | 101,357,298 | 23,150,688,674 | 228.41 |
| Total 2010 | 621,089,016 | 137,351,811,736 | |
| 1st quarter 2011 | 199,064,082 | 39,760,396,718 | 199.74 |
| 2nd quarter 2011 | 181,558,922 | 37,031,576,257 | 203.96 |
| 3rd quarter 2011 | 182,448,505 | 34,606,048,013 | 189.68 |
| 4th quarter 2011 | 144,335,958 | 26,534,354,814 | 183.84 |
| Total 2011 | 707,407,467 | 137,932,375,802 | |
| 1st quarter 2012 | 142,929,291 | 26,878,396,526 | 188.05 |
| 2nd quarter 2012 | 141,381,535 | 26,913,331,231 | 190.36 |
| 3rd quarter 2012 | 166,172,134 | 26,990,815,636 | 162.43 |
| 4th quarter 2012 | 155,911,737 | 25,901,302,515 | 166.13 |
| Total 2012 | 606,394,697 | 106,683,845,908 | |

1.3. Valparaíso Stock Exchange

During the year, in the Valparaíso Stock Exchange, 72 million shares were traded, amounting to \$12,502 million. The December closing price was \$175.00.

| Period | Units | Amounts (Pesos) | Average price |
|-------------------|-------------------|-----------------------|---------------|
| 1st quarter 2010 | 4,532,840 | 1,014,160,886 | 223.74 |
| 2nd quarter 2010 | 6,608,965 | 1,339,175,523 | 202.63 |
| 3rd quarter 2010 | 5,421,823 | 1,219,393,783 | 224.90 |
| 4th quarter 2010 | 2,101,429 | 475,974,287 | 226.50 |
| Total 2010 | 18,665,057 | 4,048,704,479 | |
| 1st quarter 2011 | 5,692,610 | 1,218,753,280 | 214.09 |
| 2nd quarter 2011 | 1,248,485 | 248,888,295 | 199.35 |
| 3rd quarter 2011 | 9,623,945 | 1,753,711,300 | 182.22 |
| 4th quarter 2011 | 5,790,809 | 1,059,644,493 | 182.99 |
| Total 2011 | 22,355,849 | 4,056,997,368 | |
| 1st quarter 2012 | 15,555,048 | 2,852,153,260 | 183.36 |
| 2nd quarter 2012 | 7,532,539 | 1,446,019,519 | 191.97 |
| 3rd quarter 2012 | 19,911,829 | 3,293,321,040 | 165.40 |
| 4th quarter 2012 | 29,102,662 | 4,910,148,630 | 168.72 |
| Total 2012 | 72,102,078 | 12,501,642,449 | |

1.4. New York Stock Exchange (NYSE)

The shares of Enersis started trading on the New York Stock Exchange (NYSE) on October 20, 1993. One Enersis ADS (American Depositary Share) represents 50 shares and its ticker is ENI. Citibank N.A. acts as the depositary bank and Banco Santander Chile as the custodian in our country. During 2012, 136 million ADSs were traded in the United States of America amounting to US\$2.457 million. The December ADS closing price was US\$18.22.

| Period | Units | Amounts (Pesos) | Average price |
|-------------------|--------------------|----------------------|---------------|
| 1st quarter 2010 | 56,064,078 | 1,230,082,061 | 21.94 |
| 2nd quarter 2010 | 42,577,933 | 837,208,760 | 19.66 |
| 3rd quarter 2010 | 26,539,709 | 584,259,429 | 22.01 |
| 4th quarter 2010 | 24,954,972 | 593,214,004 | 23.77 |
| Total 2010 | 18,665,057 | 4,048,704,479 | |
| 1st quarter 2011 | 45,063,352 | 924,262,083 | 20.51 |
| 2nd quarter 2011 | 28,212,252 | 610,562,978 | 21.64 |
| 3rd quarter 2011 | 38,872,327 | 769,407,917 | 19.79 |
| 4th quarter 2011 | 32,721,937 | 593,068,611 | 18.12 |
| Total 2011 | 144,869,868 | 2,897,301,588 | |
| 1st quarter 2012 | 38,448,445 | 732,794,989 | 19.06 |
| 2nd quarter 2012 | 31,111,964 | 587,263,102 | 18.88 |
| 3rd quarter 2012 | 34,003,544 | 582,431,845 | 17.13 |
| 4th quarter 2012 | 32,168,392 | 554,979,796 | 17.25 |
| Total 2012 | 135,732,345 | 2,457,469,732 | |

1.5. Latin American Securities Exchange of the Madrid Stock Exchange (Latibex in its Spanish acronym)

The shares of Enersis began trading on the Latin American Securities Exchange of the Madrid Stock Exchange (Latibex) on December 17, 2001. Until April 2011, the company's dealing unit was 50 shares and its ticker is XENI. Since May, 2011 the dealing unit is one. Santander Central Hispano Investment S.A. acts as the link agent and Banco Santander is the custodian in Chile. During 2012, 6.4 million shares were traded, amounting to 1.8 million Euros. The closing unit price as of December was 0.27 Euros.

| Period | Units | Amounts (Pesos) | Average price |
|-----------------------|-------------------|------------------|---------------|
| 1st quarter 2010 | 76,706 | 1,210,946 | 15.79 |
| 2nd quarter 2010 | 270,788 | 4,207,514 | 15.54 |
| 3rd quarter 2010 | 60,113 | 1,012,462 | 16.84 |
| 4th quarter 2010 | 43,513 | 757,806 | 17.42 |
| Total 2010 | 451,120 | 7,188,728 | |
| 1st quarter 2011 | 3,824,700 | 1,155,781 | 0.30 |
| 2nd quarter 2011 | 3,395,992 | 1,024,002 | 0.30 |
| 3rd quarter 2011 | 5,259,100 | 1,414,624 | 0.27 |
| 4th quarter 2011 | 3,293,219 | 893,885 | 0.27 |
| Total 2011 | 15,773,011 | 4,488,292 | |
| 1st quarter 2012 | 1,652,978 | 476,501 | 0.29 |
| 2nd quarter 2012 | 1,867,239 | 561,570 | 0.30 |
| 3rd quarter 2012 | 1,656,889 | 459,797 | 0.28 |
| 4th quarter 2012 | 1,225,821 | 327,777 | 0.27 |
| Total 2012 (*) | 6,402,927 | 1,825,645 | |

(*) The previous trading unit was 50 per share.

2. Market Information

During 2012, the Chilean stock market has been affected by the uncertainty related to the debt crisis of some European Union countries, as well as a weaker banking industry and its consequent impact on access to credit. Although main 2012 indexes of developed countries have shown sustained recovery, the domestic market not been able to overcome the International uncertainty environment.

In the last two years, the performance of Enersis' share in the markets in which it is traded has been negative, Influenced by the complex economic environment characterizing the period and the drought in Chile.

2.1. Santiago Stock Exchange

The price of the Enersis share over the last two years compared to the Selective Stock Price Index (IPSA) in the local market:

| Variation | 2011 | 2012 | Cumulative 2011-2012 |
|-----------|--------|-------|----------------------|
| Enersis | -16.0% | -3.7% | -19.1% |
| IPSA | -15.2% | 3.0% | -12.7% |

2.2. New York Stock Exchange (NYSE)

Behavior of Enersis' ADR (ENI) listed on the NYSE over the last two years compared to the Dow Jones Industrial and Dow Jones Utilities Indexes:

| Variation | 2011 | 2012 | Cumulative 2011-2012 |
|----------------------|--------|-------|----------------------|
| ENI | -24.1% | 3.1% | -21.7% |
| Dow Jones Industrial | 5.5% | 5.9% | 11.8% |
| Dow Jones Utilities | 14.7% | -3.9% | 10.3% |

2.3. Latin American Securities Exchange of the Madrid Stock Exchange (Latibex in its Spanish acronym)

Performance of the Enersis share (XENI) (*) listed on the Madrid Stock Exchange (Latibex) over the last two years compared to the LATIBEX Index:

| Variation | 2011 | 2012 | Cumulative 2011-2012 |
|-----------|--------|-------|----------------------|
| XENI | -23.7% | 16.5% | -11.1% |
| LATIBEX | -23.3% | -9.7% | -30.8% |

(*) As of May 2011, the unit traded is one. In previous years the trading unit was 50 units per share





dividends

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Dividends

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Dividend policy 2012

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Distributable net income
year 2012

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Dividends distributed



1. Dividends

In accordance with General Rule No.283, numeral 5), the following are the company's dividend policies for the years 2013 and 2012.

1.1. Dividend policy 2013

1.1.1. In general

The Board of Directors of the Company, in its session taken place February 28, 2013, approved the following dividend policy and the procedures for payment of Enersis S.A. dividends.

1.1.2. Dividend policy

The Board of directors has the intention to propose to the General shareholders meeting, to be held during the first four month of 2014, to distribute a final dividend equivalent to 50% of profits of year 2013.

The board also has the intention to distribute an interim dividend against the net income for 2013 of up to 15% of the net income to September 30, 2013, as shown in the financial statements at that date, payable in January 2014.

Compliance with the above program will be subject, in terms of dividends, to the actual net income booked and also the results of the projections made periodically by the company or the existence of certain conditions, as the case may be.

1.1.3. Dividend Payment Procedure

Enersis SA provides the following payment methods of interim or final dividends, in order to avoid incorrect collection:

1. Deposit in a bank checking account whose holder is the shareholder.
2. Deposit in a bank savings account whose holder is the shareholder.

3. Dispatch of nominative check or bankers draft by registered mail to the shareholder's address recorded in the shareholders register.

4. Pick up of check or bankers draft at the offices of DCV Registros S.A., as the registrar of the shares of Enersis S.A. or at the bank and its branches designated for this purpose and which will be stated in the notice published concerning the dividends payment.

For these purposes, checking or savings accounts may be located in any part of the country.

It should be noted that the payment method chosen by each shareholder will be used by DCV Registros S.A. for all dividend payments unless the shareholder states in writing their intention to change and record a new method.

For shareholders who have not recorded a payment method, dividends will be paid according to method N°4 detailed above.

Should checks or bankers drafts be returned by mail to DCV Registros S.A., these will be held in its custody until withdrawn or requested by the shareholder.

In the case of deposits in bank checking accounts, Enersis S.A. may request, for security reasons, verification of information by the corresponding banks. If the accounts indicated by the shareholder are objected, whether in the verification process or for any other reason, the dividend will be paid according to the method stated in point N°4 detailed above.

Moreover, the company has adopted and will continue to adopt in the future all security measures required by the dividend payment process so as to safeguard the interests of Enersis S.A. and its shareholders



2. Dividend policy 2012 (1)

2.1. In general

The board also has the intention to distribute an interim dividend against the net income for 2012 of up to 15% of the net income to September 30, 2012, as shown in the financial statements at that date, payable in January 2013.

2.1.1. Dividend Policy

The board also has the intention to distribute an interim dividend against the net income for 2012 of up to 15% of the net income to September 30, 2012, as shown in the financial statements at that date, payable in January 2013.

The board intends to propose to the Ordinary Shareholders Meeting, to take place during the first four months of 2013, to distribute 50% of 2012 net income as final dividend.

The final dividend will be defined by the Ordinary Shareholders Meeting to be held during the first four months of 2013.

Compliance with the above program will be subject, in terms of dividends, to the actual net income booked and also the results of the projections made periodically by the company or the existence of certain conditions, as the case may be.

2.1.2. Dividend Payment Procedure

Enersis SA provides the following payment methods of interim or final dividends, in order to avoid incorrect collection:

1. Deposit in a bank checking account whose holder is the shareholder.
2. Deposit in a bank savings account whose holder is the shareholder.
3. Dispatch of nominative check or bankers draft by registered mail to the shareholder's address recorded in the shareholders register.
4. Pick up of check or bankers draft at the offices of DCV Registros S.A., as the registrar of the shares of Enersis S.A. or at the bank and its branches designated for this purpose and which will be stated in the notice published concerning the dividends payment.

For these purposes, checking or savings accounts may be located in any part of the country.

It should be noted that the payment method chosen by each shareholder will be used by DCV Registros S.A. for all dividend payments unless the shareholder states in writing their intention to change and record a new method.

For shareholders who have not recorded a payment method, dividends will be paid according to method N°4 detailed above.

Should checks or bankers drafts be returned by mail to DCV Registros S.A., these will be held in its custody until withdrawn or requested by the shareholder.

In the case of deposits in bank checking accounts, Enersis S.A. may request, for security reasons, verification of information by the corresponding banks. If the accounts indicated by the shareholder are objected, whether in the verification process or for any other reason, the dividend will be paid according to the method stated in point N°4 detailed above.

Moreover, the company has adopted and will continue to adopt in the future all security measures required by the dividend payment process so as to safeguard the interests of Enersis SA and its shareholders.

- (1) Through the Significant Event submitted to the Superintendence of Securities and

Insurance on November 29, 2012, Enersis S.A., informed the following:

Pursuant to articles 9 and 10, paragraph 2 of the Securities Market Law (18,045), the provisions of General Norm 30 of the Superintendence, and in the exercise of the powers bestowed upon me, I hereby inform you, as a significant event, that the Board of Directors of Enersis S.A., in a meeting held yesterday, has unanimously agreed to distribute on January 25, 2013, an interim dividend of Ch\$1.21538 per share attributable to the fiscal period of 2012, corresponding to 15% of liquid net income as of September 30, 2012, in accordance with the Company's dividend policy

3. Distributable net income year 2012

The distributable net income for year 2012 is indicated below:

| | \$ Millions |
|--------------------------|-------------|
| Net Income * | 377,351 |
| Distributable Net Income | 377,351 |

* Attributable to the parent company

4. Dividends distributed

The following chart shows the dividends per share paid during past years:

| Dividend N° | Type of dividend | Closing date | Payment date | Pesos per share | Corresponding year |
|-------------|------------------|--------------|--------------|-----------------|--------------------|
| 75 | Final | 16-05-2007 | 23-05-2007 | 4.89033 | 2006 |
| 76 | Interim | 20-12-2007 | 27-12-2007 | 0.53119 | 2007 |
| 77 | Final | 24-04-2008 | 30-04-2008 | 3.41256 | 2007 |
| 78 | Interim | 13-12-2008 | 19-12-2008 | 1.53931 | 2008 |
| 79 | Final | 07-05-2009 | 13-05-2009 | 4.56069 | 2008 |
| 80 | Interim | 11-12-2009 | 17-12-2009 | 2.45677 | 2009 |
| 81 | Final | 29-04-2010 | 06-05-2010 | 4.64323 | 2009 |
| 82 | Interim | 21-01-2011 | 27-01-2011 | 1.57180 | 2010 |
| 83 | Final | 06-05-2011 | 12-05-2011 | 5.87398 | 2010 |
| 84 | Interim | 21-01-2012 | 27-01-2012 | 1.46560 | 2011 |
| 85 | Final | 17-05-2012 | 24-05-2012 | 4.28410 | 2011 |
| 86 | Interim | 19-01-2013 | 25-01-2013 | 1.21538 | 2012 |





investment and financing policy 2012

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Investments

p. 68
Financing



The Ordinary Shareholders Meeting held April 26, 2012, approved the following Investment and Financing Policy:

1. Investments

1.1. Áreas de inversión

Enersis will invest, as authorized by its bylaws, in the following areas:

- i) Contributions to invest or for the formation of subsidiaries or associate companies whose activity is aligned, related or linked to any form or types of public utility or whose main raw material is energy.
- ii) Investments related to the acquisition, exploitation, construction, rental, administration, trading and disposal of any class of fixed assets, whether directly or through subsidiary companies.
- iii) Other investments in all kinds of financial assets, titles or securities.

1.2. Maximum investment limits

The maximum investment limits for each area shall be the following:

- i) Investments in its subsidiaries within the electricity sector, the amounts needed for the subsidiaries to satisfy their respective corporate objects.
- ii) Investments in other subsidiaries such that sum of the proportions of the fixed assets corresponding to the share in each of these other subsidiaries does not exceed the proportion of fixed assets corresponding to the shareholdings in the subsidiaries in the electricity sector and of Enersis S.A.

1.3. Participation in controlling the areas of investment

In order to control the investment areas and in accordance with Enersis S.A. corporate purpose, the following procedure will be followed wherever possible:

- i) Propose to the shareholders meetings of the limited liability subsidiary and

associate companies, the appointment of directors corresponding to the Enersis S.A. shareholding in that company, these preferably being from among directors or executives of the company or its subsidiaries.

- ii) Propose the investment, financing and commercial policies to subsidiary companies, as well as the accounting systems and standards they should follow.
- iii) The management of the company subsidiaries and associates will be supervised.

Permanent control of debt limits will be maintained, so that the investments or contributions implemented or that are planned for implementation do not represent an unusual variation from the parameters defined by the maximum investment limits.

2. Financing

2.1. Maximum level of debt

The maximum level of debt of Enersis S.A. is a debt to equity plus minority interest ratio of 2.2 times, based on the consolidated balance sheet.

2.2. Management powers to agreeing dividend restrictions with creditors

Dividend restrictions may only be agreed with creditors if previously approved by the shareholders meeting (ordinary or extraordinary).

2.3. Management powers to grant security to creditors

The company's management may agree with creditors the granting of tangible securities or guarantees in accordance with the law and the corporate bylaws.

2.4. Assets essential to the company's operation

The shares representing Enersis' shareholding in its subsidiary Chilectra S.A. are considered essential assets for Enersis S.A. operation.







the company's businesses

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Business structure

p. 72
Historical background

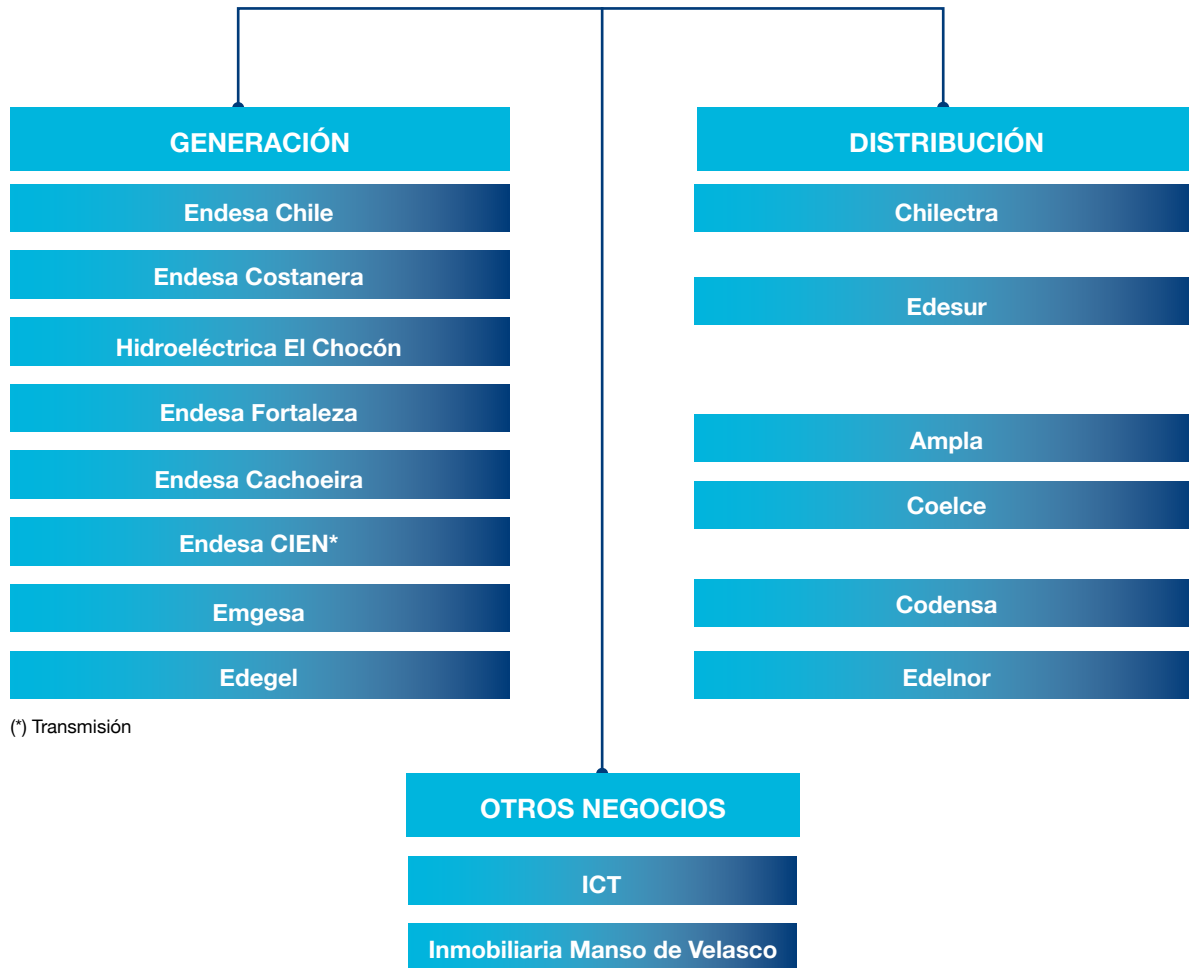
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Expansion and
development



1. Business structure



Una empresa del Grupo Enel



(*) Transmisión

2. Historical background

On June 19, 1981, Compañía Chilena de Electricidad S.A. formed a new corporate structure which gave birth to a parent company and three subsidiaries. One of these was Compañía Chilena Metropolitana de Distribucion Electrica S.A. In 1985, under the Chilean government’s privatization policy, the process of transferring the share capital of Compañía Chilena Metropolitana de Distribucion Electrica S.A. to the private sector was begun, ending finally on August 10, 1987. In this process, the pension fund management companies (AFPs), company employees, institutional investors and thousands

of small shareholders joined the Company. Its organizational structure was based on activities or operative functions whose results were evaluated functionally and its profitability was limited by a tariff structure as a result of the Company’s exclusive dedication to the electricity distribution business.

In 1987, the company’s board proposed forming a division for each of the parent company’s activities. Four subsidiaries were therefore created to be managed as business units each with its own objectives, thus expanding the company’s activities toward other non-regulated activities but linked to the main business. This division was approved by the extraordinary shareholders meeting of November 25, 1987

which defined its new corporate objects. Compañía Chilena Metropolitana de Distribucion Electrica S.A. thus became an investment holding company.

On August 1, 1988, as resolved at the extraordinary shareholders meeting of April 12, 1988, one of the companies born from the division changed its name to Enersis S.A. At the extraordinary shareholders meeting of April 11, 2002, the company's objects were modified, introducing telecommunications activities and the investment and management of companies whose businesses are in telecommunications and information technology, and internet trading businesses.

In 1988, and in order to successfully meet its development and growth, the company was split into 5 business units which in turn gave birth to five subsidiaries. Of these, Chilectra and Río Maipo were responsible for electricity; Manso de Velasco concentrated on electrical engineering and construction services, plus real-estate management, Synapsis in the area of information technology and data processing, while Diprel focused on providing procurement and commercialization of electrical product.

Today, Enersis is one of the largest private electricity groups in Latin America in terms of consolidated assets and operating revenue, achieved through steady and balanced growth in its electricity businesses: generation, transmission and distribution. The development of the electricity distribution business abroad has been implemented jointly with its subsidiary Chilectra, a company that distributes electricity in the Metropolitan Region, Chile. Its investments in electricity generation in Chile and abroad have been developed mainly through its subsidiary Empresa Nacional de Electricidad S.A. (Endesa Chile).

In addition, it is involved in businesses that complement its principal ones through majority holdings in the following companies: Inmobiliaria Manso de Velasco Ltda. committed to the real-estate business through the integral development of real-estate projects and the administration, rental, purchase and sale of the property assets of Enersis and its subsidiaries in Chile; ICT Servicios Informáticos Limitada is a consulting services company in technology, information and computing, and telecommunications

3. Expansion and development

Enersis began its international expansion in 1992 through participating in different privatization processes in Latin America, thus developing a significant presence in the electricity sectors of Argentina, Brazil, Colombia and Peru.

1992

- On May 15, it acquired a 60% shareholding and control of the generator Central Costanera, currently Endesa Costanera, in Buenos Aires, Argentina.
- On July 30, it was awarded 51% of Empresa Distribuidora Sur S.A., Edesur, a company that distributes electricity in the city of Buenos Aires, Argentina.

1993

- In July, it bought the generator Hidroeléctrica El Chocón, located in the province of Neuquén and Río Negro, Argentina.

1994

- In July, Enersis acquired for US\$176 million 60% of the share capital of Empresa de Distribución Eléctrica de Lima Norte S.A., Edelnor, in Peru. It also acquired Edechancay, another electricity distributor in that country, which was later absorbed by the former.
- At the end of the year, Enersis acquired an additional 1.9% of the share capital of Endesa Chile, increasing its shareholding to 17.2%.

1995

- On December 12, Enersis acquired an additional 39% in Edesur gaining control of the company.
- It also acquired the generator Edegel in Peru.

1996

- On February 15, Enersis reached a 25.28% shareholding in Endesa Chile and, on April 15, Endesa Chile became a subsidiary of Enersis.
- It invests in the sanitation market with the acquisition of Agua Potable Lo Castillo S.A.
- On December 20, Enersis entered the

Brazilian market with the acquisition of a large block of shares in the previously-called Companhia de Eletricidade do Rio de Janeiro S.A., Cerj, a company that distributes electricity in the city of Rio de Janeiro and Niteroi, Brazil. Its present name is Ampla Energia e Serviços S.A.

- On December 20, it acquired a 99.9% shareholding in Central Hidroeléctrica de Betania S.A. E.S.P, in Colombia.

1997

- On September 5, it acquired for US\$715 million a 78.9% shareholding in Centrais Eléctricas Cachoeira Dourada, Brazil.
- On September 15, Enersis successfully took part in the capitalization of Codensa S.A. E.S.P., acquiring a shareholding of 48.5% for US\$1.226 million, company that distributes electricity in the city of Bogotá and the department of Cundinamarca, Colombia. It was also awarded 5.5% of Empresa Eléctrica de Bogotá.
- On September 15, it acquired a 75% shareholding, for an amount of US\$951 million, in Emgesa, a Colombian generator, and an additional 5.5% of Empresa Eléctrica de Bogotá S.A.
- ENDESA S.A., (Spain), acquired 32% of Enersis

1998

- On April 3, Enersis again entered the Brazilian market, this time being awarded 89% and control of Companhia Energética de Ceará S.A., Coelce, company distributes electricity in the north-east of the country, in the state of Ceará for US\$868 million.
- On April 22, Enersis reached 100% shareholding in Aguas Cordillera, Santiago, Chile.
- On December 28, Enersis gained control of Esvai, located in the Valparaiso region, through being awarded 40% of the share capital of the company.

1999

- ENDESA S.A., (Spain), took control of Enersis. Through a public share offering (OPA), the multinational company ENDESA S.A., acquired an additional holding of 32% in Enersis which, together with the 32% already

acquired in August 1997, gave it a total holding of 64%. This transaction, completed on April 7, 1999, involved an investment of US\$1,450 million. As a result of the capital increase made by Enersis in 2003, this shareholding reduced to the present 60.62%

- On May 11, Enersis acquired 35% of Endesa Chile which, added to the 25% already held, enabled it to obtain a 60% shareholding in the generator. It therefore consolidated its position as one of the principal private sector electricity companies in Latin America

2000

- As part of its Genesis Plan strategy, the subsidiaries Transelec, Esvai, Aguas Cordillera and real-estate assets were sold for US\$1,400 million.

2001

- Large investments were made: US\$364 million for increasing its shareholding in Chilectra, in Chile; US\$150 million in the acquisition of 10% of the share capital of Edesur, in Argentina, a percentage that was held by the company's employees; US\$132 million to increase its shareholding in Ampla, in Brazil; US\$23 million to increase its shareholding by 15% in Río Maipo, in Chile, and US\$1.6 million to increase its shareholding by 1.7% in Distrilima, in Peru.

2002

- In Brazil, Central Termoeléctrica Fortaleza in the state of Ceará was awarded to the Company. The commercial operation of the second phase of the electricity interconnection between Argentina and Brazil, CIEN, completing a transmission capacity of 2,100 MW between both countries, also began.

2003

- Assets amounting to US\$757 million were sold, including the Canutillar generating plant and the distributor Río Maipo, both in Chile.



2004

- The Central Hidroeléctrica Ralco hydroelectric plant located in the Bio Region and contributes 690 MW of capacity, began operations.

2005

- On April 18, the subsidiary Endesa Eco was formed to promote and develop renewable energy projects like mini-hydro plants, wind farms, geothermal, solar and biomass plants, and to act as the depositary and trader of the emission reduction certificates produced by these projects.
- The subsidiary Endesa Brasil S.A. was formed with all the assets held in Brazil by the Enersis Group and Endesa Internacional (now Endesa Latinoamérica): CIEN, Fortaleza, Cachoeira Dourada, Ampla, Investluz and Coelce.

2006

- During February, the Termocartagena (142 MW) plant in Colombia, which operates with fuel oil or gas, was bought for approximately US\$17 million.
- In March, Enersis informed the SVS about the merger of Elesur and Chilectra by the absorption of the latter by the former. The legal effects of this merger were effective from April 1, 2006.

- In June, Edegel and Etevensa were merged, the latter a subsidiary of Endesa Internacional (now Endesa Latinoamérica S.A.) in Peru.
- On September 29, Endesa Chile, ENAP, Metrogas and GNL Chile signed an agreement defining the structure of the liquefied natural gas (LNG) project in which Endesa Chile participates with a 20% holding

2007

- In March, the company Centrales Hidroeléctricas de Aysén S.A. (HidroAysén) was formed, to develop and exploit the hydroelectric project in the region of Aysén, called the "Aysén Project", which will imply 2,750 MW of new installed capacity for Chile.
- In April, the first phase of the San Isidro combined-cycle thermal plant, second unit, with a capacity of 248 MW, was made available to Economic Load Dispatch Center (CDEC-SIC).
- In September, the merger of the Colombian generating companies, Emgesa and Betania was completed.
- On October 11, ENEL S.p.A. and ACCIONA S.A. took control of Enersis through ENDESA S.A. and Endesa Internacional, S.A. (now Endesa Latinoamérica S.A.).

- During November, the Palmucho hydroelectric plant started up its commercial operations, located below the Ralco plant dam in the Upper Biobío area, supplying 32 MW of capacity to the Central Interconnected system SIC).
- Canela was inaugurated on December 6, the first wind farm on the SIC. Canela is located in the village of that name in the Region of Coquimbo and contributes 18 MW to the SIC.

2008

- In January, the second phase of the San Isidro II combined-cycle thermal plant began its commercial operations, with an installed capacity of 353 MW.
- On March 24, the dual operation of Unit N°1 of the Tal-Tal thermal plant began operations, with an installed capacity of 245 MW.
- In June 27, the Ojos de Agua mini-hydro plant began operations, contributing 9 MW of installed capacity to the SIC.

2009

- The companies ACCIONA, S.A. and ENEL S.p.A. announced an agreement whereby ACCIONA, S.A. will directly and indirectly transfer to ENEL ENERGY EUROPE S.L. a 25.01% shareholding in ENDESA, S.A. ENEL ENERGY EUROPE S.L., controlled 100% by ENEL S.p.A., will thus hold 92.06% of the share capital of ENDESA, S.A.

- On June 25, the agreement between ENEL S.p.A. and ACCIONA, S.A. came into effect whereby the ENEL Group became the controller of 92.06% of the share capital of ENDESA, S.A.
- On October 9, Endesa Chile acquired 29.3974% of its Peruvian generation subsidiary Edegel. The shares were acquired at market price from Generalima S.A.C., a company which in turn is a subsidiary of Endesa Latinoamérica S.A. Endesa Chile thus now holds directly and indirectly 62.46% of the shares of Edegel.
- On October 15, Enersis S.A. acquired 153,255,366 shares, representing 24% of the share capital, of its Peruvian subsidiary, Edelnor, at a price of 2.72 soles per share. This was purchased from Generalima S.A.C., a Peruvian subsidiary of Endesa Latinoamérica S.A., the parent company of Enersis. With this transaction, the direct and indirect shareholding of Enersis S.A. in Edelnor rose from 33.53% to 57.53%.

2010

- In February, the San Isidro plant increased its capacity to 399 MW; the combined cycle unit increased 22 MW of capacity after implementing technological changes that allowed him to operate in a dual manner (LNG and oil).
- On May 31 in the context of the ongoing effort to provide its customers with excellent



service, Chilectra began the project distribution network remote management (DT) implemented by CAM, a technological change that will allow a qualitative leap in the registration of power consumption and reducing energy losses.

- In early June Chilectra and Clínica Dávila opened the largest solar Project in Chile. With a total of 264 solar thermal collectors, installed in 740 square meters, the solar electric technology will allow heating more than 70,000 liters of sanitary water a day, using two types of totally clean energy, uncontaminated and with savings of up to 85%.
- In July Endesa Chile and Minera Lumina Copper Chile S.A. formalized a supply contract to satisfy electricity needs of Caserones Project, located 162 kilometers southeast of Copiapo. The agreement considers supplying energy and capacity from September 1, 2012 until December 31, 2022.
- In October, 2010, the company submitted the Environmental Impact Study (EIA In its Spanish acronym) of the Project LTE Central Hidroeléctrica Los Cóndores to the Environmental Assessment Service (SEA In its Spanish acronym), initiative that will allow connecting the future power plant Central Hidroeléctrica Los Cóndores to the Sistema Interconectado Central (SIC In its Spanish acronym), main electricity grid in the country, and that services more than 90% of the population.
- In December 2010, Endesa Chile submitted the environmental impact assessment (EIA) of Central Hidroeléctrica Neltume again. The company submitted the environmental impact study to the Environmental Assessment Service (SEA), incorporating the additional information requested by the different organisms that participated in the evaluation process of the initiative. The 490 MW installed capacity intends to make use of the existing hydroelectric potential in the area, specifically in the River Fuy, natural drainage of the lake Pirehueico.
- In December Endesa Chile submitted the EIA of the Project named High Voltage S/E Neltume-Pullinque to the SEA of the Lake Region. The initiative's purpose is to build

and operate the necessary infrastructure to transport and inject the energy to come from the future Central Hidroeléctrica Neltume, into the Central Interconnected System (SIC).

- Enersis accepted the offer presented by the company Grana y Montero S.A.A., to acquire the entire stake it holds, directly and indirectly, in its subsidiary Compañía Americana de Multiservicios Limitada, CAM; and likewise, accepted the offer by Riverwood Capital L.P to acquire the entire shareholding, both directly and indirectly, in its subsidiary Synapsis Soluciones y Servicios IT Ltda. The price offered for CAM and its subsidiaries in Argentina, Brazil, Colombia and Peru amounted to US\$20 million. In the case of Synapsis, the price offered for the company and its subsidiaries in Argentina, Brazil, Colombia and Peru amounted to US\$52 million.

2011

- Four projects were submitted for environmental approval: "Optimization of Los Cóndores Hydroelectric Power Plant", "Renaico Wind Farm", "LAT S/E PE Renaico - S/E Bureo" and "Optimization Second Unit of Thermal Power Plant Bocamina". The project "Optimization of Los Cóndores Hydroelectric Power Plant" has been qualified as environmentally favorable. The projects: "LTE CH Los Cóndores - S/E Ancoa", "Hydroelectric Power Plant Neltume", "High Tension line S/E Neltume - Pullinque", "Renaico Wind Farm", "LAT S/E PE Renaico - S/E Bureo" and "Optimization Second Unit of Thermal Power Plant Bocamina" are in the process of environmental approval.
- In May, the Environmental Assessment Commission of the Aysen region approved the Environmental Impact Study of the HydroAysen project power plants presented on August 14, 2008, which constitutes an important milestone in the process of obtaining the necessary authorizations to develop this project, in which Endesa Chile has a 51% share, and the Chilean electricity company Colbun has the remaining 49%.

If the project is carried out, it would imply adding 2,750 MW of hydroelectric capacity to the Chilean electricity system, from five power plants, making an important contribution to reliability of the electricity supply of the country. The project also considers building a high tension transmission line, developed by third parties, approximately 1,912 Km long, that will begin its approval process shortly.

- In August, Endesa Latinoamérica, S.A. (wholly owned subsidiary of Endesa, S.A.) informed, as a significant event, entering into an agreement for Endesa Latinoamérica to acquire EDP's 7.70% stakes in Endesa's Brazilian subsidiaries Ampla Energia e Serviços S.A. and Ampla Investimentos e Serviços S.A. for Euro 76 million and Euro 9 million, respectively. After these acquisitions, the Endesa Group will control 99.64% of the share capital of both companies, whose shares trade on the Sao Paulo stock exchange. In compliance with securities market regulations in Brazil, once the acquisition is complete Endesa will launch a tender offer for the remaining 0.36% stakes held by the minorities shareholders of Ampla Energia and Ampla Investimentos under the terms set out in these regulations.
- In September, the Enersis Group measured the Carbon Footprint of its generation power plants in Latin America. Through its subsidiary Endesa Chile, the company carried out the calculation of the carbon footprint for 13 generation plants located in Argentina, Chile and Colombia, and also for the corporate building in Santiago, Chile. Simultaneously, in Peru, a methodology of calculation was developed in house and applied to calculate the Carbon Footprint of hydroelectric and thermal power plants and also corporate headquarters in Lima. Chilectra on the other hand, has measured carbon footprint and has disclosed results publicly in its Sustainability Report since

2007. The distributor brought up this subject with the objective of offering its customers various actions to reduce emissions of CO₂, through Energy Efficiency (EE) or the implementation of Non-Conventional Renewable Energy. In order to do so, Chilectra has a strategic alliance with the environmental company POCH Ambiental, a firm with extensive experience in Climate Change and Carbon Footprint consulting, which offers calculation and certification services, and also reduction of emission by EE or ERNC.

2012

- On February 29, 2012, the power plant Bocamina II began commercial operations. This allows compensating the hydroelectricity generation deficit present for the last 3 years and contributes with an important increase in efficient low cost thermal electricity as back up capacity of the Central Interconnected.
- The power plant project Punta Alcalde, to have 740 MW of installed capacity and that will be locate 13 kilometers from the city Huasco, received environmental approval from the Ministers Committee In early December, after being rejected by the Environmental Assessment Commission of the Atacama Region In June 2012. The project will have the highest standards of technology, efficiency and environmental commitment, considering world class parameters in terms of emissions and operations.
- In July, through a Significant Fact submitted to the Superintendence of Securities and Insurance (SVS), the Board of Directors of Enersis informed its decision to call an Extraordinary Shareholders Meeting to take place September 13, with the purpose of resolving, among other matters, the capital increase of the Company according to Endesa's (Spain) proposal, amounting to up to the equivalent of US\$8,020 million in Chilean



pesos, or the amount that the Extraordinary Shareholders Meeting determines. In early August, the SVS stated that the Board of Enersis must adopt the actions necessary to strictly comply with the conditions established by Articles 15, 67 and Title XVI of Law 18,046 (Corporations Law), considering that they are complementary and when applicable should be considered simultaneously. These conditions are related to capital increase transactions and related party transactions respectively. Once the indications of the SVS were acknowledged, Enersis adopted them and continued with the capital increase operation. The Board of Directors resolve postponing the Extraordinary Shareholders Meeting to take place September 13 to a later date to be determined opportunely. After strictly complying with the conditions established by Articles 15, 67 and Title XVI of Law 18,046 (the Board of Directors requested the independent valuation of IM Trust and the Directors Committee requested the independent valuation of Claro y Asociados Ltda., the Directors Committee issued its report and

each Director gave his opinion with respect to the proposed operation), the Extraordinary Shareholders Meeting held on December 20 ruled on the capital increase. A very large majority, almost 86% of all shareholders present with voting rights, equivalent to 81.94% of the total shares with voting rights of the Company, approved the capital increase of the following characteristics: 1) Maximum amount of the capital increase: Ch\$ 2,844,397,889,381, divided into 16,441,606,297 ordinary nominative payment shares of the same series, with no preferences and no par value, 2) Value of non-in-kind contributions to be capitalized: The total issued capital of Cono Sur, Company that will concentrate the activities that are identified in the reports that have been made available to the shareholders and that would be contributed by Endesa to Enersis S.A., will amount to Ch\$ 1,724,400,000,034 corresponding to 9,967,630,058 shares of Enersis S.A. at a price of Ch\$ 173 per share, 3) Placement share price: A fixed price of Ch\$173 for every payment share to be issued as a result of the capital increase.

Junta de Accionistas 2012



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1. Capital increase

1.1. Highlights of the operation

On the occasion of the letter, dated June 18, 2012, that Endesa Latin America, S. A. (controlling shareholder) sent to the Chairman of the Board of Directors of Enersis proposing a capital increase, the company's board agreed unanimously, to convene an Extraordinary Shareholders Meeting for it to resolve on the capital increase proposed, which involved issuing ordinary nominative payment shares for up to US\$8,020 million, which would be paid by the controlling shareholder, in proportion to its shareholding, by means of a non-cash contribution, priced by the independent expert Eduardo Walker Hirschfeld at US\$4,862 million, while the rest of the shareholders of the Company would subscribe by paying for the new shares in cash.

Once the Superintendence of Securities and Insurance requested additional Information about the operation from the Company, it performed an interpretation through memorandum N°18,684, dated August 3, 2012, in which it states that the capital increase in place should be complemented by the application of Articles 15, 67 and Title XVI of Law 18,046 involving related party transactions, coinciding with the opinion of the Director Mr. Rafael Fernández Morandé stated during the Board session held July 25 and during the Committee's sessions taken place June 22 and July 12, as well as In several letters sent to the Chairmen of the Board and of the Committee. The Board of Directors of Enersis informed through a Significant Event disclosed August 9, 2012, its decision to continue with the capital increase operation proposed by the controlling shareholder, complementing the process with the applicable rules of Title XVI referred to, and therefore suspended the Extraordinary Shareholders Meeting called for on July 25.

The Superintendence of Securities and Insurance, through memorandum N°21,001, dated August 29, 2012, answered the letter sent by the Chief Executive Officer of Enersis in which he asked several questions about different aspects that should be clarified by

such entity in order to apply the regulations regarding transactions among related parties to the capital increase operation in progress. The Superintendence interpreted, among other matters that the board members that had been elected with the votes of the controlling shareholder should be considered "directors with interest" according to Article 44 of Law N° 18,046 -established by the regulator for private companies - and therefore should be considered involved directors according to the terms of Title XVI.

On August 31, 2012, the Board of Directors informed, through a significant event, that all Board members of the company, except Rafael Fernández Morandé, had expressed having an interest in the operation according to the conditions defined by article 147 of the Corporations Law, considering the interpretation given through the Superintendence memorandum N°21,001. Similarly, the unanimous decision of the Board of directors to continue with the operation and that the search for an independent evaluator had begun was disclosed.

The Board of Directors, during its extraordinary session taken place September 5, 2012, agreed to hire the company IM Trust as independent evaluator, and was informed that same day through a Significant Event. Also, Enersis' Directors Committee designation of the company Claro y Asociados Ltda. as independent evaluator was informed through a Significant Event disclosed on September 7.

El Board of directors, informed, as a Significant event, that on October 24, 2012 both the Directors Committee and the Board of Directors had officially received, each body respectively, the reports that had been commissioned to the independent Claro y Asociados and IM Trust.

After a complete analysis of all background information and within the framework of article 50 bis of the Corporations Law, the Company's Directors Committee proceeded to issue its report on the capital increase operation, which was communicated by Enersis through a Significant Event dated October 30, 2012 and known by the directors, who gave their respective individual statements regarding

the capital increase that same date. Later, on November 6, 2012, the Board of Directors of Enersis, with the approval of a majority of the Board members and the disapproval of Director Rafael Fernández Morandé, agreed to convene an Extraordinary Shareholders Meeting to take place December 20, in order to give its opinion regarding the capital increase, as it was proposed by Endesa (Spain). A capital increase in an amount not less than US\$5,915 million and no more than US\$6,555 million, or the amount determined by the Shareholders Meeting, would be presented for approval, among other matters. Through another Significant Event, the Board of Directors agreement with respect to several matters of interest to shareholders regarding the capital increase, was informed, including the contribution of Endesa (Spain), with its shareholdings in different companies in South America, which should fall within a range of no less than US\$3,586 million nor greater than US\$3,974 million, and the Board of Directors agreed to request that Endesa (Spain) give its opinion about a series of topics of social interest.

On November 21, Enersis received a communication from pension fund administration companies Habitat, Planvital, Provida, Capital, Cuprum and Modelo, all shareholders of Enersis that together represent 13.63% of ownership, in which they requested convening an Extraordinary Shareholders Meeting to take place December 20. The Board of Directors decided to convene the Meeting with the objective of reporting in detail on the arguments of each of its members, regarding the decision to convene an extraordinary shareholders meeting, among other matters.

On December 14, 2012, the Extraordinary Shareholders Meeting requested by the pension fund administration companies took place, a purely informative meeting, bound to expose certain aspects and scope of the capital increase that would be voted on the 20th of December, 2012.

The Extraordinary Shareholders Meeting held December 20 agreed to approve the capital increase proposed as if it were an operation among related parties according to Title XVI of the Corporations Law. It was also agreed that the maximum capital increase of the

company be Ch\$ 2,844,397,889,381, divided into 16,441,606,297 ordinary nominative payment shares of the same series, with no preemptive rights and no par value. The proportion of the shares corresponding to the controlling shareholder were to be paid for with the total equity of Cono Sur Participaciones, S.L.,, company that will concentrate the shareholding of the controlling shareholder in South America, with the exception of Enersis, and that have been valued at Ch\$ 1,724,400,000,034 corresponding to 9,967,630,058 shares to be issued by Enersis representing a reference value of US\$ 3,634,754,015.5 at an observed exchange rate of Ch\$ 474.42 per dollar. A fixed price of \$173 per nominative payment shares that are issued as a consequence of the capital increase.

The Extraordinary Shareholders meeting also agreed to reject the proposal to create a series of ordinary shares of a same special series, without preferred rights and without nominal value, that would be denominated Series B, that would have exactly the same rights as the shares currently issued, with the sole exception of its exchange rights established by the Exchange Convention agreed upon on September 24, 2008 between Enersis, Citibank N.A. and the Central Bank of Chile.

Establishing a Preemptive Subscription Period in compliance with the Corporations Law was agreed so that the shareholders have the possibility to subscribe the number of shares of the new issuance according to their respective prorate, within a 30 day period. Similarly, it was agreed to establish a remnant Offer Period, in which the shares not subscribed during the preemptive rights period, as well as the corresponding fractions that result from the prorate, are offered to the shareholders and/or third parties in a manner determined freely by the Board of Directors, within a 15 day period beginning the day that the Preemptive subscription period expires, subject to the restriction that the shares may not be offered at lower prices or under more favorable conditions than those offered during the Preemptive Subscription Period. The Extraordinary Shareholders Meeting also established that the capital increase must be completed beginning the date of the Extraordinary Shareholders Meeting. Once the one year time period is over, if

the total amount of the capital increase has not been reached, it is to be reduced to the amount actually issued, subscribed and paid.

Similarly, the Extraordinary Shareholders Meeting agreed to approve that all stock subscription contracts be subject to satisfying a condition precedent requiring that those interested subscribe and paid, either in the preemptive subscription period or In the remnant subscription period, at least the number of shares necessary to allow Endesa (Spain) to subscribe and pay the total number of shares according to its prorata, without exceeding the 65% of capital with voting rights legal and statutory concentration limit. In the event that the total number of shares subscribed and paid implies that Endesa (Spain) exceeds such limit, the condition shall automatically be deemed not satisfied and the subscription contracts of shares would have no legal effect, returning the amounts delivered for the shares to the subscribers.

The Extraordinary Shareholders Meeting also informed that the Board of Directors had proposition with regard to the Use of Proceeds Plan presented, which forecasted that the cash to be obtained by the Company, if the capital increase was completed, would be primarily used to purchase shareholdings in Companies that Enersis already consolidates and carry out acquisitions in South America and in activities in which Enersis S.A. currently operates, that contribute to the best interest of the Company because they add value and allow taking advantage of market opportunities (M&A).

The Extraordinary Shareholders Meeting agreed to amend articles fifth permanent and second transitional of the Company's by-laws according to the agreements adopted in the same Shareholders Meeting on the capital increase and to authorize the Company's management to provide a consolidated and updated text of by-laws.

The Extraordinary Shareholders Meeting also informed that of December 18, 2012, the Directors Committee examined, and unanimously, sent the subscription of shares contract between Enersis and its controlling shareholder, Endesa (Spain), which includes the controlling shareholder's commitments, without observations to the Board of Directors.

Finally, the Extraordinary Shareholders Meeting agreed to authorize the Board of Directors to, among other matters, determine the shape, time and procedure for the placement of shares related to the capital increase operation, the registration of the stock issuance in the Securities Registry, the deadline for the issue, subscription and payment of the shares; establish the procedure and characteristics of the remnant shares placement that are not subscribed during the preemptive subscription period, and also to adopt all necessary agreements conducive and convenient for the development and implementation of the respective decisions adopted by the Board.

After the Extraordinary Shareholders Meeting took place, the administration of the Company presented the registration request of the new





shares to the Superintendence of Securities and Insurance, which proceeded to register the new shares on February 13, 2013, according to Certificate N°971.

Finally, the Board of Directors, during session held February 15, 2013, unanimously agreed to begin the Preemptive Offer in Chile on February 25, 2013, and in the North American market on February 26 of the same year, and which ended, respectively, on March 26 and 21 of 2013.

All background information that has been referred to in this chapter is available to the shareholders on the Enersis S.A. website (www.enersis.cl) and also at the main office located on Avda. Santa Rosa N°76, Santiago.

1.2. Other matters of interest

1.2.1. Expert report and independent evaluations

The expert report prepared by Eduardo Walker Hitschfeld, priced the assets of Cono Sur at US\$4,862 million using the DCF methodology, while the independent evaluators commissioned by the Board of Directors and the Directors Committee determined the value of Cono Sur using the discounted cash flow methodology (DCF) and an estimate of the market value of the assets themselves. IM Trust, hired by the Board of Directors of the company, using DCF determined that the assets were worth US\$4,709 million,

while the market value of the assets would be within the US\$3,445 million and US\$3,621 million range. Claro y Asociados, commissioned by the Directors calculated the value of the assets to be US\$4,627 million using the DCF, and the market value of Cono Sur was estimated within the US\$ 3,870 million and US\$3,912 million range.

1.2.2. Endesa (Spain) contribution

Endesa (Spain) will subscribe to the capital increase by contributing Cono Sur Participaciones S.L., a company that owns shareholdings of 25 generation, transmission and distribution companies in the 5 countries in which Enersis operates in South America.

Enersis currently holds shareholdings in 20 of such companies that are consolidated into the financial statements of the Company. Eléctrica Cabo Blanco S.A.C., Empresa Eléctrica de Piura S.A., Yacylec S.A., Inversora Dock Sud S.A. and Central Dock Sud S.A. are the new companies that would be added if the operation is successful.

1.2.3. Main impacts if the operation in Enersis is successful

- 1) Enersis incorporates, all at once, shareholdings of companies with operations in electricity generation and distribution in South America, allowing the Company to significantly increase its investment without incurring in transaction costs nor greater risks, given that the companies are, almost all of them, already managed by Enersis.

- 2) The contribution of Emgesa and Codensa will allow Enersis to consolidate these investments without needing the votes of Endesa (Spain), that it needs currently.
- 3) The addition of Empresa Eléctrica de Piura S.A. implies increasing Enersis presence in the generation sector in Peru, through a good quality asset that presents attractive growth opportunities. This company is currently building a 200 MW installed capacity power plant that will begin operations during the first trimester 2013.
- 4) If the contribution to net income after tax that these new shareholdings would be compared to the new shares of Enersis to be issued in exchange for these shareholdings, it would have a positive effect for the current shareholders of Enersis in terms of profit per share, both this year as well as following years.
- 5) The contribution of these shareholdings leads to a significant reduction in minority interest at the Enersis level, which should translate into a lower price discount of the Enersis stock, considering that Enersis would have a greater share of these subsidiaries, reaching or getting close to 100% in several of them.
- 6) The cash that would be raised, complementing the capital increase, would represent an important source of growth, fostering the aforementioned even more.
- 7) The debt ratio, calculated as Total Liabilities divided by Total Equity will improve. For example, using December 2012 figures, the debt ratio of Enersis was 0.91, and if the capital increase had already taken place it would have been 0.80.

1.2.4. Use of Proceeds

1.2.4.1. Acquisition of relevant minority shareholdings

There are different potential minority acquisitions that could take place in the short/midterm. Such acquisitions must add value to the company.

1.2.4.2. M&A opportunities.

The electricity industry in South America is currently in a consolidation stage and Enersis

is in an excellent position to take advantage of the context.

Opportunity to create value through M&A operations in: Brazil, Colombia and Peru

Any investment decision will be approved by the Board of directors of Enersis, according to the Company's investment policy and ensuring benefits for all shareholders

1.2.5. Subscription periods

The stock markets in which the subscription rights to the capital increase are traded are:

- Santiago Stock Exchange
- NYSE

The subscription periods for both markets are:

- February 25 thru March 26 2013 in Chile.
- February 26 thru March 21 2013 in the United States

1.2.6. Bank Advisors

- Global Coordinators: J.P. Morgan, BTG Pactual/Celfin, Bank of America Merrill Lynch.
- Joint Bookrunners: Banchile, BBVA, Crédit Suisse, Deutsche Bank, Goldman Sachs, HSBC, LarrainVial, Morgan Stanley y Santander.
- Co-managers: BNP Paribas, Crédit Agricole y Mitsubishi UFJ Securities.

2. Investment plan

We coordinate the overall financing strategy of our subsidiaries and intercompany loans to optimize debt management as well as the terms and conditions of our financing. Our subsidiaries independently develop their capital expenditure plans that are financed by internally generated funds or direct financings. One of our goals is to focus on investments that will provide long-term benefits, such as energy loss reduction projects.

Our investment plan is flexible enough so as to adapt to changing circumstances by giving different priorities to each project in accordance with profitability and strategic fit. Investment priorities are currently focused on developing projects in Chile, Peru and Colombia.



2.1. Generation

Our capital expenditure in generation totaled \$311 billion in 2012, of which \$68 billion were invested in Chile and \$243 billion outside the country, while in 2011, these amounts totaled US\$289 billion, of which US\$116 billion were invested in Chile and the rest overseas.

Our expansion plan investments in 2012 were concentrated in Chile, Colombia and Peru. In Chile, starting up operations of Bocamina II, a 350 MW installed capacity power plant, was our main expansion investment. In Colombia, our most important expansion investment was the construction of the hydroelectric project El Quimbo, a 400 MW installed capacity power plant.

2.2. Distribution

Our investments in 2012 totaled \$403 billion, mainly to meet consumption needs resulting from population growth and new customers, not only investing to connect these new customers, but also to increase capacity and strengthen the companies' high voltage, medium voltage and low voltage installations. Of this amount, \$52 billion were invested in Chile and \$351 billion outside the country. On the other hand in 2011, capital expenditures totaled \$465 billion, to meet consumption needs resulting from population growth and new customers, and also to improve service quality. Of this total amount, \$44 billion were invested in Chile.

In Chile, during 2012, Chilectra invested a total of \$52 billion in projects related primarily to growing energy demand, offering an increasingly reliable service to all its customers, and also in projects of service quality, safety and loss prevention projects. Chilectra, as it did in 2011, continued developing Intelligent Connectivity plans, which aim to integrate new technology into electricity infrastructure, information and communication systems.

In high voltage, works were performed to increase capacity of SS/EE El Salto 220/110 KV by 400 MVA (reaching a total 800 MVA capacity), and reinforce the 110KV "El Salto - San Cristóbal" and "Chena - Cerro Navia" transmission lines. With respect to medium voltage, the new SS/EE Bicentenario 110/12KV (25 MVA) was connected to the electricity system, and the Level of Voltage change, from 12 kV to 23 kV, has continued, and has added 3,750 MVA. This modification allows increasing the networks capacity, leading to less medium tension (MT) lines, lower technical losses and reduce the visual impact of electricity lines in the city. Also, 11 new lines were built in the Alonso de Córdova, la Reina, Vitacura, San José, Chacabuco, Lo Boza, Lo Valledor and Bicentenario substations.

In Argentina, our subsidiary Edesur, Invested nearly \$50 billion mainly in important electricity infrastructure projects, including the new substation Rigolleau and also increasing and renovating the medium and low voltage network. Finally, the remote control of the medium voltage network project that began in 2011 continued, and the technical quality of the service.

Regarding Brazil, total investment \$176 billion. In particular, Ampla invested a total of US\$115 billion, mainly focused on the reduction of energy losses, the improvement of distribution network quality, and on the connection of new customers.

In Coelce, investment totaled \$62 billion, mainly related to new network and connection projects in order to add new customers. In this regard, as it has been over the past few years, special attention has been placed on the program “light for everyone”, a program supported by the Government of the State of Ceará to supply energy to customers in rural areas.

In Colombia, total investment reached \$70 billion in projects mainly focused on expansion, to serve new customers and satisfy growing demand from an overall perspective, including all voltages of the distribution network.

The investments of Codensa were concentrated on the New Urban Demand programs related to the construction of the infrastructure necessary to satisfy new demand; and on beginning the construction of substation Subestación Norte 500/115 KV (450 MVA).

The investments of the company Empresa Eléctrica de Cundinamarca were mainly focused on standardizing medium y high voltage networks.

In Peru, Edelnor conducted investments for a total amount of \$54 billion mainly focused on satisfying growing demand, and always on reinforcing safety of the low and medium voltage lines.

Edelnor developed significant projects during 2012, such as: Human Settlements, intended to connect customers located on the peripheral areas to the company’s concession zone; Infrastructure and network relocation for Lima’s “electric train”, which was completely financed by contributions; and the works of the new substation SS/EE Zapallal 220/60 KVA (180 MVA) and related lines, whose start up is expected to take place in early 2013.

3. Financial activities

The financial activities of the Enersis Group have always been an important and priority matter. Work has been carried out on improving the financial profile of both Enersis and its subsidiaries, with capital and debt issues carried out on the best conditions prevailing in the market.

The following are among the most relevant financial events in the history of Enersis:

Between 1988 and 1992, Enersis’ shares began to trade on the local stock exchanges and, on October 20, 1993, on the New York Stock Exchange (NYSE), through ADSs with the ticker ENI.

In February 1996, Enersis made a second issue of shares on both the local and international markets. It also issued bonds in the United States for a total amount of US\$800 million, with maturities in 2006, 2016 and 2026.



In February 1998, Enersis increased its capital was again and issued convertible bonds amounting to US\$ 200 million.

In 2000, it made another capital increase of approximately US\$525 million.

On December 17, 2001, the shares of Enersis began to trade on the Latin American Securities Market (LATIBEX) of the Madrid Stock Exchange, with the ticker XENI.

Between June and December 2003, a new capital increase of Enersis took place which strengthened the Company's equity base by more than US\$2 billion.

In 2012, financial operations included both rollovers and new financings and coverage in foreign subsidiaries for a total amount equivalent to US\$1,376 million, US\$117 million in Argentina, US\$533 million in Brazil, US\$623 million in Colombia and US\$104 million in Peru.

Due to amendments signed between 2006 and 2010 to local bond and Yankee bond indentures, and credit line agreements of Enersis and Endesa Chile signed under the Law of New York, to date an event of default in any foreign subsidiary has no effect on the debt of Chilean parent companies.

3.1. Domestic finances

Endesa Chile, at year end 2012, have committed credit lines available for the equivalent of US\$200 million. Both Enersis and Endesa Chile are in the process of renewing their committed credit lines for UF 2.4 million, respectively, which in total add up to approximately US\$228 million.

Also, Enersis and Endesa Chile and their subsidiaries in Chile, at year end 2012, have non-committed credit lines available in the domestic market for the equivalent of US\$349 million and US\$235 million, respectively.

During 2012, Enersis' domestic bond program for 12.5 Unidades de Fomento remained open, which the Company registered in the Securities Register of the Superintendencia of Securities and Insurance in February 2008.

At year-end 2012, commercial credit lines for an amount of up to US\$200 million, for both Enersis and Endesa Chile, remained unused. These credit lines were registered in January 2009, in the Securities Register of the Superintendencia of Securities and Insurance.

In addition to the revolving credit facilities and bond programs mentioned, both Enersis and Endesa Chile along with their subsidiaries in Chile, ended the year with available cash of US\$451 million, US\$438 million for Enersis and US\$13 million for Endesa Chile.

The consolidated financial debt of Enersis at December 2012 was US\$7,236 million. Of this amount, US\$4,080 million corresponded to Endesa Chile consolidated. This debt is mainly composed by international bonds, local bonds and bank debt,

The consolidated cash position of Enersis closed at US\$2,196 million, thus the net debt amounts to US\$5,039 million.

With respect to the bank financing, Endesa Chile maintains the US\$200 million syndicated loan signed in June 2008 expiring in June 2014, whose agent is BBVA Bancomer

3.2. Finanzas internacionales

Year 2012 was marked by the fragility of the Euro Zone, due to their fiscal and financial problems. In spite of this, the majority of the emerging economies had a solid performance in terms of economic growth. The financial debt markets in most of the countries in which the Enersis Group assets are located are open and allowed foreign subsidiaries to continue refinancing their debt on longer term conditions, even improving interest rates and complying with financial risk control policies. In Argentina the complex operational situation has caused company cash flow instability, although through diverse operational and financial measures adopted, a balance has been achieved by year end 2012.

In 2012, financial operations included both rollovers and new financings and coverage in foreign subsidiaries for a total amount equivalent to US\$1,376 million, US\$117 million in Argentina, US\$533 million in Brazil, US\$623 million in Colombia and US\$104 million in Peru.

3.3. Main financial operations closed during 2012

3.3.1. Argentina

During 2012, Endesa Costanera refinanced bank debt maturities for approximately US\$99 million. Hidroeléctrica El Chocón obtained bank loans for US\$8 million to finance working capital. Edesur, refinanced bank debt maturities for approximately US\$ 13 million.

3.3.2. Brazil

Ampla carried out a successful local bond issue for an amount equivalent to US\$197 million allowing them to increase average maturity of their debt.

Ampla and Coelce also purchased interest rate swaps for amounts equivalent to US\$108 and US\$52 million respectively. Agreements were signed with BNDES to finance investments in Ampla and Coelce for amounts equivalent to approximately US\$223 and US\$108 million respectively

3.3.3. Colombia

In Emgesa, the most relevant financial operation in 2012 was refinancing a syndicated loan equivalent to approximately US\$173 million and structuring a local bond issuance for an amount equivalent to US\$283 million, which will be used to finance the Quimbo project.

3.3.4. Peru

Edelnor refinanced US\$68 million short term maturities, extending the average maturity of their debt. Chinango, subsidiary of Edegel, signed a 5 year US\$10 million bank loan, whose proceeds were used to refinance maturities. Interest rate hedging operations were also carried out for approximately US\$10 million.

3.4. Coverage/Hedging policy

3.4.1. Exchange rate

The Group's exchange rate hedging policy is based on cash flows and its objective is to keep a balance between flows indexed to foreign currency (dollar) and the levels of assets and liabilities in

that currency. During 2012, Enersis' financial transactions enabled it to maintain a level of dollar liabilities adjusted to the expected flows in that currency, with the exception of Argentina.

As part of this policy, forwards for US\$244 million were contracted in Chile to cover the dividends being received from subsidiaries in different currencies. The other companies of the Group within the region purchased exchange rate forwards for US\$10 million in order to redenominate future cash outflows according to the indexation of its inflows.

3.4.2. Interest rate

The Group's policy consists of maintaining levels of fixed rate debt and protected over total net debt, within a band of more or less 10% with respect to the ratio established in the annual budget. If a deviation when compared to the budget occurs, hedging operations are contracted according to market conditions.

Based on the above, during 2012, Interest rate swaps for the equivalent to US\$160 million were contracted in order to fix the CDI (variable interest rate indexed to inflation in Brazil) and US\$10 million to fix the libor (London Interbank Offering Rate). At year end, December 2012, the consolidated fixed plus protected debt over total net debt ratio was 61%.

4. Credit risk rating

On November 9, 1994, Standard and Poor's and Duff & Phelps rated Enersis for the first time as BBB+, i.e. an investment grade company. Later, in 1996, Moody's rated the company's foreign currency long-term debt as Baa1.

Over time, most of the credit ratings have varied. They are currently all "investment grade" with a stable outlook, rating that is based on the diversified asset portfolio, the liquidity and appropriate debt hedging policies.

Enersis subsidiaries have a solid financial condition and a leadership position in the markets in which they operate.

Among the main events that have taken place over the last few months, we may highlight the following:

- On October 19, 2012 Standard & Poor's Enersis BBB+ international rating with a stable perspective. This occurred when Enel SpA y Endesa (Spain) were reviewed, and in which both credit risk ratings were confirmed, but in which both changed perspectives from stable to negative, due to the downgrade of Spain's country risk rating.
- Finally, On September 26, 2012, Humphreys gave Enersis local bonds an "AA" rating, "AA/level 1" to the commercial papers program and "1° class level 1" to the company stock.
- On June 18, 2012, Moody's reaffirmed Enersis corporate Baa2 rating with a stable outlook

The ratings are based on the company's diversified portfolio of assets, strong credit parameters, appropriate debt profile and ample liquidity. The geographical diversification of Enersis within Latin America provides natural hedging against the diverse regulatory frameworks and weather conditions.

4.1. International rating

| Enersis | S&P | Moody's | Fitch |
|-----------|---------------|---------------|---------------|
| Corporate | BBB+ / Stable | Baa2 / Stable | BBB+ / Stable |

4.2. Local rating

| Enersis | Feller Rate | Fitch | Humphreys |
|---------|-------------------|-------------------|-------------------|
| Stocks | 1° class, level 1 | 1° class, level 1 | 1° class, level 1 |
| Bonds | AA / Stable | AA / Stable | AA / Stable |

5. Properties and insurance

The company owns some equipment and substations in the Santiago Metropolitan Region. The company holds insurance against risks such as fire, lightning, explosions, malicious acts, earthquakes, floods, alluvium, terrorism, damage to third parties and others.

6. Brands

The Company holds the following registered trademarks: Enersis, EnersisPLC, Enersis.PLC and Internet a la velocidad de la luz (speed of light) Enersis PLC.

7. Suppliers, customers and relevant competitors

Changes to the wording and the list continue: As Enersis is a company operating mainly in the area of generation and distribution, it has chosen to consider the suppliers, customers and important competitors of its principal subsidiaries in Chile, e.g. Endesa Chile and Chilectra.

Based on this definition, the suppliers, customers and important competitors for the Company have been considered to be: Metro S.A., Cencosud Retail S.A., Walmart Chile S.A., Mall Plaza, CGE, Colbún S.A., AES Gener S.A., Guacolda, PacificHydro S.A., Saesa, Chilquinta S.A., Tinguiririca Energía, Minera Los Pelambres S.A, Gerdau Aza S.A., CAP, Ingeniería y Construcción Tecnimont S.A., Tecnimot SPA, Mitsubishi Corporation, Codelco Salvador, Compañía Minera Carmen de Andacollo, E-CL Suez, CAM Chile, FAE - Lumisistemas Ltda., Bauen Efasec S.A. y ABB S.A.



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risk factors

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Risk Factors



1. Risk Factors

The Group's companies are exposed to certain risks that are managed by systems that identify measure, limit concentration of, and monitor these risks.

The main principles in the Group's risk management policy include the following:

- Compliance with corporate governance standards.
- Strict compliance with all the Group's internal policies.
- The Group's Risk Committee is the organization in charge of defining, approving, and updating the basic principles that are to inspire actions taken regarding risk.
- Risk Governance is organized operationally through the Risk Control and Risk Management areas, which are two independent functions.
- Each business and corporate area determines
 - I. The markets and product areas in which it will operate based on its knowledge and ability to ensure effective risk management.
 - II. Criteria regarding counterparts.
 - III. Authorized operators.
- Business and corporate areas establish their risk tolerance in a manner consistent with the defined strategy for each market in which they operate.
- Business limits are ratified by the Group's Risk Committee.
- All of the operations of the businesses and corporate areas are conducted within the limits approved for each case.
- Businesses, corporate areas, lines of business and companies design the risk management controls necessary to ensure that transactions in the markets are conducted in accordance with Enersis' policies, standards, and procedures.

1.1. Interest rate risk

Changes in interest rates affect the fair value of assets and liabilities bearing fixed interest rates, as well as the expected future cash flows of assets and liabilities subject to floating interest rates.

The objective of managing interest rate risk exposure is to achieve a balance in the debt

structure to minimize the cost of debt with reduced volatility in profit or loss.

In compliance with the current interest rate hedging policy, the proportion of fixed debt and/or hedged debt over the net total debt was 61% as of December 31, 2012.

Depending on the Group's estimates and on the objectives of the debt structure, hedging transactions are performed by entering into derivatives contracts that mitigate interest rate risk. Derivative instruments currently used to comply with the risk management policy are interest rate swaps to set floating rate at fixed rate.

1.1.1. Coverage and protection:

With the purpose of reducing the volatility of financial statements resulting from changes in the interest rate, we maintain an adequate balance in our debt structure. Additionally, we have interest rate swaps for US\$ 463 million.

The financial debt structure of the Enersis Group in terms of fixed, protected and variable, after derivatives, is the following:

Net position:

| | 31-12-2012 % | 31-12-2011 % |
|------------------------|-----------------|-----------------|
| Fixed interest rate | 61% | 62% |
| Variable interest rate | 39% | 38% |
| Total | 100% | 100% |

1.2. Exchange rate risk

Exchange rate risks involve basically the following transactions:

- Debt contracted by the Group's companies that is denominated in a foreign currency
- Payments to be made in international markets for the acquisition of project-related materials.
- Group company income directly linked to the US dollar.
- Cash flows from foreign subsidiaries to the Chilean parent company, exposed to exchange rate fluctuations.

The Group's foreign currency risk management policy is based on cash flows and is aimed towards maintaining a balance between cash flows in foreign currency (US\$) and the assets

and liabilities denominated in this currency. We also have US\$ 1,470 million cross currency swaps and forwards for US\$ 28 million

1.3. Commodity price risk

The Enersis Group is exposed to risk arising from the price volatility of some “commodities”, fundamentally related to:

- Purchase of fuel used to generate electricity
- Purchase and sale transactions of electricity that take place in local markets

In order to reduce the risk in situations of extreme drought, the company has designed a commercial policy that defines the levels of sales commitments in line with the capacity of its generating power plants in a dry year and includes risk mitigation clauses in certain contracts with unregulated customers.

Considering the operating conditions faced by the power generation market in Chile, with drought and price volatility of commodities in international markets, the Group is constantly verifying the convenience of hedging against the impact of these prices on profits. As of December 31, 2012, we have swaps for 462 thousand barrels of Brent to January 2013 and 365 thousand tons of coal from February thru June 2013.

Operating conditions are constantly monitored, which may lead to changes in hedging amounts or lead to include other commodities.

1.4. Liquidity risk

The Group maintains a liquidity risk management policy that consists of entering into long-term committed banking facilities and temporary financial investments for amounts that cover the projected needs over a period of time that is determined based on the situation and expectations for debt and capital markets. The projected needs mentioned above include net financial debt maturities, that is, net of financial derivatives. For further details regarding the features and conditions of financial obligations and financial derivatives, see Notes 18 and 20, and Appendix No.4.

As of December 31, 2012, the Group has cash and cash equivalent totaling Th\$ 857,380,018 and unconditionally available long term credit lines totaling Th\$ 240,683,000. As of December 31, 2011, the Enersis Group had Th\$ 1,219,921,268 in cash and cash equivalents and Th\$ 238,832,000 in unconditionally available long term credit lines

1.5. Credit risk

Given the current economic situation, the Group has been closely credit risk.

1.5.1. Trade receivables

The credit risk for receivables from our commercial activity has historically been very low, due to the short term period of collections from customers, resulting in non-significant cumulative receivables amounts. This situation applies to both the electricity generation and distribution lines of business.

In our electricity generation business, some countries' allow the suspension of supply to customers with outstanding payments, and most contracts have termination clauses for payment default. The Company monitors its credit risk on an ongoing basis and measures quantitatively its maximum exposure to payment default risk, which, as stated above, is very low.

In our electricity distribution companies, the suspension of energy service for customers in payment default is permitted in all cases, in accordance with current regulations in each country. This facilitates our credit risk management, which is also low in this line of business.

1.5.2. Financial assets

Cash surpluses are invested in the highest-rated local and foreign financial entities (with risk rating equivalent to investment grade) with thresholds established for each entity.

Banks that have received investment grade ratings from at least two of the three major international rating agencies (Moody's, S&P, and Fitch) qualify in order to invest.

Investments are backed with treasury bonds from the countries in which the company operates and/or with commercial papers issued

by the highest rated banks; wherever possible and when market conditions permit, the treasury bonds are preferred.

Derivative instruments are entered into with entities with solid creditworthiness and therefore all transactions are carried out with investment grade entities

1.6. Risk measurement

The Enersis Group measures the Value at Risk of its debt positions and financial derivatives in order to ensure that the risk assumed by the company remains consistent with the risk exposure defined by management, thereby reducing income statement volatility.

The portfolio of positions included in calculating the current Value at Risk consists of the following:

- Debt
- Financial derivatives

The Value at Risk determined represents the potential loss in value of the portfolio of positions described above in one day with a 95% confidence level. To determine the VaR, we take into account the volatility of the risk variables affecting the value of the portfolio of positions including:

- U.S. dollar Libor interest rate.
- The customary local indexes used in the banking industry for debt, considering the various currencies in which our companies operate.
- The exchange rates of the various currencies used in the calculation.

The calculation of VaR is based on generating possible future scenarios (at one day) of market values (both spot and term) for the risk variables, using Bootstrapping simulations. The number of scenarios generated ensures compliance with the simulation convergence criteria. The table of volatilities and correlations between the various risk variables calculated based on the historical values of the logarithmic price return has been applied to simulate the future price scenario. Once the price scenarios have been obtained, the fair value of the portfolio is calculated using such scenarios, thereby obtaining a distribution of possible values at one day. The one-day 95%-confidence VaR number is calculated as the 5% percentile of the potential increases in the fair value of the portfolio in one day. The various debt positions and financial derivatives included in the calculation have been valued consistently using the financial capital calculation methodology reported to management.

Taking into account the assumptions described above, the Value at Risk of the previously discussed positions, broken down by type of position, is shown in the following table:

| Financial positions | 31-12-2012 M\$ | 31-12-2011 M\$ |
|---------------------|-------------------|-------------------|
| Interest rate | 16,015,372 | 41,560,004 |
| Exchange rate | 2,344,016 | 3,602,591 |
| Correlation | (638,396) | (310,050) |
| Total | 17,720,992 | 44,852,545 |

The Value at Risk positions have varied during the 2012 and 2011 fiscal years depending on the start/maturity of operations throughout each year.







regulatory framework of the industry

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1. Description of the Industry

Enersis and its subsidiaries and joint control companies participate in electricity generation and commercialization in five countries, each having its respective regulatory framework, energy matrix, participating companies, and consumption and growth profile. The following briefly summarizes the main bodies that regulate the activity, the size of the market and the most important aspects with respect to the agents of each of the countries in which the company operates.

1.1. Argentina

1.1.1. Industry structure

The electricity industry in Argentina is governed by Law No. 15,336 in place since 1960 and Law No. 24,065 since 1992. In the Wholesale Electricity Market (MEM in its Spanish acronym) there are four categories of local agents (generators, transmitters, distributors and large customers) and foreign agents (traders of generation and traders of demand) who are allowed to buy and sell electricity as well as related products.

The generation sector is organized on a competitive basis, with independent generators selling their output on the MEM's spot market or through private contracts to purchasers on the MEM's contract market or to CAMMESA through special transactions like contracts.

Transmission operates under monopoly conditions and is comprised of several companies to whom the Federal Government grants concessions.

Distribution operates under monopoly conditions and is serviced by companies who have also been granted concessions. Distribution companies have the obligation to make electricity available to end customers within a specific concession area, regardless of whether the customer has a contract with the distributor or directly with a generator.

In year 2002, due to the economic crisis that affected the country, Law 25,561, the Public

Emergency Law, was enacted, which forced the renegotiation of public service contracts and imposed the conversion of dollar denominated obligations and rights into Argentine pesos. This mandatory nominal conversion from dollars to pesos had a significant impact on the entire electricity industry in Argentina. The Government also began approving several regulatory changes that gradually began to interfere in the development of the industry. Within this context, in 2012, the Government announced its intention to move forward with the implementation of a new regulatory framework, based on average costs, maintaining a segmentation based on the activity segment to ensure a balance between compensation, level of investment and reasonable return. Until its final implementation (in 2014) and during this transitional period, the companies of the Group present in Argentina are reaching different specific agreements with the Secretary of Energy, allowing to continue operations of the companies.

1.1.2. Generation regulation

All generators that are MEM agents have to be connected to the Argentine Interconnected System (SIN in its Spanish acronym) and are obliged to comply with the dispatch order to generate and deliver energy to the Argentine SIN, in order to be sold in the spot market or in the term market. (MAT in its Spanish acronym). Distribution companies, traders and large customers that have entered into private supply contracts with generation companies, pay the contractual price directly to the generator and also pay a toll to the transmission and/or distribution company for the use of their systems.

The emergency regulations enacted after the Argentine crisis in 2001 had a significant impact on energy prices. Among the measures implemented pursuant to the emergency regulations were the pesification of prices in the spot market, and the requirement that all spot prices be calculated based on the price of natural gas, even in circumstances where alternative fuel such as diesel is purchased to meet demand due to the lack of supply of natural gas. This forces the market price to decline, considering that operating with natural gas is less expensive than with liquid fuels.



In addition to energy payments for actual output at the prevailing spot market prices, generators would receive compensation for capacity placed at the disposal of the SIN, including stand-by capacity (for system capacity shortages) and ancillary services (such as frequency regulation and voltage control).

The regulatory framework governing payment for generation capacity continues to be the same that governed in 2002, with generators receiving compensation for available capacity at Ar\$ 12 per MW until today. During 2011 the payment for thermal generation capacity increased as an incentive to increase installed capacity, particularly for steam turbines and combined cycles, but this was not renewed for year 2012.

Generators may also enter into agreements in the term market to supply energy and capacity to distributors and large customers. Distributors are able to purchase energy through agreements in the term market instead of purchasing energy in the spot market. Term agreements typically stipulate a price based on the spot price plus a margin.

In order to stabilize the prices for distribution tariffs, the market has a seasonal price as the energy price to be paid by distributors for their purchases of electricity traded in the spot market. It is a fixed price determined every six months by the Secretariat of Energy after CAMMESA has

recommended the seasonal price level for the next period according to its estimated spot price, which is based on its evaluation of the expected supply, demand and available capacity, as well as other factors. The seasonal price is maintained for at least 90 days. In order to adjust for the differences between this price and the real cost of generation, a stabilization fund is created. If the seasonal price is lower than the cost of generation, an amount is withdrawn from the fund to compensate generation, if the opposite occurs a contribution is made to the fund. Since 2002, the Secretariat of Energy has maintained the average seasonal price. Therefore, a significant deficit has built up in the stabilization fund, which the Argentine Government has been covering, through subsidies.

Within the framework of agreements with the Government in order to allow the development of our operations in Argentina, on October 12, Endesa Costanera subscribed an agreement in order to carry out an investment plan for the generation units of Central Costanera, to optimize the reliability and availability of such equipment, for a total amount of US\$304 million, over a 7 year period. The agreement also considers the payment of the commitments included in the maintenance contract, (Long Term Service Agreement –LTSA-) of the power plant's combined cycles.

1.1.3. Distribution regulation

Distributors are companies holding a concession to distribute electricity to consumers.

Distributors are required to supply any and all demand of electricity in their exclusive areas of concession, at prices (tariffs) and conditions set in the regulation. Penalties for non-supply are included in the concession agreements. Concessions were issued for distribution and retail sale, with specific terms for the concessionaire stated in the contract. The concession periods are divided into “management periods” allowing companies to give up the concession every so long.

Most distribution companies have been renegotiating contracts since 2005 and although tariffs were partially and temporarily established, the Comprehensive Rate Revision Process (RTI in its Spanish acronym) process is still pending.

As a result of this renegotiation process, during 2006, our subsidiary Edesur entered into an “Agreement for Renegotiation of Concession Contract.” This Agreement established, among several conditions, a temporary tariff regime which considered an increase in the VAD, a service quality regime, and a Comprehensive Rate Revision Process (RTI in its Spanish acronym) to be implemented by ENRE in the future. The Agreement considered defining a semiannual tariff adjustment based on the performance of an ad hoc inflation index, known as Cost Monitoring Mechanism (MMC in its Spanish acronym). The first adjustments due to inflation took place in 2008, but since then it has never again been officially acknowledged. Notwithstanding the aforementioned, the Argentine government has created different alternative regulations that have allowed distribution companies to continue supplying electricity.

One of them has been called Energy Efficiency Program, PUREE (in its Spanish acronym). This program was created in 2004 by the Secretary of Energy and established bonuses and penalties to customers depending on their level of energy savings based on a referential consumption; the

net difference between the bonuses and penalties was originally deposited in the Stabilization Fund, but this was subsequently modified at the request of Edesur and Edenor, authorized by the Secretary of Energy, in order to use these funds to compensate for the variations in costs, the greater, not recognized costs, MCC (in its Spanish acronym.)

Additional costs to include in customers tariffs have also been approved to finance expansion and quality plan investments of distributors. In November, 2012, Resolution ENRE 347 was approved, enabling to differentiate charges among customers based on future RTI. This tariff adjustment has implied 437 million Argentine pesos of additional revenue for Edesur, which represents a 40% increase of VAD and 20% Increase of tariffs.

1.1.4. Transmission regulation

Transmission was shaped on the basis of the general conception and principles established in Law 24,065 for the transmission business, adapting the activity to the general criteria contained in the concession granted to Transener S.A. by Decree 2,743/92. This transmission business, for technological reasons, is related to economies of scale which do not allow for competition, and is therefore a monopoly and is subject to considerable regulation.

1.1.5. Environmental regulation

Electricity facilities are subject to federal and local environmental laws and regulations, including Law 24,051, or the Hazardous Waste Law, and its ancillary regulations.

Certain reporting and monitoring obligations and emission standards are imposed on the electricity sector. Failure to satisfy these requirements entitles the government to impose penalties, such as suspension of operations which, in case of public services, could result in the cancellation of concessions.

Law 26,190, enacted in 2007, defined the use of non-conventional renewable energy for electricity production as a national interest and set as a target 8% market share for generation from renewable energies within a 10 year period



1.2. Brazil

1.2.1. Industry structure

Brazil's electricity industry is organized into one large interconnected electricity system, the National Interconnected System, which covers most of Brazil's regions, and several other small, isolated systems. Generation, transmission, distribution and trading are legally separated activities in Brazil.

The industry is regulated by the Federal Government, through the Ministry of Mines and Energy (MME in its Portuguese acronym) and also through the Brazilian National Electricity Agency (ANEEL in its Portuguese acronym).

According to Law N° 10,848, in 2004, the electricity wholesale market, as an instrument for spot price determination, is residual. On the other hand, the wholesale price is based on the average price of biddings, having biddings for existing energy separate from biddings for new energy. The latter consider long term contracts in which new generation projects must cover the growth in demand projected by distributors. Old energy bids consider shorter term contracts and aim to satisfy the electricity needs that arise from expiring contracts. Each bidding process is coordinated by the authority, defining maximum prices and, as a result, contracts are signed in which all participating distributors buy their corresponding percentage to each of the offering generators.

Transmission operates under monopoly conditions. Tolls for transmission companies are fixed by the Brazilian government. This applies to all electricity companies with transmission operations in Brazil. The transmission toll is fixed and, as well as transmission company revenues, does not depend on the amount of electricity transmitted.

Distribution is a public service that operates under monopoly conditions and is provided by companies who have also been granted concessions. Distributors in the Brazilian system are not allowed to: (i) develop activities related to the generation or transmission of electricity; (ii) sell electricity to unregulated consumers, except for those in their concession area and under the same conditions and tariffs maintained with respect to captive customers in the Regulated Market; (iii) hold, directly or indirectly, any interest in any other firm, corporation or company; or (iv) develop activities that are unrelated to their respective concessions, except for those permitted by law or in the relevant concession agreement. Generators are not allowed to hold more than 10% equity interests in distributors.

The unregulated market includes the sale of electricity between generation concessionaires, independent producers, self-producers, traders, importers of electricity, unregulated, and special consumers. It also includes contracts

between generators and distributors that were signed under the previous regulatory framework until they expire, point in which new contracts must be entered into under the terms of the new regulatory framework. According to the specifications set forth in Law No. 9,427/96, unregulated consumers in Brazil are currently those customers who: (i) demand a capacity of at least 3,000 kW and choose to contract the energy supply directly with generators or traders; or (ii) demand capacity in the range of 500-3,000 kW and choose to contract the energy supply directly with generators or traders.

The Brazilian system is coordinated by the Brazilian Electricity System Operator (ONS in its Portuguese acronym) and is divided into four sub-systems: South-East, Mid-West, South, North-East and North. In addition to the Brazilian system, there are also the isolated systems, i.e., those systems that are not part of the Brazilian system and are generally located in the Northern and North-Eastern regions of Brazil, and have as sole sources of energy the electricity generated by coal or oil fuelled thermal plants.

1.2.2. Generation regulation

Generating agents, whether public generation concessionaires, IPPs or self-producers, as well as trading agents, are allowed to sell electric power within the regulated contracting environment (ACR in its Portuguese acronym) or the free-market contracting environment (ACL in its Portuguese acronym), maintaining the competitive nature of generation and all agreements, irrespectively of having been entered in the ACR or in the ACL, are registered in the CCEE, and they serve as a basis for accounting and determining the difference adjustments in the short term market.

Pursuant to the market regulations, 100% of distributor's energy demand must be satisfied through long-term contracts signed before the expiration of current contracts in the regulated environment.

Generators can sell their energy to other generators through direct negotiation, at freely-agreed prices and conditions.

Another change imposed on the electricity sector is the separation of the bidding process for "existing power" and "new power projects." The government believes that a new power project needs more favorable contractual conditions such as the term of the power purchase agreements (15 years for thermal and 30 years for hydro) and certain price levels for each technology. On the other hand, existing power, which includes depreciated power plants, can sell their energy at lower prices in shorter term contracts.

Selling agents are responsible for payments to the buying agent if they are unable to satisfy their delivery obligations. ANEEL regulations set forth the fines applicable to electricity agents based on the nature and the materiality of the violation (including warnings, fines, temporary suspension of the right to participate in bids for new concessions, licenses or authorizations and forfeiture). ANEEL may also impose restrictions on the terms and conditions of agreements between related parties and, under extreme circumstances, terminate such agreements.

Decree 5,163/2004 establishes that the selling agents must assure 100% physical coverage for their energy and capacity contracts. This coverage may be satisfied by physical guarantees from its own power plants or someone else's; in the latter case through the energy or capacity purchase contract. Among other aspects, ANEEL's Resolution 109/2004 specifies that when these limits are not met, the agents are subject to financial penalties.

Generation agents may sell their electricity generation through contracts signed within the ACR or the ACL. Public service generators and IPPs must provide a physical coverage from their own electricity generation for 100% of their contracted sales. Self-producers generate energy for their own exclusive use, and after obtaining

ANEEL's authorization they may sell excess power through contracts.

Finally, in terms of generation, on September 11, the Government approved the Temporary Measure 579, which establishes the conditions necessary to renew the electricity sector concessions that expire 2015 and 2017 and the reduction of taxes within the electricity tariff. The Temporary Measure was approved with the purpose of reducing the final price of the electricity tariff and reboot economic activity in Brazil. The Measure does not affect the concession of any Enersis subsidiary in Brazil. In the official newspaper, on January 14, 2013, Law 12,783 the Temporary Measure, was approved.

1.2.3. Distribution regulation

In the regulated market, electricity distribution companies buy the electricity through bids that are regulated by ANEEL and organized by CCEE. Distributors must buy electricity at public bids. There are three types of regulated bids: new energy bids, existing energy bids and adjustment bids. The government also has the right to call special bids for renewable electricity (biomass, mini-hydro, solar and wind power). ANEEL and CCEE hold the bids annually. The contracting system is multilateral, with generating companies entering into contracts with all distributors who call for bids.

Distribution tariff rates to final customers are subject to review by ANEEL, which has the authority to adjust and review these tariffs in response to changes in energy purchase costs and market conditions. When adjusting distribution tariffs, ANEEL divides the Annual Reference Value, the costs of distribution companies, into: (i) costs that are beyond the control of the distributor ("Part A costs"), and (ii) costs that are under control of distributors ("Part B costs"), the Value-Added Distribution. Each distribution company's concession agreement provides for an annual adjustment.

The Concessions Law establishes three kinds of reviews for final consumer tariffs: annual tariff resetting, and both ordinary and extraordinary tariff reviews. The reviews are those every four or five years and are performed according to concession contracts (in Companhia Energética do Ceará, S.A. every four years and in Ampla Energia e Serviços, S.A. every five years). The annual review adjusts VAD costs according to the annual inflation (in Brazil tariffs are adjusted annually). Finally, the extraordinary revisions

occur when an important event significantly affects the value of the tariff.

Distribution companies' tariff setting aims to maintain concessionaire's operating margins constant allowing for tariff gains due to Part A costs and permitting the concessionaire to retain any efficiency gains achieved for defined periods of time. Tariffs to end users are also adjusted according to the variation of costs incurred in purchasing electricity.

The ordinary tariff reviews take into account the entire tariff-setting structure for the company, including the costs of providing services and purchasing energy, as well as a return for the investor. Under their concessions, Coelce and Ampla are subject to tariff reviews every four and five years, respectively. The asset base for calculating an allowed return for the investor is the market replacement value depreciated during its accounting useful life, and the rate of return allowed for those assets is based on the weighted average cost of capital, or WACC, for a "model company". The WACC is reviewed every tariff cycle. The current value of the real before tax distribution WACC is 11.4.

The law guarantees an economic and financial equilibrium for a company in the event that there is a substantial change in its operating costs. In the event that the Part A cost components, such as energy purchases and taxes, increase significantly within the period between two annual tariff adjustments, the concessionaire may request from ANEEL a pass-through of those costs to the final customers.

1.2.4. Transmission regulation

Any electricity market agent that produces or consumes energy is entitled to use the Basic Network. Free-market consumers also have this right, provided that they comply with certain technical and legal requirements. This is called free access and is guaranteed by law and by ANEEL.

The operation and management of the Basic Network is the responsibility of ONS, which is also responsible for optimizing electricity dispatch from power plants, involving use of the interconnected power system hydroelectric reservoirs and thermal power plants.

On April 5, 2011 Ministerial Decree 210/2011 and 211/2011 were published in the Official newspaper that make both interconnection

lines of Compañía de Interconexión Energética, S.A. public service concessions, to receive the payment of a regulated toll. The Receita Anual Permitida (from now on “RAP”) is adjusted annually, during the month of June, according to the National Consumer Price Index (from now on “IPCA”) and the tariff is reviewed every four years. A gross remuneration base was fixed at 1,760 million Reals (US\$885 million) and a net base at 1,160 million Reals (US\$585 million). In 2012, ANEEL authorized the installation of transmission backup, acknowledging an additional 47 million Reals (US\$23 million), in the base remuneration. The remuneration rate applicable was defined according to current regulation at 7.24% (In real terms after tax), authorized until June 2020 for Line 1 and until July 2022 for Line 2, considering the indemnity on non-amortized Investments.

1.2.5. Regulación medioambiental

Although the Brazilian constitution gives the federal, state and local government power to enact laws designed to protect the environment, and to issue regulations under such laws, most environmental regulations in Brazil are determined at state and local levels.

Hydroelectric facilities are required to obtain concessions for water rights and environmental approvals. Thermal electricity generation, transmission and distribution companies are required to obtain environmental approvals from environmental regulatory authorities.

1.3. Chile

1.3.1. Industry structure

The electricity industry in Chile is divided into three business segments: generation, transmission and distribution.

The generation segment is formed by companies that produce electricity. They sell their production to distribution companies, unregulated customers, or to other generation companies. The transmission segment is formed by companies that transmit at high voltage the electricity produced by generation companies. Finally, the distribution segment is defined for regulatory purposes to include all electricity supply to final customers at a voltage no higher than 23 kV.

In Chile there are four separate interconnected electricity systems. The main systems that cover the most populated areas of Chile are the Sistema Interconectado Central (“SIC”), that services the central and south central part of the territory, where 93% of the Chilean population lives, and the Sistema Interconectado del Norte Grande, (“SING”), which operates in the northern part of the country, where most of the mining industry is located. In addition to the SIC and the SING, there are two isolated systems in southern Chile that provide electricity in remote areas. The operation of electricity generation companies in each of the two major interconnected electricity systems is coordinated by their respective dispatch center, commonly referred to as



“CDEC” (CDEC-SIC and CDEC-SING), which are autonomous entities conformed by generators, transmission companies, sub transmitters and large customers. CDECs coordinate the operation of their system as efficient markets for the sale of electricity, in which the lowest marginal cost producer is used to satisfy demand. As a result, at any specific level of demand, the appropriate supply will be provided at the lowest possible cost of production available in the system at any moment.

1.3.2. Generation regulation

The generation segment comprises a group of electricity companies who own generating plants, which energy is transmitted and distributed to end consumers. This segment is characterized by being a competitive market which operates under market-driven conditions. They sell their production to distribution companies, unregulated customers, other generation companies, and their surpluses on the spot market.

The operations of generation companies, in each transmission system, are coordinated by the pertinent dispatch center or CDEC, autonomous entity that involves generators, transmission companies and large customers. A CDEC coordinates the operation of their system as efficient markets for the sale of electricity, in which the lowest marginal cost producer is usually used to satisfy demand. As a result, at any specific level of demand, the appropriate supply will be provided at the lowest possible cost of production available in the system at any moment. The marginal cost is used as the price at which generators trade their energy on an hourly basis, including the energy fed into the system and energy withdrawn or purchased to supply customers.

Generation companies participate in energy bids for up to 15 years. The bids are performed according to the requirements of electricity demand present through distributors and are supervised by the Chilean National Energy Commission (CNE in its Spanish acronym, the regulator). This allows stable and predictable revenues for generators, avoiding volatility of the marginal cost and therefore fostering the investment in the sector.

In Chile there is a fee to pay for capacity, given by the amount to compensate for the development of a gas turbine, as the marginal unit to supply the demand of the system. The industry rate of

return is considered 10%. The capacity payment gives generators a fixed revenue for being available to the system and contributing to the reserve margin of the country

1.3.3. Regulación en empresas de distribución

The distribution segment is defined for regulatory purposes as all electricity supplies to end users at a voltage no higher than 23 kV. Distribution companies operate under a distribution public utility concession regime, with service obligation and regulated tariffs for supplying regulated customers.

The distribution companies supply both regulated customers, whose demand is less than 500 kW, a segment for which the price and supply conditions are the result of tender processes regulated by the government’s National Energy Commission, and unregulated customers, with bilateral contracts with the generators, whose conditions are freely negotiated and agreed.

Consumers are classified according to the size of demand, as follows: i) unregulated customers, those with a connected capacity over 2,000 kW; ii) regulated customers, whose connected capacity is equal or lower than 2,000 kW; and iii) customers that opt for either a regulated-tariff or an unregulated regime, for a minimum period of four years in each regime, available to consumers whose connected capacity falls in the range of 500 kW-2,000 kW.

The process of setting the distribution tariffs are carried out every four years. The CNE and the company considered to represent a certain typical area hire independent consultants to determine the Value Added of Distribution of that specific typical area. The preliminary basic tariffs are obtained by weighing the result obtained from the study performed by the CNE’s Independent consultant and by Chilectra in a ratio of 2/3-1/3 respectively. With these basic tariffs, the 10% return, with a 4% dispersion, on the aggregate industry is verified. The rate of return for the Industry recognized by law is 10%.

Tariff revisions take place every four years in the sub transmission segment (high voltage facilities that connect distribution lines to transmission lines). This process is performed in an alternate manner with respect to the distribution tariff revision process, so that, both are two years apart.

Additionally, every four years, the ancillary services are reviewed, which are those services not considered within the distribution tariff revisions.

The Chilean distribution model is a solid model, having performed eight tariff setting processes since the privatization of the industry.

1.3.4. Transmission regulation

The transmission segment comprises a combination of lines, substations and equipment for the transmission of electricity from the power plants (generators) to the centers of consumption or distribution. Transmission in Chile is defined as lines or substations with a voltage or tension higher than 23 kV. The transmission system is open access and transmission companies may impose rights of way to use the available transmission capacity through the payment of tolls.

Since transmission assets are built pursuant to concessions granted by the government, the law requires a company to operate on an “open access” basis, in which users may obtain access to the system by contributing towards the costs of operating, maintaining and, if necessary, expanding the system

1.3.5. Regulación medioambiental

Chile has numerous laws, regulations, decrees and municipal ordinances that address environmental considerations. Among them are regulations relating to waste disposal, the establishment of industries in areas in which they may affect public health, and the protection of water for human consumption.

There is a law that applies to Non-Conventional Renewable Energy, Law N° 20,257, which specifies that every electricity company that withdraws electricity from the system having an installed capacity of over 200 MW to commercialize with distributors or final customers, 10% of such withdrawals must be injected by means of non-conventional renewable generation. The aforementioned will be 5% from 2010 thru 2014, increasing 0.5% every year starting in 2015. This progressive increase will be applied, so that, the withdrawals subject to this obligation in 2015 must comply with 5.5%, those of 2016 with 6% and so on until reaching 10% in 2024.

1.4. Colombia

1.4.1. Industry structure

The Colombian electricity sector was reformed structurally by Laws 142 and 143 of 1994. According to Law 143 of 1994, different economic, public, private or mixed agents may participate in the sector’s activities, and shall be allowed to develop their operations in a context of free market competition. In order to operate or start up projects, they must obtain the environmental, sanitation and water-right permits from the competent authorities and the permits of a municipal nature that are required.

The Wholesale Electricity Market in Colombia (MEM in its Spanish acronym) is based on a competitive market model and operates under open access principles. The MEM relies for its effective operation on a central agency known as the Colombian Administrator of the Commercial Exchange System (ASIC in its Spanish acronym).

There are two categories of agents, generators and traders, who are allowed to buy and sell electricity as well as related products in the MEM.

The generation sector is organized on a competitive basis, with independent generators selling their output on the spot market or through private contracts with large customers. Generation companies are required to participate in the MEM with all of their generation plants or units connected to the Colombian system with capacities equivalent to or exceeding 20 MW (power plants with a capacity between 10 and 20 MW can choose to participate)

Generation companies declare their energy availability and the price at which they are willing to sell it. This electricity is centrally dispatched by the National Dispatch Center (CND in its Spanish acronym).

Commercialization or trading consists of intermediation between the players that provide electricity generation, transmission and distribution services and the users of these services, whether or not that activity is carried out together with other electricity-sector activities.



Electricity transactions in the MEM may be carried out in the Energy spot market (short term or daily market); by means of Bilateral contracts (long term market); and/or by offering Firm energy.

Transmission operates under monopoly conditions and with a guaranteed annual fixed income that is determined by the new replacement value of the networks and equipment and by the resulting value of bidding processes awarding new projects for the expansion of the National Transmission System (SNT in its Spanish acronym). This value is allocated among the traders of the SNT in proportion to their energy demand. The National Interconnected System El Sistema Interconectado Nacional (SIN in its Spanish acronym) serves 98% of the country's demand. Non connected regional systems provide electricity to isolated areas of the country.

Distribution is defined as the operation of local distribution and regional transmission. Any customer may have access to a distribution network paying a connection fee. The distributors or network operators are responsible for planning, investing, operating and maintaining the electricity networks.

1.4.2. Generation regulation

The State of Colombia as well as the private sector, may participate in the execution and exploitation of generation projects. The nation is only authorized to sign concession agreements

relating to generation when there is no entity prepared to carry out these activities on comparable conditions.

The wholesale market facilitates the sale of excess energy that has not been committed under contracts. In the wholesale market, an hourly spot price for all dispatched units is established based on the offering price of the highest price unit dispatched for that period. The National Dispatch Center, CND in its Spanish acronym, receives price bids each day from all the generators participating in the wholesale market. These bids indicate prices and the hourly available capacity for the following day. Based on this information, the CND, guided by an optimal dispatch principle (which assumes an infinite transmission capacity of the network), ranks the optimized dispatch for the 24-hour period, taking into account initial operating conditions, and determining which generators will be dispatched the following day in order to satisfy expected demand. The price for all generators is set as the price of the most expensive generator dispatched in each hourly period under the optimal dispatch.

Additionally, the CND plans the dispatch, which takes into account the limitations of the network, as well as other conditions necessary to satisfy the energy demand expected for the following day in a safe, reliable and efficient from a cost point of view. The cost differences between the "planned dispatch" and the "ideal

dispatch” are called “restriction costs.” The cost of each limitation is initially assigned to the agent responsible of the restriction. When it is not possible to identify the agent, the costs is assigned proportionally to all the traders within the Colombian system, according to their energy demand, and these costs are passed through to the end customers.

Generators connected to the Colombian system can also receive “reliability payments” which are a result of the Firm Capacity Obligation (OEF in Its Spanish acronym) that they provide to the system. The OEF is a commitment on the part of generation companies backed by its physical resources capable of producing firm energy during scarcity periods (for hydro plants it is estimated to be the maximum electricity that a power plant is able to deliver on a continuous basis during a year, under extreme water flow conditions and for thermal plants It is estimated according to Its historical availability and the guaranteed amount and transportation of fuel). The generator that acquires an OEF will receive a fixed compensation during the commitment period, whether or not the fulfillment of its obligation is required. The OEF for new projects are assigned through tenders for which generators must declare and certify their firm capacity. Existing generators may decide to participate in such bids or tenders accepting the resulting price. The assignment to existing generators is performed annually and in the case of new projects, for up to 20 years. When there are no bids, the assignment of OEF is carried out by the regulator proportionally according to the firm capacity declared by each generator.

The price for each KWh of the OEF corresponds to the clearing price of the bid in which the generator sold its firm energy or Reliability Charge. When this firm energy is required, which happens when the Spot Price surpasses the Scarcity Price, in addition to the Reliability Charge the generator also receives the Scarcity Price for each kWh generated associated with its OEF. When energy generated is greater than the obligation specified in the OEF, this additional energy will be paid or rewarded at the Spot Price.

1.4.3. Distribution regulation

Distribution charges are set by CREG for each company based on the replacement cost of the existing distribution assets, the cost of capital, as well as operational and maintenance costs of

each company for four different levels of voltage, that is: Level 1 up to 1 kV, Level 2 up to 30kV, Level 3 up to 57.5 kV and Level IV up to 115 kV. Voltage levels 1, 2 and 3 are called Local Distribution Systems (SDL In its Spanish acronym) and Level 4 is called Regional Transmission System (STR in its Spanish acronym).

During 2009, after auditing the information reported by the companies, CREG defined the distribution charges applicable until 2013. Charges are set for a five-year period, and are updated monthly according to the price Index. The rate of return for local distribution assets was set by CREG at 13.9%, before taxes, and at 13% for Regional Transmission assets, based on the WACC/CAPM methodology. The methodology for the calculation of distribution charges includes incentives for administrative, operating and maintenance costs, service quality and energy losses

1.4.4. Regulación en transmisión

The transmission networks that operate at least 220 kV from the National Transmission System (STN in Its Spanish acronym). The transmission toll includes a charge to cover the cost of operating facilities, and a charge related to usage which only applies to traders which pass the cost through to final customers.

CREG guarantees an annual fixed income to transmission companies. Income is determined by the new replacement value of the network and equipment and at the value resulting of bidding processes awarding new projects for the expansion of the STN. This value is allocated among the traders of the STN in proportion to their energy demand.

The construction, operation and maintenance of new projects is awarded to the company that offers the lowest present value of future cash flows needed to develop the project.

1.4.5. Trading regulation

The trading market is divided into regulated and unregulated customers. Customers in the unregulated market may freely contract their electricity supply directly from a generator or a distributor, acting as traders, or from a pure trader. The unregulated customer market is composed by customers with a peak demand in excess of 0.1 MW or a minimum monthly energy consumption of 55 MWh.

Trading may be conducted by generators, distributors or independent agents, which comply with certain requirements. Parties freely agree upon trading prices for unregulated customers.

Traders of Electricity are responsible of billing the costs of electricity to final customers and transfer those payments to the industry agents. Trading on behalf of regulated customers is subject to the “regulated freedom regime” under which tariffs are set by each trader using a combination of general cost formulas given by CREG and individual trading costs approved by CREG for each trader. Tariffs include, among other things, energy procurement costs, transmission charges, distribution charges and a trading margin.

In addition, the final costs of the service are affected by subsidies or contributions that are applied according to the socio-economic level of each user.

The trading tariff formula became effective on February 1, 2008. The main changes to this formula are the establishment of a fixed monthly charge and the introduction of a charge for the costs of reducing non-technical energy losses in the trading charges. In addition, CREG allows traders in the regulated market to choose tariff options to manage tariff increases

1.4.6. Regulación medioambiental

The legal framework of environmental regulation in Colombia was established in Law 99/1993, which also created the Ministry of the Environment as the authority to define environmental policies. The Ministry defines issues and executes policies and regulations that focus on the recovery, conservation, protection, organization, administration and use of renewable resources.

Any entity planning to develop projects or activities relating to generation, interconnection, transmission or distribution of electricity that may result in environmental deterioration must first obtain an environmental license.

According to Law N°99, generation power plants that have a total installed capacity greater than 10 MW must contribute to the conservation of the environment through a payment, at a regulated tariff, to the municipalities and environmental corporations where their power plants are located. Hydroelectric power plants must pay 6% of their generation and

thermoelectric plants must pay 4% of their generation, with tariffs that are determined annually.

The National Development Plan 2010-2014 issued Law 1,450 of 2011. The plan establishes that between 2010 and 2014, the government must develop on environmental sustainability and risk prevention issues.

In 2011, Institutional Decree 3,570 established the new structure of the environmental sector, creating the Ministry of Environment and Sustainable Development (previously, the functions of the Ministry of Environment were established along with functions of the Ministry of Housing).

During the last few years, the environmental regulation for the electricity sector has been focused on regulating aspects regarding power plant emissions, hydro policies (including water discharges and basin organization), and environmental licensing and penalties.

1.5. Peru

1.5.1. Industry structure

The main characteristics of the electricity industry in Peru are (i) the separation of the three main activities: generation, transmission and distribution; (ii) free market for the supply of electricity in competitive market conditions; (iii) a system of regulated prices based on the principle of efficiency with a bidding regime; and (iv) privatization of the operation of interconnected electricity systems subject to the principles of efficiency and service quality.

There is one interconnected system, the National Interconnected Electricity System (SEIN in its Spanish acronym), and several isolated smaller regional systems that provide electricity to specific areas.

1.5.2. Generation regulation

Generation companies that own or operate a power plant with an installed capacity greater than 500 kW require a concession granted by the Ministry of Energy and Mining (MINEM in its Spanish acronym). A concession for electricity generation is an agreement between the generator and MINEM, while an authorization

is merely a unilateral permit granted by said public entity. Authorizations are granted by the MINEM for an unlimited period of time, although their expiration is subject to the same considerations and requirements as the termination of concessions under the procedures set forth in the Law of Electricity Concessions, and its related regulations.

The coordination of electricity dispatch, spot price determination and the control and management of economic transactions that take place in the SEIN are controlled by the Committee of Economic Operation of the System (COES-SINAC in its Spanish acronym). Generators may sell energy directly to large customers and buy the deficit or transfer the surplus between contracted energy and actual production in the pool market at the spot price.

Sales to unregulated customers are carried out at mutually agreed prices and conditions, which include tolls and compensation for the use of transmission systems and, if necessary, to distribution companies for the use of their network.

Sales to distributors can be signed under bilateral contracts at a price no greater than the regulated price in the case of regulated customers, or at an agreed price in the case of unregulated customers. In addition to the bilateral method allowed by the Law of Electricity Concessions, Law 28,832 has also established the possibility that distributors meet their unregulated or regulated customers' demand under contracts signed following a capacity and energy supply bidding process.

The Law to Secure the Efficient Development of Electricity Generation established a bidding regime for the purchase of energy and capacity by distributors through a mechanism that determines prices during the life of a contract. The approval of this mechanism is important to generators, because it sets a mechanism to determine a price for the duration of a contract that is not fixed by the regulator, and that can be subscribed for up to 20 years.

The new contracts to sell energy to distribution companies for resale to regulated customers must be made at fixed prices determined by

public bids. Only a small part of the electricity purchased by distribution companies, included in old contracts, is still maintained at node prices, which are set annually by the Supervising Entity on Investment in Energy and Mining (Osinermin in its Spanish acronym). In these contracts, the transfer price to regulated customers may be the maximum price for electricity purchased by distribution companies.

In Peru, the payment received for capacity, given by the return for the development of a gas turbine, is the marginal unit to supply the demand of the system. The rate of return for the Industry Is 12%. The capacity payment received gives generators a fixed revenue for availability and contribute to the country's back up margin.

1.5.3. Distribution regulation

The regulated customers' electricity tariff includes capacity and energy charges for generation and transmission and the Distribution Value Added (VAD in its Spanish acronym) which considers a regulated return on investments, fixed charges for operating and maintenance and a standard percent for energy distribution losses.

The VAD is set every four years. Osinermin classifies companies into groups, according to "typical distribution areas," based on economic factors that group companies with similar distribution costs due to population density, which determines network equipment requirements.

The real return on investment for a distribution company depends on its performance relative to the standards given by the Osinermin for a theoretical model company. The tariff system allows for a greater return to distribution companies that are more efficient than the model company. Preliminary tariffs are calculated as a middle point between the results of the Osinermin commissioned study and the companies' study. Preliminary tariffs are tested to ensure that they provide an average annual internal rate of return between 8% and 16% on the replacement cost of electricity-related distribution assets. Peruvian law establishes a 12% return for the industry.



The last process for setting distribution tariffs was held in November 2009 and will be in effect until November 2013.

Transmission activities are divided into two categories: main or primary, which are for common use and allow the flow of electricity through the national grid; and secondary, which are the activities related to the lines that connect a power plant to the system or that connects a substation to a distribution company or to a final customer. Primary transmission lines, belonging to the guaranteed transmission systems, are available to all generators and allow supplying electricity to all customers. Transmission concessionaires receive annual fixed revenue, as well as variable tariff revenues and connection tolls per kW. The secondary and complementary system lines are accessible to all generators but are used to serve only certain customers who are responsible for making payments related to their use of the system. These receive a 20 year fixed value payment, reviewing only for additional Investments.

1.5.4. Regulación en transmisión

Las actividades de transmisión se dividen en dos categorías: principal, que es para uso común y permite el flujo de energía a través de la red nacional; y secundaria, que es de aquellas líneas que conectan a una central eléctrica con el sistema, o una subestación con una compañía distribuidora o un consumidor final. Las líneas principales y del sistema garantizado están disponibles para todas las generadoras y permiten que se suministre electricidad a todos

los clientes. La concesionaria de transmisión recibe un ingreso anual fijo, así como también ingresos de tarifas variables y tarifas de conexión por kW. Las líneas del sistema secundario y complementario están disponibles para todas las generadoras, pero se utilizan únicamente para ciertos clientes que son responsables de efectuar los pagos en relación con el uso del sistema, éstas se remuneran a un valor fijo a 20 años, revisándose sólo las inversiones adicionales.

1.5.5. Environmental regulation

The environmental legal framework applicable to energy related activities in Peru is set forth in the Environmental Law (Law 28,611) and in the Environmental Protection for Electricity Activities Regulation (Supreme Decree 029-94-EM).

In 2008, the MINEM issued Supreme Decree 050-2008 to promote non-conventional renewable energy generation (ERNC in its Spanish acronym). This decree states that 5% of the SEIN's demand must be supplied by using ERNC. This 5% goal may increase every 5 years. The technologies considered to be renewable resources are: biomass, wind, tidal, geothermal, solar and mini-hydro (hydroelectricity plants under 20MW)



description of the electricity business by country

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Electricity generation

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Argentina

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Colombia

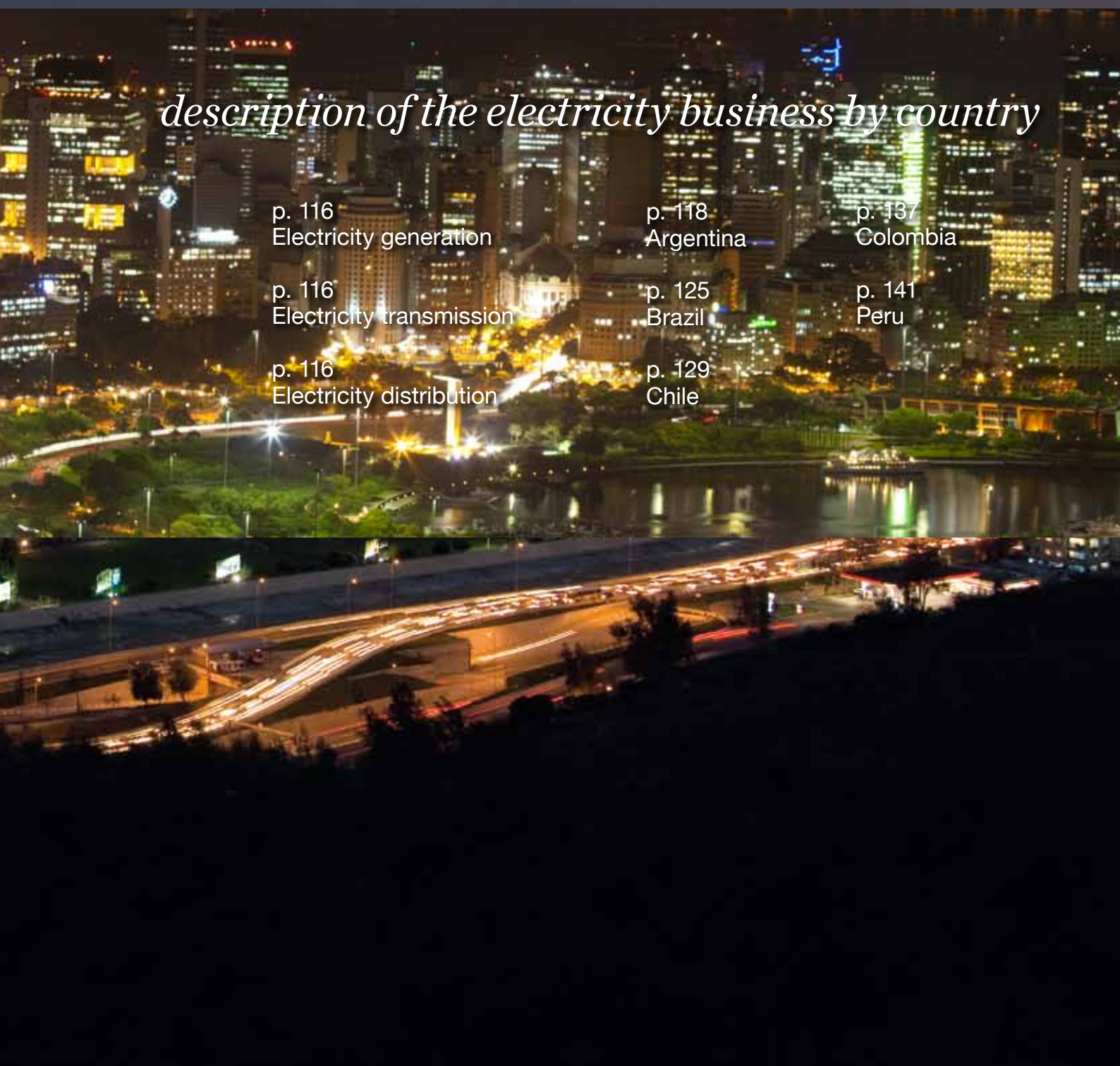
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Electricity transmission

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1. Electricity generation

The electricity generation business is conducted primarily through our subsidiary Endesa Chile. In this segment, the Enersis Group has operating subsidiaries in Argentina, Brazil, Chile, Colombia and Peru.

In all, the installed capacity of the Enersis Group amounted to 15,173 MW as of December 2012 and consolidated electricity generation reached 58,694 GWh, while energy sales totaled 66,311 GWh.

In the electricity industry, the segmentation of the business between hydroelectric and thermal generation is natural as the variable costs of generation are different for each form of generation. Thermal generation requires the purchase of fossil fuels and hydroelectric generation needs water from reservoirs and rivers.

57% of our consolidated generating capacity comes from hydroelectric sources while 42% is thermal and 1% wind sources.

Therefore, the commercial policy the generation company defines is relevant to managing the business adequately.

2. Electricity transmission

The electricity transmission business of the Enersis Group is related to the interconnection line between Argentina and Brazil, through CIEN, a subsidiary of Endesa Brazil, with 2,100 MW transportation capacity.

3. Electricity distribution

Our electricity distribution business is carried out through Edesur in Argentina, Ampla and Coelce (owned by Endesa Brasil) in Brazil, Chilectra in Chile, and Codensa in Colombia and Edelnor in Peru. Our principal subsidiaries and related distribution companies sold 73,104 GWh during 2012.

Currently, Edesur, Ampla, Coelce, Chilectra, Codensa and Edelnor serve the main Latin America cities, providing electricity to over 14 million customers.

These companies faced growing electricity demand, obliging them to invest on a permanent basis, responding to natural growth and the maintenance of their facilities.





| | |
|---|--------------|
|  | Generación |
|  | Transmisión |
|  | Distribución |

Central Arroyito 


| | |
|--------------------|----------------|
| Tipo | Hidroeléctrica |
| Potencia Instalada | 128 MW |

Central El Chocón 

| | |
|--------------------|----------------|
| Tipo | Hidroeléctrica |
| Potencia Instalada | 1.200 MW |

Central Costanera 

| | |
|--------------------|----------------|
| Tipo | Termoeléctrica |
| Potencia Instalada | 2.324 MW |

Edesur 

| | |
|--------------------|--------------|
| Ventas de Energía | 17.738 GWh |
| Clientes | 2,3 millones |
| Pérdida de Energía | 10,5% |



4. Argentina

4.1. Electricity generation

Enersis participates in electricity generation in Argentina through Endesa Costanera and Hidroeléctrica El Chocón, in which it controls directly and indirectly, a 41.8% and 39.2% of ownership, respectively.

These companies have a total of five power plants, with total installed capacity of 3,652 MW. This capacity represented in 2012, 12% of the installed capacity of the Argentine SIN.

Electricity generation of the Enersis Group reached 11,289 GWh, 9.0% of the country total generation, with hydroelectricity representing 24.8%. Physical sales of electricity reached 11,852 GWh, 10% of total sales.

Endesa Costanera and El Chocón participate in companies in charge of the operation of two combined cycles, initiative coordinated by the Fondo para Inversiones Necesarias que Permitan Incrementar la Oferta de Energía Eléctrica en el Mercado Eléctrico Mayorista (FONINVEMEM in its Spanish acronym), with a 5.326% and 18.85% share of property, respectively.

The commercial operation as combined cycles of Termoelectrica Manuel Belgrano and Termoelectrica San Martín began in 2010.

The operation as a combined cycle determined the effective date of the Operation and Management of Plant Maintenance Contract and the Supply Contract, and for this reason, the companies that participate in FONINVEMEM, among them, Endesa Costanera and El Chocón, began to recover their credits with the cash flows generated by the Project, through a ten year contract to sell its generation to the MEM, managed by CAMMESA, having received, as of December 31, 2012, the payments according to expectations.

With regard to the agreement signed on November 25, 2010 by the Secretary of Energy and the main electricity generation companies, among them Costanera and Chocon, it is worth mentioning that the companies along with the generators participating in the new generation project, presented the relevant documentation

to the Secretary of Energy. The project named Vuelta de Obligado S.A. (VOSA in its Spanish acronym) considers the installation of a roughly 800 MW combined cycle.

In May 2011, the company Termoelectrica Vuelta de Obligado S.A was incorporated and the necessary trust was signed.

After being approved by the authority, work during the year involved determining technical specifications and inviting to an international tender, which is currently in the evaluation and homologation phase.

Other generators connected to the Argentine SIN are: AES Alicura, SADESA, Capex, Petrobras, Pampa Generación and Pluspetrol.

4.1.1. Endesa Costanera

Endesa Costanera is located in the city of Buenos Aires and owns six steam turbine power units totaling 1,138 MW that can operate with natural gas or fuel oil. The company also operates two combined cycles of 859 MW and 327 MW respectively, reaching 2,324 MW total installed capacity.

In 2012, net generation reached 8,488 GWh and sales totaled 8,655 GWh. During 2012, the demand of the Argentine electricity system increased 4.2% when compared to 2011.

During 2012, the thermal figures in summer and winter were as usual. In February, capacity demand reached 21,949 MW, breaking the 2011 record by 1.8%.

The water flows of the river Limay and Collon Cura basins were substantially reduced as of May, leading to a dry year scenario in such basins. The availability of gas was similar to previous years, basically due to major shortages during the winter season, and therefore reaching high levels of generation using alternate liquid fuels to satisfy growing thermal dispatch.

Worth mentioning, is the Government's announcement, in August 2012, with respect to future changes to the electricity generation, transmission and distribution regulation, including modifications to the "marginal" system currently in force to determine generation prices towards a new model based on the costs of each generator plus a reasonable rate of return.

In terms of operations, during 2012, the most importance maintenance activities were those mainly focused on the development of the 2013 Summer Plan, which began in November 2012, which included the inspection of Unit 6 and the ancilliary services common to all conventional units and the Major Maintenance of the Combined Cycle I.

With respect to financing, the financial strategy adopted in previous years continued, prioritizing a conservative management of financial resources to assure the adequate operation of the power plant.

Regarding commercial aspects, we continued making an important effort to maintain and even increase, the level of contracts in the Term Market (MAT in its Spanish acronym).

With respect to the “Management and Operation of Projects, Increase of Thermal Generation Availability and Adaptation of Remuneration of Generation 2008-2011 Agreement”, formalized by generators and the Secretary of Energy in November 2010, it was not acknowledged by the Secretary of Energy during 2012, which adversely affected the operating results of the Company.

Worth noting, is the Agreement formalized in October 2012 between Costanera and the Secretary of Energy, to implement an investment

plan of approximately U\$304 million, over a period of 7 years, to optimize reliability and availability of the generation units of the power plant which will lead to an increase in generation and important cost savings of the system.

The plan provides for the execution of works in the steam turbo technology units, others works and short, medium, and long term investments necessary to assure the operations of the power plant, as well as the continuity of the maintenance contracts of the Mitsubishi and Siemens combined cycles.

The financial resources required to finance this investment plan will come from the outcome of two Commitment of Availability of MEM Equipment Contracts, to be subscribed by CAMMESA y Costanera, according to instructions of the Secretary of Energy. On December 19, 2012, and on January 18, 2013, the “Commitment of Availability of Combined Cycles for the MEM Contract” and the “Commitment of Availability of Steam Turbo (TV in its Spanish acronym) Equipment for the MEM Contract” respectively, was signed by CAMMESA and Endesa Costanera”.

At December 31, 2012, Endesa Costanera has \$340.8 million negative equity due to recurring losses, among other reasons, as a consequence





of the growing deficit between revenues and expenses, resulting from existing regulation. This situation has led to request the corresponding authorities to reconsider in order to adopt measures that would allow reverting the situation.

4.1.2. Hidroeléctrica El Chocón

Hidroeléctrica El Chocón S.A. (“HECSA In its Spanish acronym) is a hydroelectric generation company that operates the waters of, El Chocón and Arroyito, located above the Limay River. It is located in Neuquén and Río Negro provinces. The hydroelectric complex has total installed capacity of 1.328 MW, and includes El Chocón power plant with 1.200 MW installed capacity (artificial reservoir hydroelectric power plant) and Arroyito with 1.200 MW installed capacity, both using the water flows of rivers Limay and Collón Curá to generate.

The hydroelectric facility El Chocón is located in the Comahue region, formed by the Argentine provinces Río Negro, Neuquén and the southern part of provinces Buenos Aires and La Pampa. The Chocon is located on the Limay River, some 80 km upstream from its confluence with the Neuquén River. Arroyito is El Chocón’s dike and is located on the same river 25 km downstream.

During 2012, the water flows in the basins of rivers Limay and Collón Curá declined

substantially as of May, profiling a dry year in such basins, and therefore the operational criteria applied by the Organism in Charge of Dispatch restricted the use of the strategic reserves accumulated. This led to the consolidation of the energy reserves of the Comahue.

As the result of the dispatch of El Chocon reservoir, at the end of year 2012 net generation of the El Chocón–Arroyito Complex was 2,801 GWh, marked a reservoir depth of 374.89 m.s.n.m. The energy reserves of the Comahue reservoirs reached 5,279 GWh, of which 1,832 GWh should be generated by Chocón, both figures measured with respect to the Extraordinary Operations minimum depth level.

In terms of operations, the accumulated availability of the El Chocón–Arroyito Complex in 2012 was 98.9% having satisfactorily completed the Programmed Major Maintenance of Central Arroyito Turbogrupa N°2. This Major Maintenance implied an overall revision and maintenance of the turbine, generator, vibration systems, protections, electric and mechanical equipment and the main transformer. An Anti-fire systems was also installed in Units N° 1, 3, 4, 5 and 6 of El Chocón Power Plant and a vibration monitor installed in Units N° 3, 4 and 5 of the same Power Plant.

Regarding commercial aspects, we continued with the strategy defined opportunely focused on assuring economic and financial sustainability of the company, oriented our actions towards diversifying our customer base by commercializing in other non-spot markets and prioritizing long term profitable relationships with financially solid customers.

As the result of the managing practices carried out over the past years, the company reached and maintained 98% of capacity contracted to large customers in the terms market, with a high percentage of contracts signed for terms above one year with first class customers. Sales in the spot market reached 1,886 GWh and in the contract market 1,311 GWh during 2012.

In terms of regulation, during 2012, the changes to the norms that regulate the Wholesale Electricity Market (MEM) remained in force and the accumulation of amounts due to generators due to delays in the payment of electricity sold to the Spot Market continued.

In August 2012, the Government announced future changes to the electricity generation, transmission and distribution regulation, including modifications to the “marginal” system currently in force to determine generation prices towards a new model based on the costs of each generator plus a reasonable rate of return. Since the announcement, the Government has not issued any rules to change the current regulation.

Regarding the agreement formalized on November 25, 2010, between the secretary of

Energy and the main electricity generation companies, including HECSA, and additionally, in January 2012, the Secretary of Energy through Norm S.E. N° 495/12 instructed to not apply, until further notice, the incremental payments of O&M and Capacity recognized in the Generation Agreement, which was rejected HECSA.

With respect to Finances, the Company, aware of the complex scenario in the electricity industry, made a partial US\$ 25.8 million payment of its debt.

The two new credit facilities obtained, are also worth mentioning, one \$10 million one year loan from the Banco Hipotecario, payable in twelve monthly and consecutive installments, at the Adjusted Private Badlarrate plus a 5.5% spread, and a 180 day Bank Account Agreement with Banco Macro for \$20 million, at an 18% fixed interest rate. In December this last operation was renewed with similar conditions.

The main investment projects that are expected to be developed are: i) Modernization of the Protections, Vibration and Startup/Stop Sequence Systems of Units 1; 2; 5 and 6 and the main transformers T1CH and T5CH of the El Chocón Power Plant, ii) Completion of the installation of “on line” Vibration Monitoring equipment of Units 1 and 6 of El Chocón Power Plant. Also, the improvements performed in 2012 to the technological update of the remote control of the Arroyito damn Project, Stage 3, which was approved by the Secretary of Energy, are expected to be completed.



4.2. Electricity distribution

Enersis participates in electricity distribution in Argentina through its subsidiary Edesur in which it has a 65.4% direct and indirect shareholding.

Market share of our Argentine subsidiary, in terms of physical sales, was approximately 20%.

Other distributors in the Argentine electricity system are: Empresa Jujena de Energía (EJESA in its Spanish acronym), Empresa de Distribución de Energía de Tucumán (EDET in its Spanish acronym), Empresa Distribuidora de Energía de Santiago del Estero (EDESE in its Spanish acronym), Empresa Distribuidora y Comercializadora Norte (EDENOR in its Spanish acronym) and Empresa de Distribución de la Plata (EDELAP in its Spanish acronym).

4.2.1. Edesur

The principal objective of Edesur is to distribute and commercialize electricity in the southern part of greater Buenos Aires, comprising two-thirds of the city of Buenos Aires and twelve districts of the province of Buenos Aires, covering 3,309 sq.km for a period of 95 years beginning August 31, 1992.

This period includes an initial 15 year period and eight additional 10 year periods. On February 5,

2007, the electricity regulatory authority (ENRE in its Spanish acronym) resolved to extend the initial period by five years, as of the completion of the tariff renegotiation process (RTI in its Spanish acronym).


The concession contract establishes the obligation of Edesur to supply electricity at the request of the owners or inhabitants of properties within its concession area, meet certain quality standards related to electricity supplied, and comply with operational requirements with respect to the maintenance of the distribution assets and bill customers on the basis of effective metering.

In 2012, Edesur supplied electricity to 2.388.675 clients, practically the same as the previous year. Residential customers represented 87.3% of total customers, commercial customers 11.3%, industrial customers 7.7% and others 24.0%.

Energy sales amounted to 17,738 GWh, representing 2.9% increase when compared to the year before. Of this total amount, 42.7% was distributed to residential customers, 25.6% to commercial, 7.7% to industrial and 24.0% to other customers.

The energy loss index reached 10.6% in 2012.



Coelce 

| | |
|--------------------|--------------|
| Ventas de Energía | 9.878 GWh |
| Clientes | 3,3 millones |
| Pérdida de Energía | 12,6% |

Central Fortaleza 

| | |
|--------------------|----------------|
| Tipo | Termoeléctrica |
| Potencia Instalada | 322 MW |

C. Cachoeira Dourada 

| | |
|--------------------|----------------|
| Tipo | Hidroeléctrica |
| Potencia Instalada | 665 MW |

CIEN 

| | |
|---------------------|----------|
| Capacidad Instalada | 2.100 MW |
|---------------------|----------|

Ampla 

| | |
|--------------------|--------------|
| Ventas de Energía | 10.816 GWh |
| Clientes | 2,7 millones |
| Pérdida de Energía | 19,6% |

5. Brazil

5.1. Electricity generation

Enersis participates in Brazil through Endesa Brasil and its subsidiaries, Endesa Cachoeira and Endesa Fortaleza.

These two power plants, one hydro and the other thermal, together have an installed capacity of 987 MW, representing close to 1% of the capacity of the Brazilian SIN.

Electricity generation of the Enersis Group in Brazil reached 5,177 GWh, reaching almost 1% of the generated electricity in the country, with hydroelectric generation representing 72% of the total electricity generated by the Enersis Group in Brazil.

Physical sales of electricity reached 7,291 GWh, close to 2% of total sales in the Brazilian system.

Other generators connected to the Brazilian NIS are CHESF, Furnas, Cemig, Electronorte, Cesp, Copel, Eletrobras and Eletropaulo.

5.1.1. Endesa Cachoeira

It is located in the state of Goias, 240 km south of Goiania. It has ten units with a total of 665 MW of installed capacity. It is a pass-through hydroelectric plant that uses the waters of the Paranaíba River.

Net generation was 3,722 GWh in 2012, while sales were 4,344 GWh.

5.1.2. Endesa Fortaleza

Located in the district of Caucaia, 50 km. from the state capital of Ceará, It is 322 MW combined-cycle thermal plant that uses natural gas and has the capacity to generate a third of the electricity needs of Ceará, which has a population of 8.2 million.

Built on a 70 thousand square meters site, it forms part of the infrastructure of the Pecém Industrial and Port Complex in the municipality of Caucaia, and is a member of the federal

government's Thermal Electricity Priority Program (PPT in its Portuguese acronym). The location is strategic for promoting regional growth and making viable the installation of other industries. Its most important customers are Coelce, and Petrobras.

Electricity generation in 2012 was 1,454 GWh, and sales reached 2,947 GWh.

5.2. Electricity transmission

The Enersis Group also participates in the transmission and trading of electricity in Brazil with the interconnection line between Argentina and Brazil, through the company, CIEN, in which it has a 54.3% holding.

5.2.1. Endesa Cien

Compañía de Interconexión Energética S.A. (CIEN in its Spanish acronym) is a Brazilian energy transmission company. It is formed by two frequency conversion stations, Garabi I and Garabi II, which convert the frequencies of Brazil (60 Hertz) and Argentina (50 Hertz) in both directions, and transmission lines. On the Argentine side, they are managed by two subsidiaries: Compañía de Transmisión del Mercosur S.A. (CTM in its Spanish acronym) and Transportadora de Energía S.A. (TESA in its Spanish acronym). Endesa Cien has 100.00% shareholdings in each.

The interconnection system consists of two transmission lines with a total length of 1,000 kilometers and the Garabi conversion station.

On April 5, 2011 the figures that define the annual value of the Annual Permitted Revenue (RAP) for CIEN were published in the Official Journal. With this, the regulator has leveled CIEN (whose assets are the Garabi lines 1 and 2), to other transmission concessionaires. Total annual RAP is adjusted annually, and tariff revision processes take place every four years. Since April 2011, CIEN is officially authorized to receive payment under this new business vision.

5.3. Distribución eléctrica

Enersis participates in distribution through Endesa Brazil and its subsidiaries Ampla and Coelce. Enersis directly and indirectly has 70.2% and 35.2% shareholdings in these companies, respectively.

The market share of our subsidiaries in Brazil, in terms of physical sales, was approximately 5%.

The Brazilian electricity system is formed by 64 distribution companies, among them are: CPFL, Brasileira de Energía, AES Elpa, Cemig, Light, Coelba and Copel.

5.3.1. Ampla

Ampla is an electricity distribution company that covers 73.3% of the territory of the state of Rio de Janeiro, corresponding to an area of 32,613 sq. km. The population is approximately 8 million spread out in 66 districts, of which the most important are Niteroi, São Gonçalo, Petrópolis, Campos and Cabo Frio.

During 2012, Ampla supplied electricity to 2,712,359 customers, 2.6% more than in 2011. Of this total, 90% are residential customers, 6% commercial customers, and 4% other customers.

The Company distributed 10,816 GWh to its final customers; representing an increase of approximately 6% when compared to 2011. Of total electricity distributed, 40% went to residential customers, 20% to commercial, 9% to industrial and 31% to other customers (which includes the 14% of customers paying tolls).

Since 2003, Ampla has emphasized fighting against commercial losses, reducing it by 4.01 percentage points (from: 23.64% to: 19.63%). The sustained reduction is only possible as the result

of the joint success of the projects developed by Ampla (using technology and social behavior). For several years, the company has won awards that acknowledge the excellence of its projects.

Although, today energy losses continue to represent one of Ampla's main challenges. It closed 2012 with a 0.03 percentage point reduction, going from 19.66% to 19.63% offsetting the tremendous aggressiveness in the market, which has increased the zones of risk within the concession area of the company.

5.3.2. Coelce

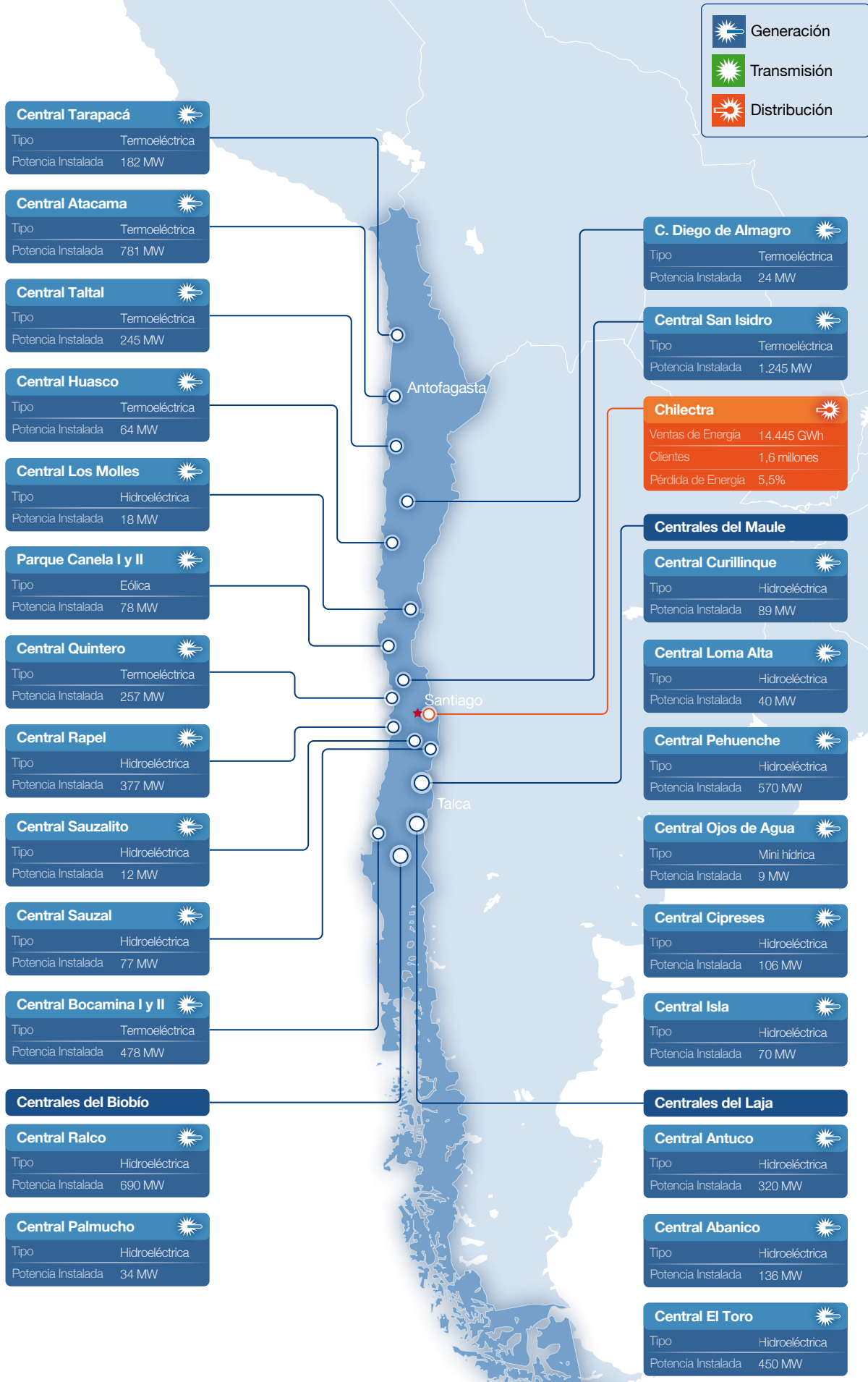
Coelce is the electricity distribution company of the state of Ceará, in north-eastern Brazil, and covers a 149 sq.km concession area. The company serves a population of more than 8 million people.

In 2012, Coelce was recognized as the Best Distributor of Brazil (Abradee Award) and Latin America (CIER Award), both for the fourth consecutive time.

At year-end 2012, Coelce had 3,338,163 customers, which represented a 3.5% increase compared to the number of customers at that date the previous year. Of the total amount, 73% are residential, 13% rural, 5% commercial, and the rest other customers.

Sales of electricity in 2012 reached 9,878 GWh, a 10.1% increase when compared to 2011. The types of consumption that affected this growth were: rural customers increased 35% due to the lack of rainfall during the year leading to greater use of electric pumps for watering; toll paying customers increased 17%; public institutions 15%; and finally, residential and commercial customers increased 9% each. Industrial customers, on the other hand, declined 7%.





6. Chile

6.1. Electricity generation

Enersis participates in electricity generation through Endesa Chile and its subsidiaries, the largest electricity generation company in the country in terms of installed capacity, in which Enersis has a direct 60% shareholding.

Endesa Chile and its subsidiaries own and operate a total of twenty-eight generating power plants, sixteen of them hydroelectric, ten thermal and two wind farms, adding up to a total installed capacity of 5,961 MW, representing 32.7% of Chile's total capacity.

Electricity generation by the Enersis Group reached 20,194 GWh in 2012, 55% hydroelectric, which represented 34% of the total amount generated by the company in the region. Physical energy sales in Chile amounted to 21,227 GWh, equivalent to 32% of the Group's total sales in Latin America.

The Central Interconnected System, for the third consecutive year, was affected by dry hydrology conditions. Due to these conditions, in early 2011, a preventive rationing decree was adopted, which was extended until August 28, 2012. This situation, in addition to the high price of fuels used for electricity generation and the delay in the startup of two low production cost coal power plants, implied high costs of electricity in the SIC during 2012. This situation began to slightly change during the second semester of 2012, with still insufficient hydrology.

Although these events had an impact on the margin of the Company during 2012, they were mitigated by the characteristics of the generation sector, in terms of size, diversity, productive efficiency and the application of a commercial policy that has been designed using both favorable and unfavorable operation scenarios, including dry hydrology conditions such as the dry conditions that affected the SIC in 2012, and the delays in project development within the electricity sector, both in the electricity generation and transmission segments.

Other generators in Chile are: AES Gener, Colbún, EC-L, and Noreen.

6.1.1. Endesa Chile

Endesa Chile supplies electricity to the main distributors, large non-regulated industrial companies (mainly in the mining, wood pulp and steel-making sectors) and to other generators through the spot market.

With the purpose of maintaining its leadership position in the industry and a level of commitment consistent with its commercial policy, Endesa Chile signed new electricity supply contracts to boost its customer base and carried out a series of activities with them during 2012.

- Contracts were signed with Saesa, Frontel, Luz Osorno, Coelcha, Copelec, Coopelan, Crell, Cooprel and Socoepa through tenders for period from 2012 to December 2014. The amounts are 308 GWh/year, 704 GWh/year y 924 GWh/year for years 2012, 2013 and 2014 respectively. Also, a contract with customer ESO La Silla for year 2013, with Emelectric (for its customer Minera La Florida) and an extension of the supply contract with unregulated customer CGE Distribución (from December 2012 to December 2015).
- Endesa Chile continued its policy to strengthen its commercial relations with its customers, carrying out several activities. Within the framework of its Overall Customer Service Plan, in July 2012, customers visited the Pangué and Ralco power plants. Seminars took place in August for customers in La Serena y Copiapó. In September, seminars were offered to customers in Concepción and Valdivia.
 - In the month of November, the "VIII Seminar with Customers of Endesa Chile y Filiales", took place, with a high level of participation of the representatives of the companies which electricity is supplied to. There were presentations regarding the supply situation, the electricity highway, and the Hydro meteorological outlook.
 - According to the results of the VIII Service Quality Survey, the Customer Satisfaction Index reached 80.4%, rating the customer base as "Satisfied". The areas that received the best evaluation were commercial staff, communication channels, and billing process.

- Endesa Chile and the company CMPC reached an agreement in the arbitration process with respect to the application of the supply contract. The terms of the contract established that CMPC pay Endesa Chile a total of US\$ 59.9 million in cash, lower consumption, and contributions to non-conventional renewable energy (ERNC in its Spanish acronym).

On the other hand, and aiming to face the transmission limitations of the SIC, Endesa Chile, in 2012, signed a contract with Transelec for the construction “SVS PLUS” in the Diego de Almagro substation. This initiative was conceived and driven by Endesa Chile, the with the purpose of increasing Maitencillo transmission system capacity - Cardones 220 kV by 80 MVA, without building new transmission lines. This will allow transmitting a greater amount of low cost electricity from the central area of the SIC to the northern area increasing supply reliability and access to lower cost electricity to supply our customers. The companies Guacolda S.A. y AES Gener S.A. also participate in this project, which is expected to begin operations during the second semester of 2013.

As of May 1, 2012, the commitment to supply electricity contracted by SAESA and other electricity distributors organizations began, contract assigned through tenders within the

framework of dispositions of Law N°20,018, also known as the Short Law 2, which introduced changes to the General Electric Utility Law. The energy committed is 308 GWh/yr., 704 GWh/yr. y 924 GWh/yr. for years 2012, 2013 and 2014 respectively.

6.1.2. Pehuenche

Pehuenche, is a generation company connected to the SIC, and owns 3 reservoir hydroelectric plants south of Santiago, in the high rainfall region basin of Rio Maule, with and installed capacity of 699 MW. Its 570 MW capacity power plant Pehuenche, began operations in 1991, 89 MW installed capacity power plant Curillinque began operations in 1993, and Loma Alta, 40 MW installed capacity power plant, began operations 1997. Endesa Chile own 92.7% of Pehuenche, and Enersis has a 55.6% economic interest in Pehuenche.

As of December 2012, net electricity generation reached 2,625 GWh, while electricity sales were 2,770 GWh

6.1.3. Pangué

It is located in Chile’s Bio Bio Region, 100 km east of Los Angeles. It’s installed capacity of 467 MW is hydroelectric, with a reservoir that is fed by the waters of the Bío-Bío River. Enersis owns a 57.0% shareholding. As of May 1, 2012, and within the process of simplifying the corporate structure





of Endesa Chile, in late February 2012, Pangué merged with San Isidro and San Isidro was the surviving company, and therefore Pangué, as a company, was dissolved.

From January 1, 2012 and April 30, 2012, Pangué's generation reached 326 GWh and physical electricity sales 361 GWh.

6.1.4. San Isidro y San Isidro 2

Operations began in 1998, and it currently has 1,245 MW (San Isidro has 379 MW, San Isidro 2 has 399 MW and Pangué has 467 MW), installed capacity. San Isidro y San Isidro 2 are located in Chile's Valparaíso Region, 8 km from Quillota. They are combined-cycle plants with dual technology which enables them to use natural gas and fuel oil for generation. Enersis has a 60% shareholding. As of September, 2012, net generation and electricity sales of San Isidro were 2,750 GWh and 2,757 GWh, respectively, partly reflecting the arrival of Pangué as of May 1, 2012. Pangué is located in Chile's Bio Bio Region, 100 km east of Los Angeles. It's installed capacity of 467 MW is hydroelectric, with a reservoir that is fed by the waters of the Bío-Bío River. Its first unit started operations in 1996 and its second unit in 1997. Enersis owns a 57.0% shareholding. As of

May 1, 2012, and within the process of simplifying the corporate structure of Endesa Chile, in late February 2012, Pangué merged with San Isidro and San Isidro was the surviving company, and therefore Pangué, as a company, was dissolved.

During 2012, net generation of San Isidro, as a whole, reached 3,529 GWh and electricity sales reached los 3,537 GWh.

6.1.5. Celta

Its two generation plants are located in Chile's Tarapacá Region, 65 km south of Iquique. Its installed capacity is 182 MW, steam-gas thermal technology, using coal and oil to generate. Enersis has a 60% shareholding. As of December 2012, the net generation of Celta was 803 GWh and electricity sales amounted to 961 GWh.

6.1.6. Canela y Canela II

They are located in the Coquimbo Region, 80 km north of the town of Los Vilos. Installed capacity is 78 MW and was the first wind farm on the SIC. Enersis has a 45% shareholding. It is estimated that the operation of the Canela wind farm annually substitutes the emission of approximately 110.9 thousand tons of CO₂.

6.1.7. Bocamina II

The Project Bocamina II, located in the Lo Rojas area of the Coronel district, province of Concepción, Bio Bio region, involved the construction of a 350 MW coal-fired thermal plant alongside the existing Bocamina plant using pulverized bituminous coal as fuel. The power plant connects to the SIC through a link at the Lagunillas substation that is being developed by Transelec. Commercial operations began in October 2012. .

6.2. Proyectos en estudio

6.2.1. Central Hidroeléctrica Los Cóndores

El proyecto Central Hidroeléctrica Los Cóndores se emplazará en la Región del Maule, Provincia de Talca, Comuna de San Clemente. Contempla la construcción de una central hidroeléctrica de pasada de aproximadamente 150 MW de potencia instalada, con un generación media anual de 560 GWh, que aprovecharía las aguas del embalse Laguna del Maule, mediante una aducción de 12 km de longitud. La central se conectaría al SIC mediante un enlace de doble circuito en 220 kV entre la Central Los Cóndores y la S/E Ancoa, con una longitud de 90 km, aproximadamente.

En mayo de 2012, el proyecto de la línea de transmisión obtuvo la aprobación de su Resolución de Calificación Ambiental (RCA).

6.2.2. Central Hidroeléctrica Neltume

The Neltume project will be located in Rivers Region, Valdivia province, Panguipulli district. It includes the construction of a pass-through hydroelectric plant of 490 MW of installed capacity, with an average annual generation of 1,880 GWh that would take advantage of electricity potential of lakes Pirehueico and Neltume. It would be connected to the SIC through a double circuit 220 kV transmission line, that has been divided in two portions, from central Neltume and Pullinque.

The project has finished the stage of basic engineering and currently in the process of environmental evaluation by the Region's Environmental Assessment Service (SEA in its Spanish acronym). During 2012, complementary studies were developed to respond to ICSARA N°3 which will be presented during the first trimester of 2013.

The transmission line project, Neltume-Pullinque, is currently in the process of environmental approval. During 2012, studies were developed to respond to ICSARA N°2. In June, SEA issued ICSARA N°3. Its responses are being prepared and are expected to be presented during 2013.



6.2.3. Central Termoeléctrica Punta Alcalde

The thermoelectric power plant Punta Alcalde project will be located in the Atacama region province and district of Huasco, 13 kms south of this town. It foresees the construction of a thermal plant that will use sub-bituminous coal as its main fuel. It will have two blocks of 370 MW installed capacity each. The power plant would be connected to the Maitencillo substation using a 220 kV transmission system, approximately 40 kms long.

Endesa Chile presented the project to the Environmental Impact Assessment Service in 2009. During that year and 2011, there was a change in the rules regarding emission standards which led to make important changes to the project. On June 12, 2012, the Environmental Assessment Commission (CEA in its Spanish acronym) of the Atacama Region decided to reject the project. Endesa Chile therefore filed a *Recurso de Reclamación al Comité de Ministros*.

On December 3, 2012, the Ministers Committee, unanimously, decided to revert the decision adopted by the CEA of the Atacama Region, environmentally approving the project. The issuance of the corresponding RCA by the Ministers Committee is expected in early 2013.

During 2012, the environmental impact study (EIA in its Spanish acronym) for the transmission line that will connect the power plant to the SIC, has continued aiming to go through the environmental assessment process.

6.2.4. Wind Farm Renaico

The project will be located in the Araucania Region, Comuna de Renaico. It includes 44, 95 meter tall 2MW wind fired turbines, which all together will generate 255 GWh/yr. Electricity will evacuate through two transmission lines: the main transmission line, a simple circuit line, 27 kms. long in 220kV ending at the Bureo substation to be built in the Biobio region, and the second line, in 66kV that will connect to the Renaico-Angol line.

Basic engineering was completed in 2012 and two supply contract tenders were launched. The Environmental Rating Permits (RCAs) for the wind farm and for the 220 kV transmission lines were obtained.

6.2.5. Mini hydroelectric project Piruquina

The mini hydroelectric power plant project Piruquina is located on the island of Chiloe, district of Dalcahue. It considers two Kaplan turbines and one Francis turbine that would allow using the ecological water flow. The power plant has an installed capacity of 7.9 MW and an estimated average generation of 33.7 GWh/yr. During 2012, the project was optimized from a conceptual point of view, and civil works were simplified.

6.3. Associates projects

6.3.1. HidroAysen

HidroAysen, a company in which Endesa Chile has 51% of capital and Colbún S.A. the remaining 49%, is developing the construction and operation project of five hydroelectric plants in the Baker and Pascua rivers, in the Region of Aysén.

The power plants will have a total Installed capacity of 2,750 MW and a 18,430 GWh average annual generation capacity, equivalent to 38% of the consumption of the Central Interconnected System during 2012, and in 5,910 hectares reservoir area, equal to 0.05% of the Aysen Region.

The HidroAysén Project is the most important hydroelectric initiative that has ever been proposed in Chile, due to its significant contribution to the national energy matrix, the amount of the investment involved, and due to its exceptional efficiency on a worldwide level.

In accordance to dispositions of Law N°19,300, the HidroAysen project filed its Environmental Impact Assessment (EIA) in August, 2008 and after three years of a complete and thorough evaluation, it received a favorable RCA in May, 2011.

Since that moment, the project has focused its efforts on the transmission evaluation that will allow transporting the electricity generated in the five power plants to the main consumption areas, and in strengthening its relationship with the community of the Aysen Region.

During 2012, the company ended a long judicial process started by persons opposing to the projects that intended to paralyze the project

by means of legal instances. In April 2012, the Supreme Court of Santiago ruled in favor of HidroAysen rejecting the allegations presented by the environmental organizations that had been previously seen by the Appeals Court of Coyhaique and then by the similar Court of Puerto Montt, ruling in favor of the Company. With this ruling, the highest court in the country endorsed the environmental approval of HidroAyeén.

One of the important events of the year was the recommendation presented by Colbun, in May 2012, to suspend the environmental evaluation of the transmission line. Through a Significant Event submitted to the Superintendence of Securities and Insurance (SVS), the company suggested to the Board of Directors, to postpone the submission of the transmission line of the HydroAysen project to Environmental Approval until there is a consensus on the country's energy policy.

On July 20, 2012, HidroAysen, through a public statement, announced that the Board of Directors requested that top management of the Company perform a series of evaluations in order to make a decision regarding Colbun's recommendation.

In August 2012, HidroAysen restructured its top executive level and created a Community and Communications Department, based in the Aysen region, with the purpose of strengthening the relationship between the company and the community and foster a transparency, and direct dialog with neighbors.

Since that date, HidroAysen has focused its efforts in the region, in complying with the commitments entered into with the community, respond to their concerns about the project, demystifying erroneous information introduced by opponents, and mainly, move forward in developing a socially viable project.

Within this context, in December 2012, HidroAysen carried out a "Door to Door" communication plan in the Coyhaique and Puerto Aysen districts, allowing to respond to the questions asked by the community and inform the neighbor's regarding the commitments in terms of benefits for the region.

The work plan allowed visiting 11,131 homes in Coyhaique and Puerto Aysen, equivalent to 60% of the population of both cities, with the participation of 60 people, 40 employees of the company and 20 people from the area, including young people receiving a grant from the project, and social organization leaders. Thanks to this effort, it was possible to realize how interested the community is in knowing more about the project. One of the most popular subjects among the neighbors was the project's commitment to give them the cheap energy benefit, aiming towards reducing the electricity bill of the residents of Aysen by 50%, when compared to their levels of tariffs and demand in 2011. It is a commitment that HidroAysen acquired voluntarily with the region and that today is an obligation for the company, and considered in the Environmental Rating Permit (RCA) of the project.

Also, the main benefits that the project brings to the development of the region were informed, such as employment opportunities, benefits in education and important infrastructure projects that will remain in the region forever and contribute to its development and connectivity.

Giving continuity to its community relations policy, during 2012, HidroAysen remained firm in its commitment to education in the region, awarding 45 scholarships to attend technical education for people from Coyhaique and the Capitán Prat Province, benefitting, over the past five years, nearly 197 students.



6.4. Electricity distribution

Enersis participates in electricity distribution in Chile through its subsidiary Chilectra in which it directly holds 99.1% of the share capital. The market share of our subsidiaries in Chile, in terms of physical sales, was approximately 20%.

According to Chile's tariff regulations governing the activities of electricity distributors, the service area of Chilectra is defined as one of high density and includes all the residential, commercial, industrial, state customers and those that pay tolls, among others. The Santiago Metropolitan Region is the most densely-populated area in Chile and has the country's highest concentration of business activities, industrial parks and commercial facilities.

Other electricity distribution companies that participate in the Chilean electricity system are: Empresa Eléctrica de Arica, Chilquinta Energía, CGE Distribución, Sociedad Austral de Electricidad, Empresa Eléctrica de la Frontera and Luz Andes Limitada, among others.

6.4.1. Chilectra

Chilectra is the largest electricity distribution company in Chile in terms of energy sales. It covers 33 districts of the Metropolitan Region and its concession zone covers a 2,118 sq.km,

area including that of its subsidiaries, Empresa Eléctrica Colina Ltda. and Luz Andes Ltda.

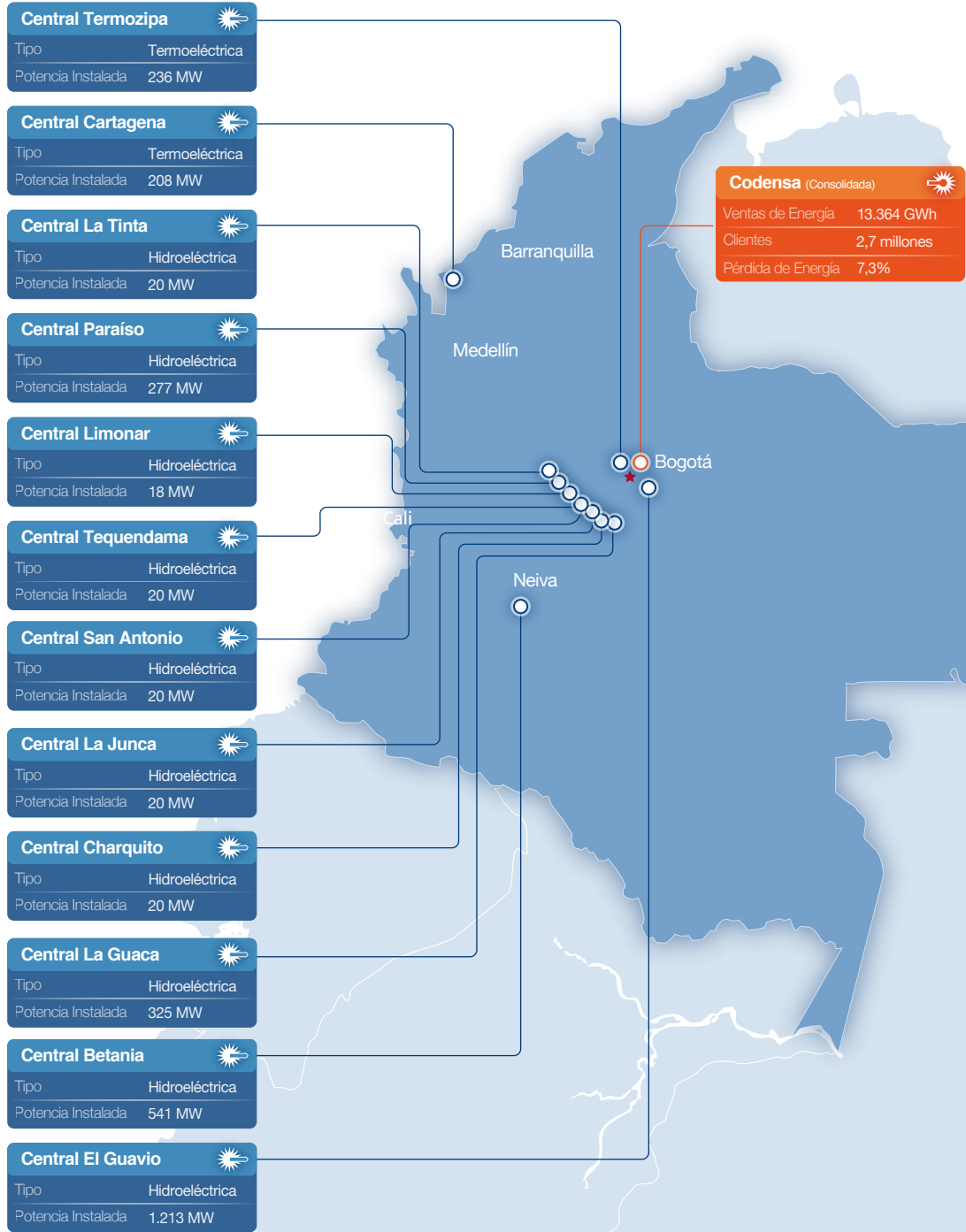
The company provided electricity to 1,658,637 customers, 1.3% more than in 2011. Of the total, 89.7% corresponds to residential customers, 7.7% commercial, 0.7% industrial and 2.0% other customers. Also during 2012, Chilectra sold 14,445 GWh to its end user customers, which represented a 5.6% increase when compared to 2011.

During the year, Chilectra's energy losses were 5.4%, one of the lowest in Latin America.

Distribution tariffs are set every four years, based on the cost studies performed by specialized consulting firms. The National Energy Commission (CNE in its Spanish acronym) establishes typical distribution areas and selects a reference company, for each typical distribution area, based on which the consultants must design an efficient model company.

The latest tariff setting process took place in 2008.

Although Chilectra is currently waiting for the outcome of the Tariff Revision Process for years 2012 thru 2016, no matter when the decree is published, the new tariffs will be applied retroactively as of November 2012.



7. Colombia

7.1. Electricity generation

Enersis participates in electricity generation in Colombia through Endesa Chile and its subsidiary Emgesa, in which it indirectly controls 16.1% of ownership.

This company has an installed capacity that represented in 2012, 20.2% of the country's total generating capacity.

The electricity generation of the Enersis Group in Colombia reached 22.2% of the total generated in that market. Its physical energy sales represented 19% of the total sold.

Other generators connected to the Colombian electricity system are Empresa Pública de Medellín, Isagen, Corelca, EPSA and Chivor.

7.1.1. Emgesa

On September 1, 2007 the Colombian companies Emgesa S.A. E.S.P. and Central Hidroeléctrica de Betania S.A. E.S.P. merged by the latter's absorption by the former, which then changed its name to Emgesa S.A. E.S.P.

It is the largest electricity generating company in Colombia, located close to the city of Bogotá. It has eleven plants with a total capacity of 2,914 MW, among which is included the 1,213 MW El Guavio plant, the largest hydroelectric plant in Colombia. Of the eleven plants, nine are hydroelectric and two thermal.

Net generation reached 13,294 GWh, 10.0% more than the electricity generated the previous year. Total sales were 16,304 GWh, an 8% increase when compared to the figure for 2011.

7.2. Projects under construction

7.2.1. Central Hidroeléctrica El Quimbo

The Project El Quimbo will be located in the department of Huila, in southeast Colombia and will mainly use the water from river Magdalena. It considers the construction of a hydroelectric reservoir power plant with 400 MW of installed capacity, and with average annual generation of approximately 2,216 GWh.

In Colombia, after completing the process of Allocation of Firm Energy requirements for projects that come into operation from December 2014 to November 2019, the ministry of Mining and Energy awarded Emgesa's project Hidroeléctrica El Quimbo, and allocated an energy supply commitment of up to 1,650 GWh/yr. It is a 20 year contract beginning December 2014.

On February 24, 2011, the first stone ceremony of the project took place, and on May 27, the ministry of Environment, Housing and Territorial Development (MAVDT In its Spanish acronym) approved, through Resolution 0971, changes to the environmental license, authorizing Emgesa to build and use new material sources and the warehouse. On September 30, 2011, the consortium Impregilo OHL, civil works contractor, was able to meet both teams working underground, Ventana 1 y Ventana 2, at the vault level. On November 18, 2011 the complementary vulnerability study was submitted to the ministry of Environment, Housing and Territorial Development (MAVDT In its Spanish acronym), according to Resolution 0025. On the other hand, the event of diverting the Magdalena River took place during the first trimester of 2012.

During 2012, the development of the main contracts of the hydroelectric project El Quimbo continued, highlighting the completion, in February, of the construction of the tunnel, the completion, in March, of the construction of the exit of the tunnel (in order to finish changing the course of the river in October), and the completion, in early November, of the ataguia. Regarding the works on the dam, it is important to note the progress of the contract "Design, production, supply, installation and startup of electromechanical equipment." The production of the main equipment began in April, finishing the pre-distributor of unit 1 in August, and its transportation to the location began in late November, from Pasacaballos, Cartagena port, to the location of the power plant, going up the river (Magdalena River).

In line with the Emgesa's commitment to comply with all obligations derived from the environmental license of the project, the company continued progressing in the development of the Social Environmental

Management Plan, such as advancing in the relocation program, developing four individual settlements (which added to those in 2011, reach a total of eight families, families that have participated in the Agricultural Production Plan in order to restore their economic activity), compensating 118 families that owned or had land of up to 5 hectares in size, the psycho-social support to the families residing in the direct area of influence of the project and having six different round tables with national, regional, local authorities and community representatives in which relevant aspects of the project were presented and community concerns were resolved.

As part of the job restitution program of the El Quimbo project, and focused on the population identified as non-resident, worth highlighting is the graduation event of more than 900 people beneficiaries of the School for Sustainable Development (these people received Seed Capital and participated in a 6 month training program).

7.2.2. Salaco Project

This project represents the major maintenance programs and the modernization of minor plants San Antonio, Limonar and La Tinta-La Junca so that they begin to operate as centrales

de despacho central filo de agua, like Salto II, Laguneta and Dario Valencia, respectively.

For Emgesa, this will imply increasing its installed capacity by 144.8 MW and Increasing expected average electricity generation 482 GWh. The power plants will begin operations using their original names Salto II (going from 19.4 MW to 35 MW); Laguneta (going from 18 MW to 36 MW) and Dario Valencia (going from 38.8 MW to 150 MW). The project lasts 24 months.

The cubo del rotor of unit 5 of power plant La Tinta was made, in Mitsubishi workshops in Japan. This will be one of the three units of Dario Valencia included in the project

7.3. Electricity distribution

Enersis participates in electricity distribution through its subsidiary Codensa, in which it directly and indirectly holds 21.7% of the share capital.

The market share of our subsidiary in Colombia, in terms of physical sales, was approximately 16%. In Colombia, there are 31 other distributors participating in the electricity system, such as: EEP Medellín, Electrificadora del Pacífico and Electrificadora del Caribe.





7.3.1. Codensa

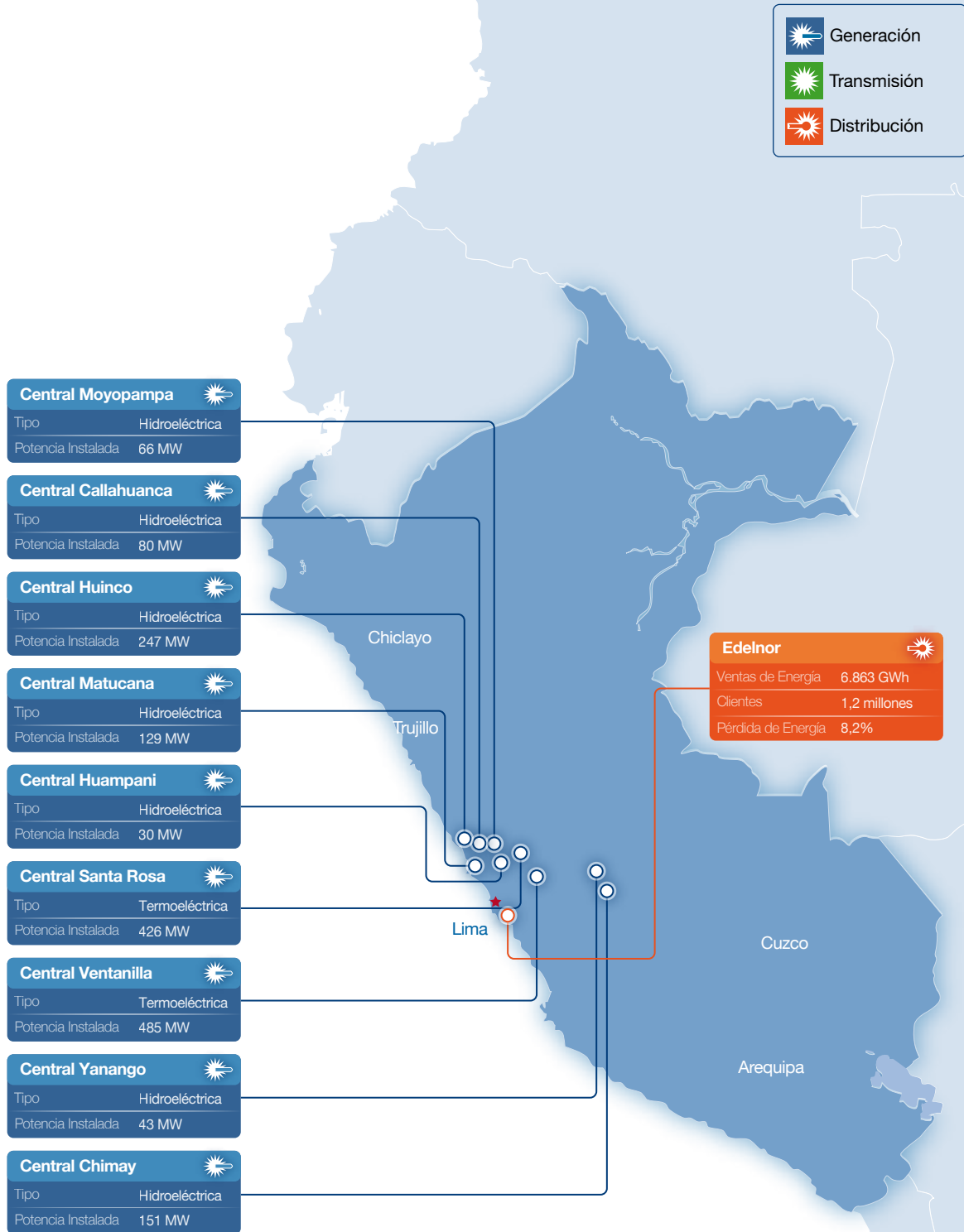
Distributes and sells electricity in Bogotá and in 103 districts of the departments of Cundinamarca, Boyacá and Tolima, comprising an area of 14,087 sq. km.

Since 2001, Codensa has concentrated on providing services to regulated customers, although it also services some industrial, commercial, and public lighting municipally customers. It provided electricity services to 2,616,909 customers, 2.8% more than the previous year. Of this total, 88.5% are residential, 16.2% commercial, 6.8% industrial and 42.8% other customers.

Energy sales reached 13,364 GWh representing an increase of 3.9% compared to 2011. These were distributed as follows: 34.2% to residential customers, 16.2% commercial, 6.8% industrial and 42.8% to other sectors.

In terms of energy losses, the index showed a significant reduction from 8.1% to 7.5%. In terms of energy losses, the index decreased from 8.5% to 8.1%. Loss management has been focused on the incorporation of new technologies and techniques for identifying losses and also on strengthening the customer/company relationship based on technical knowledge and the transparency of our actions.

As part of the tariff-revision process carried out every five years, CREG Resolution 093 of August 2008 published the rate of return that applies to the remuneration for the electricity distribution business, which was fixed as 13.0% for sub-transmission assets and 13.9% for medium and low voltage transmission assets. In October 2009, the CREG issued its Resolution N°100 setting the distribution charges of Codensa for the period 2009-2013. This resolution defined a reduction in the distribution value added (VAD) of 4.2%.





8. Peru

8.1. Electricity generation

Enersis participates in electricity generation in Peru through Endesa Chile and its subsidiary Edegel, in which it directly and indirectly controls 37.5% of ownership.

Edegel has an installed capacity of 1,657 MW, figure which represented 23.3% of Peru's 7,097 MW total installed capacity. The electricity generation of the Enersis Group was 23.4% of the total generated in the country.

En Peru, other generators connected to the electricity system are: Electroperú and Enersur and Kalipa Generacion

8.1.1. Edegel

This company is located in the surroundings of the city of Lima. It has seven hydroelectric plants and two thermal plants with a total capacity of 1,658 MW. The thermal plants use natural gas as the main fuel to generate and diesel as alternative fuel.

The net generation of Edegel was 8,740 GWh, 4.5% less than in 2011, and its physical sales reached 9,587 GWh, increasing 1.5% when compared to the previous year.

8.2. Projects being evaluated

8.2.1. Central Hidroeléctrica Curibamba

This power plant is to be located upstream above the Chimay hydroelectric power plant, department of Junin, and using the waters of the rivers Comas and Uchubamba.

It is a pass-through power plant project with an effective capacity of 188 MW, with an 86m³/s design flow that would generate 1,010 GWh/yr., and a transmission line reaching the Pachachaca, a simple circuit, 134 kms long, 220 kV line.

During 2012, the basic engineering of the power plant was completed and presented to the electricity system operator (COES) and the bidding process of the civil works and equipment began. The basic designs of more than 80% of the transmission line route has been completed.

In October 2012, the Environmental Impact Assessment (EIA in its Spanish acronym) of the power plant was approved. The EIA of the transmission line has been submitted.

8.3. Electricity distribution

Enersis participates in electricity distribution through its subsidiary Edelnor in which it, directly and indirectly, controls 57.5% of ownership.

The market share of our subsidiary in Peru, in terms of physical sales, was approximately 19%.

In Peru, other distributors that participate in the electricity system are: Luz del Sur, Electro Sur, Electrocentro, ENOSA, Hidrandina and ENSA.

8.3.1. Edelnor

The concession zone granted to Edelnor covers a total area of 1,517 km² (1) which mainly the northern area of Lima and Callao.

Edelnor is the electricity public-utility concession-holding company for the northern part of the Lima metropolitan area and the province of Callao, plus the provinces of Huaaura, Huaral, Barranca and Oyón. It serves 52 districts exclusively and shares 5 additional districts with the southern zone distribution company. In the metropolitan area, Edelnor's concession consists mainly of the industrial part of Lima and some populous districts of the city.

Edelnor provided electricity services to 1,203,061 customers, a 5.2% increase compared to 2011. Of these, 94.4% are residential, 3.4% commercial, 0.1% industrial and 2.1% other customers.

Physical energy sales in 2012 were 6,863 GWh, representing a 4.4% increase compared to 2011. The increase in sales is explained by the higher consumption of the residential and commercial sectors.

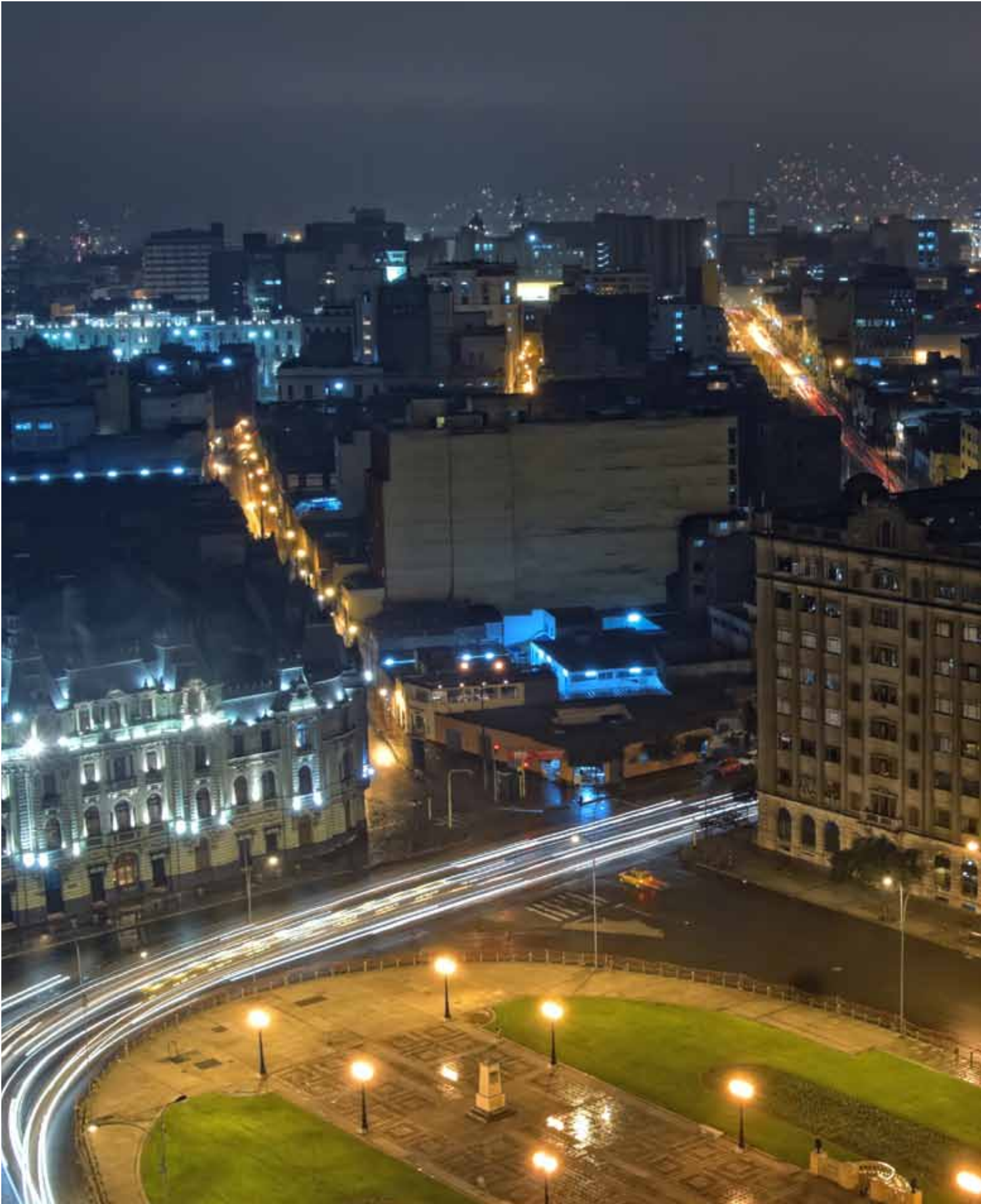
In terms of the Energy losses index, at December 2012, it was 8.2%, maintaining the level of the previous year.

In terms of the distribution tariff setting process, through Resolution N° 137-2011-OS/CD (27-7-2011) the Osinergmin set the new generation prices and Resolution N° 138-2011-OS/CD (27-7-2011) adjusted the restatement factors of the fee for Additional Generation and the Compensation Toll which is added to the Secondary Transmission System Toll.

Also, through Resolution Osinergmin N° 140-2011-OS/CD (27-07-2011), an adjustment to the extra charge factor of the electric social compensation fund (FOSE in its Spanish acronym) was adopted.

The total variation of tariffs to final customers applied represented a price increase of approximately 2% when compared to July 2011 prices.









other businesses

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Manso de Velasco

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ICT



1. Manso de Velasco

Manso de Velasco focuses its business on the development of important real-estate projects and mainly on managing the real estate assets of the Enersis Group in South America, in everything related the purchase, sale and development of real-estate assets.

Its main project, ENEA, is the real estate development of a property, originally 1,041 hectares, strategically located in the west side of Santiago, Pudahuel district, adjacent to the International Airport Arturo Merino Benitez. The project is being developed to sell large lots for industrial, commercial, residential projects, services, educational complexes and others.

The connectivity of the project improves every year with the construction of new roads and related infrastructure, streets, side streets, and freeway entrances and exits. This new infrastructure has allowed ENEA to continue improving its already excellent connectivity with the most active areas of the city, adding value to this Business Park.

Industrial and Business Park Phases II, III and West are currently being developed and commercialized. During 2012, the activities focused on increasing the developed area of Phases II and West have continued In order to allow selling new lots. The project's infrastructure Is complete, having added on new equipment and green areas this year which offer better service conditions to the area and its users.

Included in the ENEA project is the company Aguas Santiago Poniente S.A., a utility which provides sanitation services to this real-estate development. As a result of the new residential and industrial constructions in ENEA, the

company has had to expand its capacity in order to service more than 3,477 and residential and industrial customers and treat 100% of the project's wastewater.

Within the real estate business, Manso de Velasco, also manages 24,030 m2 in buildings, office buildings, with are mostly rentals to related companies and third parties.

Total consolidated revenues of Inmobiliaria Manso de Velasco, for 2012, reached \$17,039 million.

2. ICT

ICT Servicios Informáticos Limitada is an Information and telecommunications consulting Service Company offering services in Chile and South America, in which Enersis holds, directly and indirectly, 100% of ownership.

During 2012, ICT has focused on stabilizing the operations of the information systems that have migrated to Global Datacenters and specially on advancing with the projects defined within the Systems and Telecommunications Master Plan. Simultaneously, ICT has developed, along with its global suppliers, a plan to improve its services to customers. Additionally, several important local and regional projects included in the Information System Master Plan have kicked off.

In terms of technical systems the focus in 2012 has been Modernizing the Control and Acquisition of Data platform for the SCADA System used by generators and distributors in Chile, and Colombia; work has been performed in the Transformation of the Generation Systems into Data Processing Centers, contributing to the stability of generation systems. A system that, in addition to satisfying business needs, allows

standardizing processes was implemented, such as, the Security SIVI/SAVO system that allows monitoring power plant variables, detecting faults and control the activities performed to correct such faults, forming part of the Maintenance Management of Power Plant Systems (GEMA in its Spanish acronym). In this same direction, the deployment and addition of Power Plants to generation CMD: this year power plant Bocamina II in Chile and Termozipa in Colombia were added, which has allowed expanding the monitoring centers in the region.

Regarding Energy Management, regional projects intended to obtain global corporate technical system solutions began, implementing the Document Management project in Peru, Colombia, Chile and Argentina. Also, as part of the current corporate platform and architecture, the ALLEGRO System, to manage fuel contracts in Argentina, Colombia y Peru was implemented. In terms of market management, the regional platform that will hold all data obtained from regulating authorities, internal Information on the company, and business processes that will model this information, was established.

With respect to the Financial Accounting Systems, and In line with the optimization of the administrative processes fostered by global initiatives, a digitalization of receipts has been adopted, offering greater quality and security in the process of receiving, controlling and paying supplier bills. Also, the purchase platform was updated to use SRM of SAP. With this implantation, the purchase process had become an End to End tool, integrating the supplier into purchase management.

With respect to Commercial Systems, 2012 has been a year concentrated on the implementation of important strategic projects designed to

support the commercial processes of the Enersis Group companies, on a continuous basis, incorporating cutting edge technology. Among the projects implemented, those that stand out are, the Large Customer Management project in Emgesa; the remote metering solutions in distribution companies in Chile, in Peru and Brazil; the BI-Data Mining solutions for losses and late payments in Brazil; Codensa's In Situ Billing system; and the inicial stage of the modernization of the collecting platform project in Chilectra. Also, during 2012, attention was placed on the definition of a Field Work solution, a project that will help improve the work process of filed jobs, offering greater functional capabilities to the companies and reducing maintenance costs of this type of solutions in the midterm; and also, the implementation of a Commercial Website, supported by the latest technological architecture which guarantees having a common and transferable solution for the region.

Considering the Groups permanent concern regarding systems, applications, and information database security, during 2012, the "Implantation of IPS for the SCADA System Project" was developed and for Corporate Systems, the installation and support of IPS equipment in Enersis' Corporate Network and the SCADA network. This project allows incorporating security. This project allows incorporating safety devices, for access protection, intrusion prevention and proactive blockage, when the security of control systems and customer networks within our platform are threatened, contributing with advanced control and security levels, with state of the art devices, and therefore protecting both users, as well as, internal and external attacking systems.



diagram of shareholdings

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Direct and Indirect
economic shareholdings

p. 152
Perimeter of Enersis'
shareholding

p. 154
Perimeter of Endesa
Chile's shareholding

1. Direct and Indirect economic shareholdings

| Argentina | | |
|-----------------------------|----------|-----------|
| | Business | Ownership |
| Costanera | Gx | 41.85% |
| El Chocón | Gx | 39.21% |
| Edesur | Dx | 65.39% |
| CTM | Tx | 54.30% |
| TESA | Tx | 54.30% |
| CEMSA | Tx | 26.99% |
| Gasoducto Atacama Argentina | Ox | 29.99% |

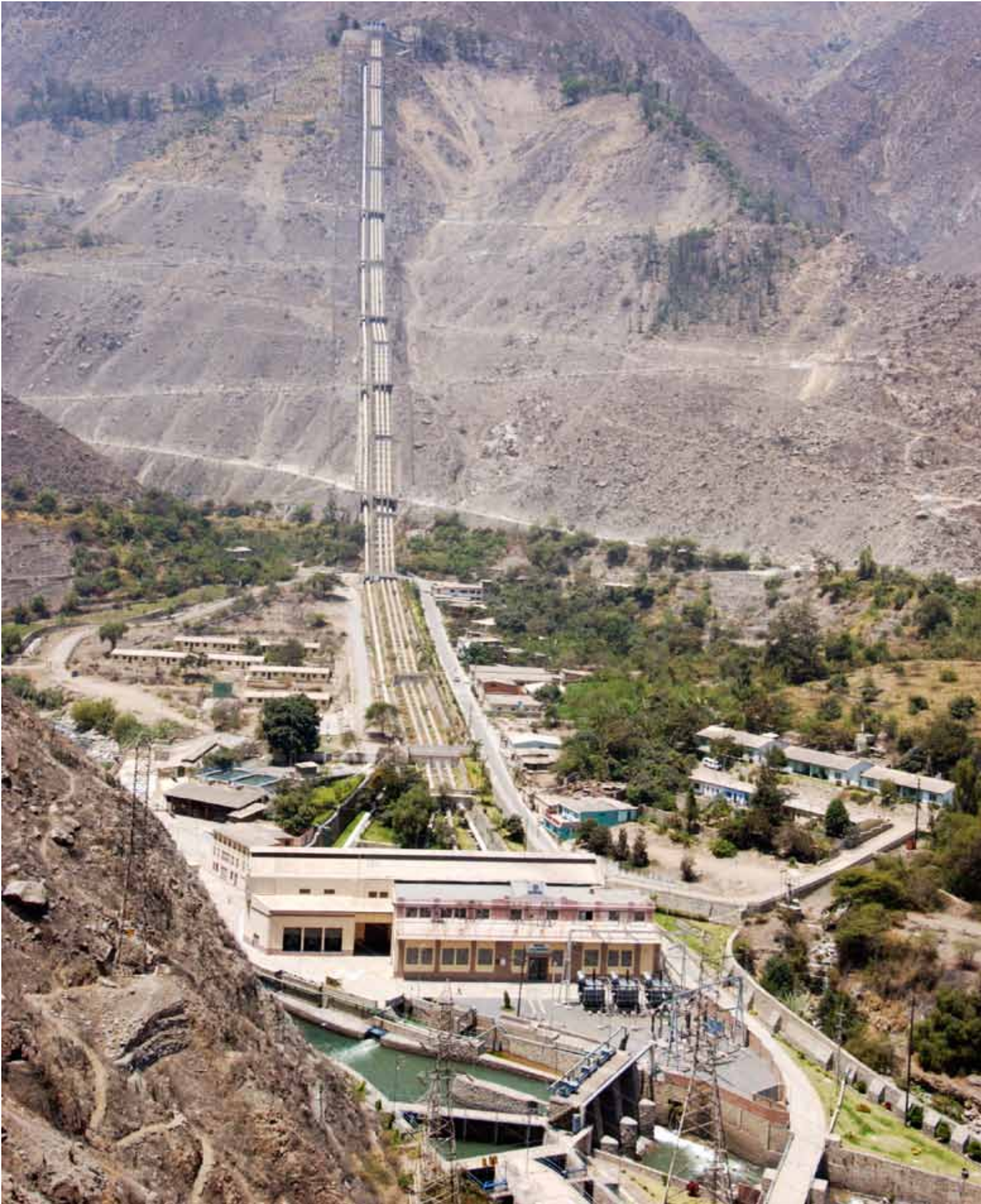
| Chile | | |
|-------------------|----------|------------|
| | Business | Ownership |
| Endesa Chile | Gx | 59.98% |
| Celta | Gx | 59.98% |
| Endesa ECO | Gx | 59.98% |
| Pehuenche | Gx | 55.57% |
| Canela | Gx | 44.98% |
| HidroAysén | Gx | 30.59% |
| GasAtacama | Gx | 29.99% |
| Chilectra | Dx | 99.09% |
| Transquillota | Tx | 28.67% |
| Ingendesa | Ox | 29.99% (*) |
| Túnel el Melón | Ox | 59.98% |
| GasAtacama Chile | Ox | 29.99% |
| Gasoducto Tal Tal | Ox | 29.99% |
| Electrogas | Ox | 25.49% |
| GNL Chile | Ox | 19.99% |
| GNL Quintero | Ox | 12.00% |

| Brazil | | |
|-------------------|------------|-----------|
| | Business | Ownership |
| Endesa Brasil | Gx, Dx, Tx | 54.30% |
| Fortaleza | Gx | 54.30% |
| Cachoeira Dourada | Gx | 54.09% |
| Ampla | Dx | 70.22% |
| Coelce | Dx | 35.25% |
| CIEN | Tx | 54.30% |

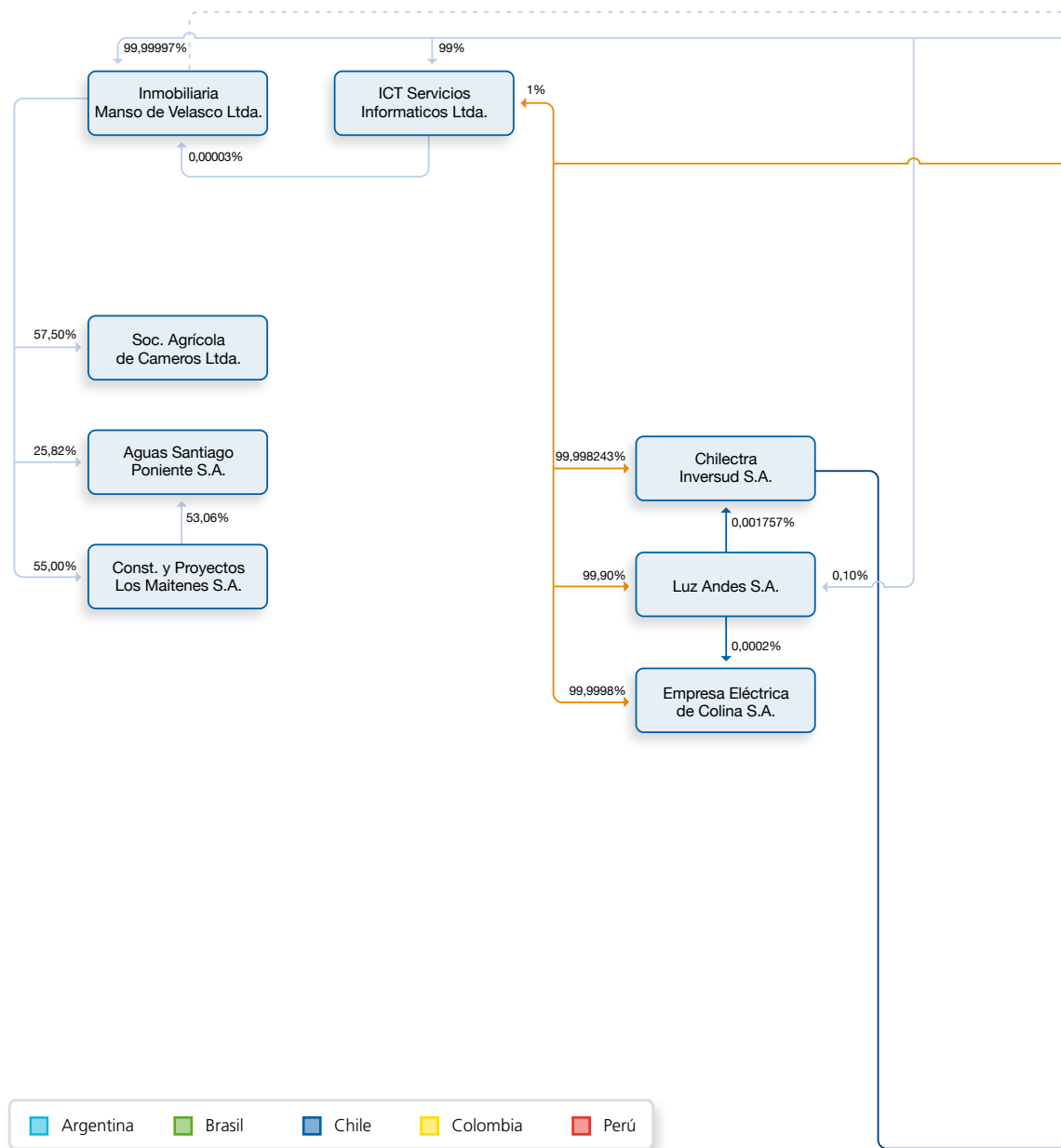
| Colombia | | |
|----------|----------|-----------|
| | Business | Ownership |
| Emgesa | Gx | 16.12% |
| Codensa | Dx | 21.73% |

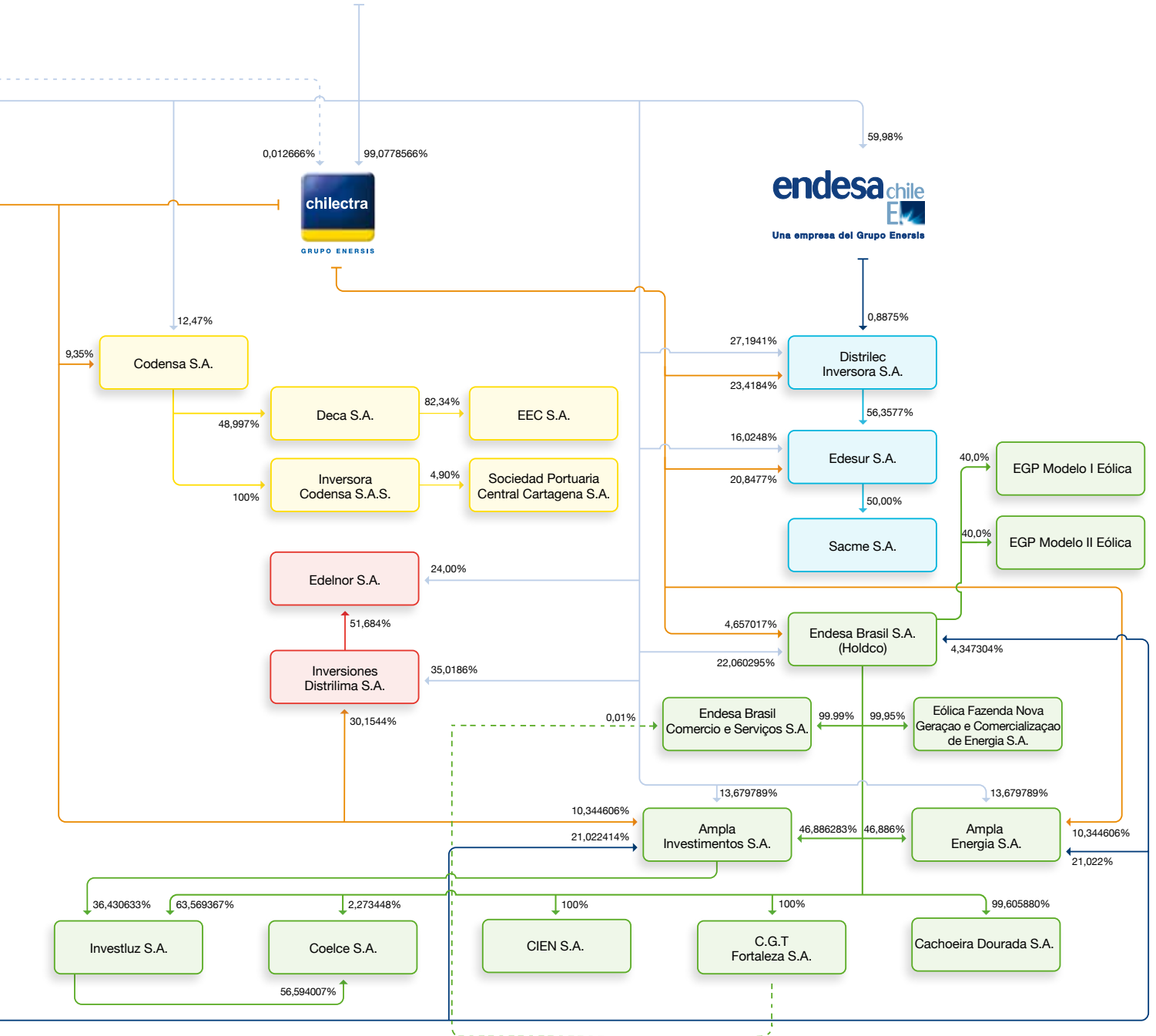
| Peru | | |
|---------|----------|-----------|
| | Business | Ownership |
| Edegel | Gx | 37.46% |
| Edelnor | Dx | 57.54% |

Notes
 Gx: Generation
 Dx: Distribution
 Tx: Transmission / Commercialization
 Ox: Gas pipelines, others
 (*) Considered Enersis Group operational companies

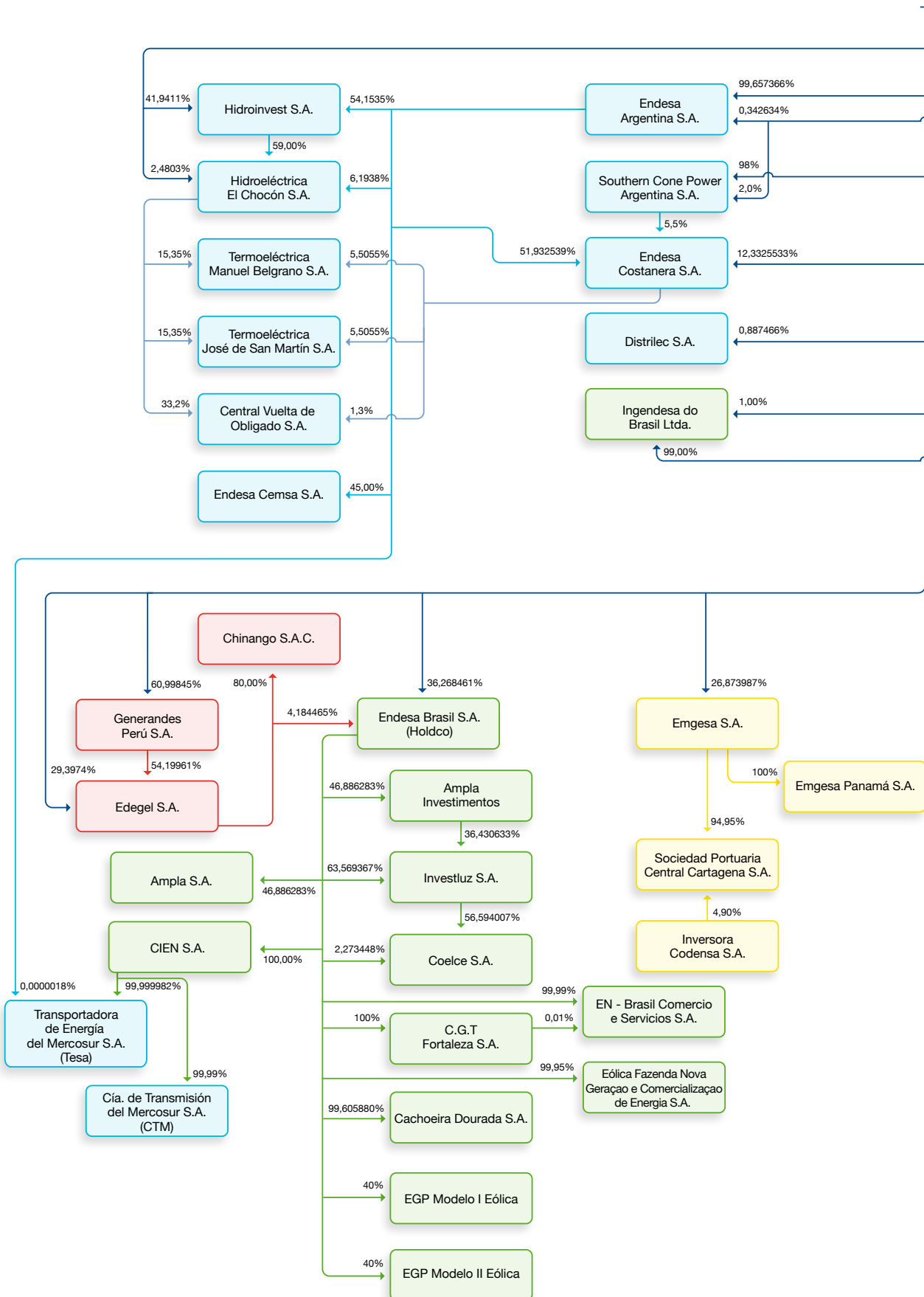


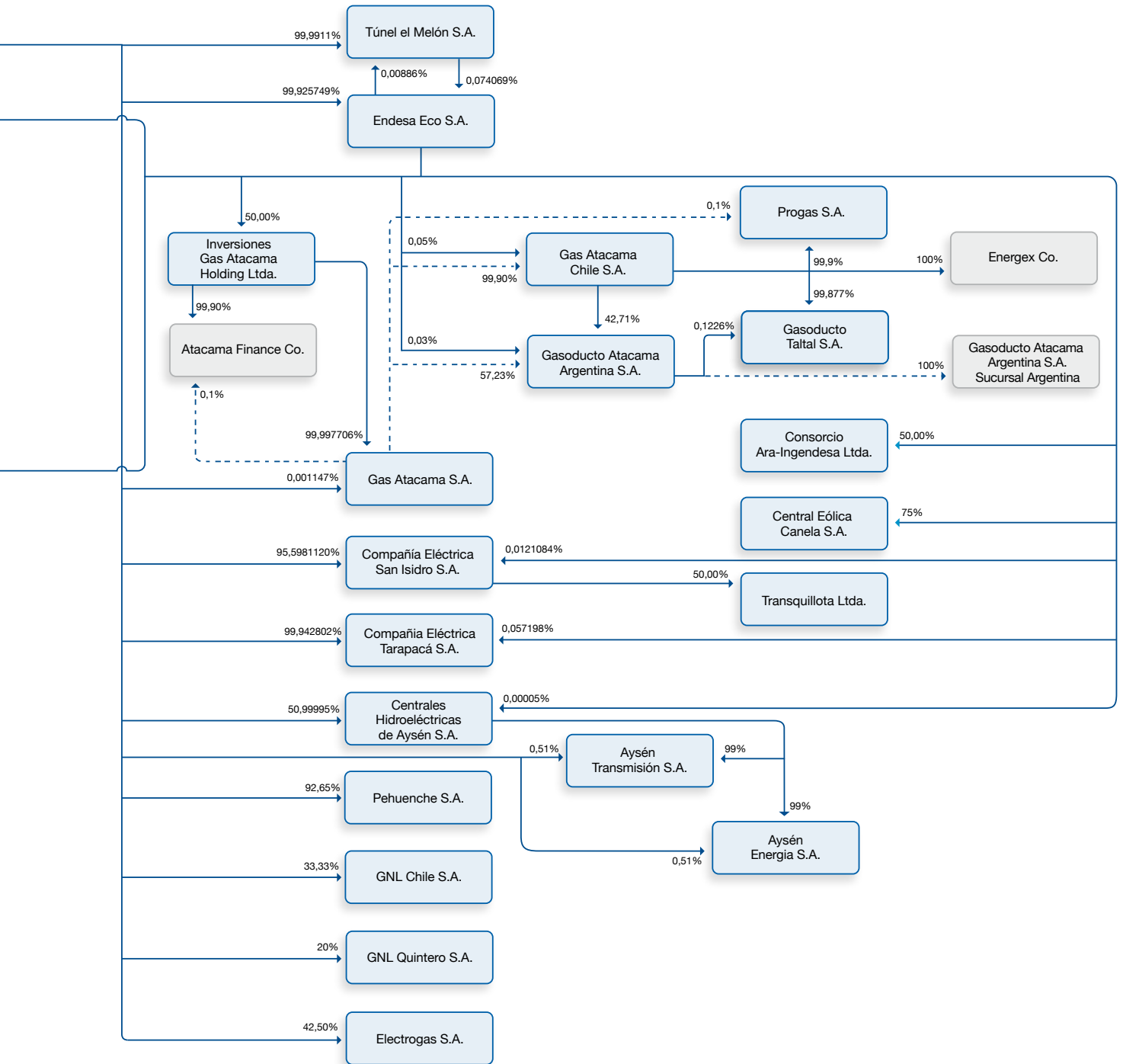
2. Perimeter of Enersis' shareholding





3. Perimeter of Endesa Chile's shareholding







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significant events of the entity



1. Enersis

By means of Essential Fact submitted on January 31, 2012, Enersis S.A. informs that Enersis S.A. has recorded a provision to assets of its subsidiaries Empresa Distribuidora Sur S.A., and Central Costanera S.A., whose impact on the results of Enersis S.A. amounted to MM\$106,750.

The above has been included in the Consolidated Financial Statements as of December 31, 2011, approved by the Board of Directors in the meeting held today. If such adjustments has not been recorded, the results of Enersis S.A. would have been similar to those for year 2010.

On February 2, 2012, the Company informs that the information contained in Essential Fact sent on January 31, 2012, disclosing the provisions to assets of subsidiaries Empresa Distribuidora Sur S.A. (Edesur) and Endesa Costanera S.A. (Central Costanera), recorded and that impacted the results of Enersis S.A. in MM\$106,750, is being complemented.

With this respect, it is worth mentioning that such amount responds to the effect on Enersis of the following:

- A provision for losses recorded as an impairment account related to Property, Plant and Equipment of Edesur totaling \$ 69,607 million, net of non-controlling shareholdings (see note 15 d) vii) of the Consolidated Financial Statements as of December 31, 2011).
- The reversal of tax credits on taxes paid out by Edesur and Endesa Costanera for \$ 17,220 million and \$ 7,723 million, respectively, net of non-controlling shareholdings.
- Finally, a provision for losses recorded as an impairment account was made on existing goodwill balances in Edesur and Endesa Costanera, amounting to \$ 8,931 million and \$ 3,269 million, respectively, net of non-controlling shareholdings (see note 14 of the Consolidated Financial Statements as of December 31, 2011).

In the case of Edesur, the measures above are attributable to the uncertainties generated by the delays in the recognition of tariff adjustments via the semi-annual Cost Monitoring System (MMC, in its Spanish acronym) and the implementation of an Integral Tariff Review (RTI, in its Spanish acronym).

With respect to Endesa Costanera, the situation is attributable to the difficulties in obtaining adjustments to revenue sufficient to cover real generation costs, working capital deficits, due to difficulties in the collection of the system operator's sales, all of which factors have an impact on the company's short-term financial stability.

On February 29, 2012, the Board of Directors of Enersis S.A., unanimously agreed to propose to the Enersis Ordinary Shareholders Meeting, to maintain the same dividend payout ratio paid for the previous period; namely, 50% of the Company's distributable net income. For this period, such percentage is equivalent to \$ 5.7497 per share, from which the interim dividend of Ch\$ 1.46560 per share paid in January 2012 must be deducted. Therefore, the amount to be distributed as a final dividend to shareholders would be Ch\$ 4.2841 per share.

This will represent a distribution of \$ 139,880,862 thousand of the results at December 31, 2011.

This modifies the current dividend policy which determined the distribution of a 55% dividend payout of the distributable net income of the Company.

In the Ordinary Shareholders' Meeting of Enersis S.A. held on April 26, 2012, the shareholders agreed to distribute a minimum mandatory dividend (partially paid by Provisional Dividend No. 84) and an additional dividend, for a total of \$ 5.74970. Given that the above mentioned Provisional Dividend No. 84 was already paid, we will distribute and pay the remaining amount of the Definitive Dividend No. 85, for \$ 4.28410 per share.

On July 13, 2012, Enersis informs that through ENRE Resolution N° 183/2012, dated July 12th 2012, from the Argentine electric regulatory entity, Mr. Luis Miguel Barletta was designated as supervisor of our Argentine subsidiary, Empresa Distribuidora Sur S.A. (Edesur). This designation does not replace

the company's current management, nor does it represent a type of joint management.

In its meeting held today, July 25, 2012, Enersis S.A.'s Board of Directors agreed to summon an Extraordinary Shareholders Meeting to be held on September 13, 2012 at 10:30 a.m., at The Marriott Hotel, Av. Kennedy N° 5741, Las Condes, Santiago, Chile with the purpose to address the following issues:

- 1.- Increase capital for the amount, equivalent in Chilean pesos, of US\$ 8,020 million or In the amount determined by the Extraordinary Shareholders Meeting, through the issuance of a certain number of common shares to be determined by the Meeting, to be paid in cash and/or in kind. The shares to be issued will be nominative, all of the same special issuance, without any preference, and without a nominal value.
- 2.- Approve each and every contribution in kind subject to being capitalized, as well as their respective estimated appraisals carried out by the independent expert appraiser, Mr. Eduardo Walker Hirschfeld, whose report will be made available today to the shareholders on the company's web site at www.enersis.cl. The report estimates the total value of the contribution in kind in US\$ 4,862 million.
- 3.- Agree on a value or price of issuance for the shares which will correspond to the capital increase that is agreed upon or delegate the determination of such value upon the Board of Directors.
- 4.- Modify the company's bylaws in accordance to the agreements adopted in connection with the capital increase and authorize the Company's Management to submit a consolidated and updated version of the bylaws.
- 5.- Adopt all necessary agreements that may be needed and convenient for the full execution of the respective decisions adopted at the Meeting including, but not limited to, the determination, timing, and procedure for the issuance of shares corresponding to the capital increase, the registration of such shares in the Registry of Securities, the period for issuance, subscription and payment of the shares; the establishment of the procedure for the issuance of any follow on shares left over after a preemptive rights' issuance; or the full empowerment of the Board of Directors for each of these items, or for the adoption of any other agreement that may be needed to supplement or grant compliance to whatever may be resolved at the Meeting, or to satisfy any legal, regulatory, or administrative requirement of the Superintendence of Securities and Insurance, the Chilean Tax Authority or, in general, any other publicly competent entity, and delegating powers for such purposes on the Chief Executive Officer, the Deputy Chief Executive Officer and the Company's Counsel so that any of them, acting on an individual manner, may carry out all the actions and legal steps that may be required or convenient to fully bring about what has been hereby described.
6. - Information on all agreements relating to related party operations referred to in Title XII of Law 18,046 and any others that may have been subsequent to those informed in the last Extraordinary Shareholders Meeting, if any

Shareholders may obtain a copy of all the documentation that explains and backs the items submitted for the resolution of the ESM at the company's headquarters, located in Santa Rosa 76, 15 th Floor, Santiago, Chile, fifteen days prior to the Meeting. The complete information will also be made available on the Company's web site.

The company takes note of the administrative interpretation and will evaluate, within the Board of Directors, what should be done, as a result of this new situation. Esta empresa toma nota de la interpretación administrativa y evaluará, en el seno de su directorio, lo que corresponda, fruto de este nuevo antecedente.

Notwithstanding the above, it is important to reaffirm Enersis S. A and its Board of Directors have the conviction that they have acted in good faith, strictly according to the applicable legislation, highlighting that they had been particularly careful to search for the advice with due anticipation, consulting with, and obtaining from, prestigious local legal firms legal reports that, categorically confirmed that they were proceeding correctly.

The Board of Directors of Enersis S.A., in its Extraordinary Session held on August 9, 2012, has decided the following

1. Notwithstanding its opposition with the legal arguments contained in Ordinary Official Letter 18,684 issued by the Superintendence of Securities and Insurance on August 3, 2012, the Board declared its intention to continue with the capital increase process which had been proposed by the controlling shareholder, supplementing such process with procedures that may be deemed appropriate for the purpose of compliance with the dispositions contained in Title XVI of the Corporations' Act.
2. As a consequence, the Board decided to postpone the summons to an Extraordinary Shareholders' Meeting which had been planned for September 13, 2012, until such date as may be determined opportunely.
3. Finally, the Board decided to summon a session for August 22, 2012, with the purpose of adopting the decisions that may be deemed appropriate in compliance with these referenced procedures.

The Board of Directors of Enersis S.A. (the "Company") in its Ordinary Meeting held August

31, 2012, has decided the following regarding the capital increase in place (the operation):

1. - Inform that the since Directors Pablo Yrarrázaval Valdés (Chairman), Andrea Brentan (Vice chairman), Rafael Miranda Robredo, Hernán Somerville Senn, Leónidas Vial Echeverría and Eugenio Tironi Barrios, had been elected with the votes of the controlling shareholder of the Company had declared having interests in the operation in terms of Article 147 of the Corporations Law, considering the dispositions of the Memorandum N° 21,001, issued August 29m 2012 by the SVS.
2. - Inform that the Chief Executive Officer, Mr. Ignacio Antoñanzas Alvear, for having a position in Endesa Latinoamérica, S.A., controlling shareholder of the Company, has declared that he also has interests in the operation in terms of Article 147 of the Corporations Law. Therefore, the Board defined the parameters required for the Chief Executive Officer to be able to act with respect to the operation.
3. - Inform that the Board has agreed to continue with the referred operation and that in order to do so has begun the process of seeking an independent consultant for purposes of the provisions in article 147 of the Corporations Law, regardless of what is to be resolved by the Directors Committee.
4. - Inform that the Board is aware of the letter received by the controlling shareholder of the Company by means of which it confirms its interest In continuing the capital increase process proposed and requests calling, when

appropriate, a shareholder meeting, taking into consideration the dispositions of Title XVI of the Corporations Law and in such terms and with the anticipation necessary for all Enersis S.A. shareholders, including ADR holders, to participate in such Meeting.

The Board of Directors of Enersis S.A., in its extraordinary meeting held September 5, 2012, has decided to contract IM Trust, as independent appraiser of the capital increase, due to its high technical and professional competence and its renowned prestige on these matters as well as its independence, in compliance with Title XVI of the Corporations Law (LSA).

We also inform that the Directors Committee is searching for an independent appraiser in compliance with article 147 of the LSA.

The Directors Committee of Enersis S.A. in its extraordinary meeting held September 7, 2012, decided to engage Claro y Asociados Ltda. as independent appraiser in connection with the capital increase, based on the firm's independence, absence of conflicts of interest, and technical and professional competence. The above in compliance with the formalities established by Title XVI of the Corporations Law (LSA)

On September 20, 2012, the controlling shareholder, Endesa S.A. (Spain) has disclosed, as a Significant Event the attached presentation, in Spanish and in English. A copy of such presentations are also available on the Endesa, S.A. website (www.endesa.es) and will soon be available on Enersis S.A. website (www.enersis.cl).

On October 24, 2012 the Company informed that the Enersis Directors' Committee officially received in its extraordinary session officially received the report from Claro y Asociados,

independent appraisers designated by the aforementioned committee on September 7th in relation to the Enersis' proposed capital increase operation.

The Company also informs that Enersis' Board of Directors, at its extraordinary meeting formally received the report from IM Trust, independent appraisers designated by the Board on September 5th in relation to the capital increase operation in progress.

In accordance with legal requirements, these reports refer to the conditions of the in progress capital increase operation, to its effects and potential impact on Enersis, and to additional issues subject to evaluation which have been expressly raised by the Board of Directors, the Directors' Committee, and by its members.

As of this date, copies of these reports will be at the shareholders' disposal at Enersis' headquarters, and on the company's website at www.enersis.cl.

These reports are added to the report of Mr. Eduardo Walker H., which is already in the above-mentioned website.

On October 30, 2012, the Company informs that at its extraordinary meeting which began yesterday, and ended early this morning, the Enersis Directors' Committee officially issued its report in connection with the capital increase operation of Enersis S.A. in progress, and in compliance with the norms set forth in article 50 bis of the Corporations Law.

As of this date, copies of this report is at the shareholders' disposal at Enersis' headquarters, located in Santa Rosa 76, 15th Floor, Santiago, Chile (Investor Relations and Risk Department), and on the company's website at www.enersis.cl.

On October 31, 2012 the company informs that Enersis' Directors have officially delivered, within the deadline prescribed by the Corporations Law, their individual opinions for the purposes of provisions in numbers 5 and 6 of article 147 of the Corporations Law, in connection with the capital increase operation in progress.

As of this date, a copy of the above mentioned opinions will be at the shareholders' disposal at the company's headquarters, located in Santa Rosa 76, 15 th Floor, Santiago, (Investor Relations and Risk Department), and on the company's website at www.enersis.cl

On October 31, 2012 the company informs that Enersis S.A has received a letter from Endesa S.A. (Endesa Spain or Endesa) dated October 30, 2012, presenting a conditionality proposal regarding the Enersis' capital increase ongoing process. The letter is attached to this form.

Through this letter, Endesa formally requests to Enersis' Extraordinary Shareholder Meeting, which will address to the capital increase, that the subscription and payment of the issued shares as a result of the operation be subject to a conditional clause consisting in that those minority shareholders subscribe and pay, either in one or more preemptive rights' subscription periods a minimum number of shares that would allow Endesa to subscribe at least its right to shares without exceeding the aforementioned legal and by-law 65% threshold of shares issued with voting rights. If the total number of shares subscribed and paid implies that Endesa exceeds such limit, the condition shall automatically be deemed not satisfied and the subscription contracts of shares would have no legal effect, returning the amounts delivered for the shares to the subscribers.

The Board of Directors of Enersis stated during its session held October 31, 2012, that Endesa's proposal contributes to the best interest of Enersis and that a future board meeting, will adopt the measures deemed appropriate to protect such

best interests of Enersis and of those who would participate in the aforementioned capital increase.

On November 6, 2012, the company informs that at its meeting held today, the Enersis Board of Directors agreed to summon an Extraordinary Shareholders Meeting in order to give an announcement about the capital increase in progress, in the same terms that was proposed by our parent company Endesa, S.A. ("Endesa España") as a single operation. In such meeting, shareholders would be informed about other subjects not related to the capital increase. Such Extraordinary Shareholders Meeting will be held on December 20, 2012, at 12:30 p.m. (Santiago time), in the "Las Américas" room of the Intercontinental Hotel, located in Vitacura Avenue 2885, Las Condes, Santiago.

The issues that will be submitted to the knowledge and decision of the ESM are the following, which may be discussed in the order determined by the Extraordinary Shareholders Meeting, therefore the agreements to be adopted will be duly consistent:

- 1.- Approve, in accordance with the terms of Title XVI of Law 18,046 of the Chilean Companies Act ("LSA", in its Spanish acronym), the related parties transaction, which consists of the capital increase described in the following points of this notification, taking into consideration the information that for this effect is available to shareholders at the Company's headquarters and on the Company's website: www.enersis.cl.
- 2.- Increase the issued capital by an amount in Chilean Pesos, the legal currency of Chile, which will not be lower than US\$ 5,915 million nor higher than US\$ 6,555 million at an exchange rate of Ch\$ 482.29 per US Dollar, or by the amount that the Extraordinary Shareholder Meeting determines. This capital increase will be accomplished via the issuance of the number of shares that will be determined for this effect. All the shares

that will be issued will be nominative and ordinary from a single special series without preference and without nominal value, to be called Series B. This Series B will have exactly the same rights as the shares already issued, with the only one exception of their exchange rights. Series B will be created with the single purpose of differentiating these new shares from those already issued, since all of the latter are governed by the Exchange Convention agreed to on September 24, 2008 between Enersis S.A. (the "Company"), Citibank N.A. and the Chilean Central Bank.

- 3.- Approve those non-monetary contributions that may be capitalized and their respective contribution values, submitting to discussion for the effects of articles 15 and 67 No. 6 of the LSA the estimations included in the independent appraisal reports issued by Mr. Eduardo Walker Hirschfeld, by IM Trust and by Claro y Asociados. These reports are available to shareholders on the Company's website: www.enersis.cl and at the Company's headquarters. Therefore, the shares that are issued as part of the capital increase will be paid in cash and with the contribution of ownership of all the equity interests of Cono Sur Participaciones S.L., a company that will group together the shares detailed in the aforementioned reports.
 - 4.- Agree on a subscription's price of the shares that are issued or establish a formula and, in the latter case, delegate the final decision about such price, to the Board of Directors, as long as the subscription starts within the 180 days following the date of the Meeting, in accordance with article 23 of the Corporations Rule. Bearing in mind the resulting subscription's price, the Board of Directors must offer the quantity of shares corresponding to the number of shares that is strictly necessary so that, in relation to such price, the amount of the capital increase is obtained.
- Information will be made available about the treatment that will be given to the issuing and subscription cost of the shares issued, as well as the amount of the shares issued.
- 5.- Establish that the first Instance of the share subscription offer must be made within the preemptive subscription period established in article 25 of the LSA, and the remaining shares not subscribed within that period must be offered in a remaining subscription period, at values not lower, nor in more advantageous conditions, than those offered in the preemptive subscription period. Additionally, agree on the deadlines within which the shares must be issued, subscribed and paid.
 - 6.- Approve that all the share subscription contracts are subject to the fulfillment of a conditional clause whereby the interested parties should subscribe and pay, whether during the preemptive subscription period or during the remaining subscription period, at least a quantity of shares that makes it possible for the parent company Endesa España to subscribe and pay for the total amount of shares that corresponds to it in accordance with the pro-rata, without exceeding the legal and by-laws threshold of 65% of the outstanding issued shares with voting rights. In the event that the total amount of shares subscribed and paid implied that Endesa España exceeded this threshold, the clause would be understood automatically failed and all the share subscription contracts would not produce any legal effect and would be returned to the subscribers their amounts.
 - 7.- Approve the use of proceeds arising from the capital increase.
 - 8.- Amend articles fifth permanent and second transitional of the Company's by-laws according to the agreements adopted in the present Shareholders Meeting on the capital

increase and to authorize the Company's management to provide a consolidated and updated text of by-laws.

- 9.- Agree on those other aspects of the described capital increase operation that the Shareholders Meeting deem the case to approve, being accessories or functional to the aforementioned operation.
- 10.- Adopt all necessary agreements conducive and convenient for the development and implementation of the respective decisions adopted by the Meeting, including, but not limited to determine the form, time and method of subscription of shares for the capital increase; registration of the issue of shares in the Securities Registry; term issue, subscription and payment of shares; establish the procedure for the subscription of the remaining shares that are not subscribed within the preemptive subscription period; or broadly empower the Board of Directors to all these effects, as well as to enable it to take any agreements required to complete or comply with decisions reached by the Meeting, or to meet any legal, regulatory or administrative provision or requirement of the Superintendence of Securities and Insurance, the Securities and Exchange Commission of the United States of America, Internal Revenue Service, or in general, any other public authority, authorizing to the CEO, the Deputy CEO and Attorney of the Company to any one individual acting they make all the measures, proceedings and legal acts which are necessary or convenient to carry out the aforementioned.
- 11.- Ratify the Third Private Rating Agency Designated by the Board of Directors of the Company.
12. The following information not related to the capital increase:
- 12.1.- Request from Public Company Accounting Oversight Board (PCAOB) Of the United States of America to the external auditors of the Company Ernst & Young.

12.2.-Agreements on operations with related parties governed by Title XVI of the LSA, adopted after the last Ordinary Shareholders' Meeting and other Board's agreements that must be reported.

None of the aforementioned propositions prevent the ESM, in its full powers, from accepting, rejecting, modifying them or from agreeing to something different, as the case may be.

The shareholders are informed that the Board of Directors has agreed that the qualification of Powers of Attorney will take place on December 17, 18 and 19, 2012 at the Company's headquarters, located at Santa Rosa 76, Downtown Santiago, from 9:30 to 12:30 and from 15:30 to 18:00 (Santiago time), and on the same day as the ESM, between 11:30 and 12:30, at the same place as the meeting will be held. The day of the ESM, the Powers of Attorney will only be received until 12:30 p.m., when the reception of these will be closed; therefore, only Powers of Attorney received before that time will qualify.

The shareholders may obtain a complete copy of the documents that explain and detail the matters that are submitted for the information and decisions of the ESM at the Company's headquarters, located at Santa Rosa 76, 15 th Floor (Investments and Risk Department), Santiago, Chile, fifteen days before the meeting is held, as well as at the Company's website.

On November 6, 2012, the Company informs that the Board of Directors of Enersis S.A. agreed on several matters of interest to shareholders with respect to the capital increase operation proposed by the controlling shareholder Endesa, S.A. ("Endesa España").

First of all, the Board gave Its opinion in terms of the use of proceeds, indicating that funds obtained by the Company, If the capital increase operation in progress was consummated, would be mainly used for the following: purchase shareholdings in companies that Enersis S.A. already consolidates, and acquisitions in the region and in activities in which Enersis S.A. currently operates, that contribute to the

best interest of the Company because they add value and allow taking advantage of market opportunities. The above mentioned, notwithstanding that the Board must approve each and every one of the analyzed operations, which must be evaluated individually, specifically and with detail according to the administration powers assigned to the Board.

Also, the Company's Board of Directors approved Endesa Spain's contribution in kind of its shareholdings described by the independent reports issued by the experts Eduardo Walker Hirschfeld and the evaluators IM Trust and Claro y Asociados and stated that the value of such contribution in kind should fall within a range not lower than US\$ 3,586 million and not higher than US\$ 3,974 million or in the amount equivalent in pesos, legal currency, that finally is determined by the Extraordinary Shareholders Meeting. The Board of Directors officially noted that with this approval, the dispositions of article 14 Bis of the by-laws were being fulfilled, and that, by no means, could this be considered an opinion within the terms of Title XVI of the Corporations Law 18,046, and therefore has no relation with what finally will be resolved by Extraordinary Shareholders Meeting that will express its opinion with respect to the capital increase in compliance with the dispositions of such Title and articles 15 and 67 of the Corporations Law. The Board noted that such value range was approved by six of the seven members of such corporate body, complying with the special quorum established by article 14 Bis, which requires the approval of at least two thirds of the Board of Directors, and, considering that the arguments to support such decision were contained in the respective individual opinions that each of the concurring Directors issues with respect to this operation and that are available to the Company shareholders in the respective Website and at the main office.

Additionally, with respect to the Significant Event dated October 31, 2012, regarding the capital increase in progress, the Board of Enersis S.A. has proceeded to analyze the

different measures to safeguard the Company's equity, and of those that subscribe the capital increase, which will be duly published and brought to the knowledge of the market and the shareholders.

Finally, the Board agreed to request that Endesa España give its opinion with respect to the following matters, regarding the capital Increase in progress: (i) offer certain representations warranties with respect to Piura, Yacylec and Central Dock-Sud; (ii) Commitment In terms of Enersis S.A. being the only investment vehicle of the Enel Group in South America, with the exception of the activities currently being developed through Enel Green Power and those that may developed in the future by the latter In the renewable energy field; and (iii) the commitment to protect Enersis, regarding tax contingencies derived from the structure of the and (iv) maintain the commitment to not promote an extraordinary distribution of dividends as a consequence of the capital increase in progress.

On November 8, the Company informs that it has received additional information from the controlling Shareholder, Endesa S.A. regarding its position with respect to certain specific aspects of the referred Capital Increase proposed.

On November 9, the Company informs that the controlling Shareholder, Endesa S.A. has begun an investor road show in connection with the proposed Enersis S.A. capital increase. Attached you will find a copy of the presentation, in English and Spanish, disclosed as part of such road show. Copies of these presentations are also available on Endesa, S.A.'s web page (www.endesa.es) and will be soon available on Enersis S.A.'s web page (www.enersis.cl)

On November 12, the Company informs that the controlling Shareholder, Endesa S.A. has submitted a Significant Event to the National Securities Market Commission of Spain, attaching an enlarged presentation for its investor road show in connection with the proposed capital increase in Enersis. Attached to

this letter is a copy of this presentation in English and Spanish. Copies of these presentations are also available on Endesa, S.A.'s web page (www.endesa.es) and will be soon available on Enersis S.A.'s web page (www.enersis.cl)

On November 12, 2012 the Company informs that on November 21, 2012 the Company received a communication from pension fund administration companies AFP Habitat S.A., AFP Planvital S.A., AFP Provida S.A., AFP Capital S.A., AFP Cuprum S.A. and AFP Modelo S.A., all of them shareholders of Enersis S.A. altogether representing 13.63% of the Company's voting shares. Through this communication, (which is enclosed to this letter), the above-mentioned shareholders request the summoning of an additional Extraordinary Shareholders' Meeting of Enersis S.A. to be held before the Extraordinary Shareholders' Meeting already summoned by the Board of Directors for December 20, 2012 at 12:30 hours.

Likewise, the Company informed that given the request submitted by the above-indicated shareholders, and in accordance with the provisions of article 58 N°3 of Corporations Law 18,046, the Enersis Board of Directors in an extraordinary meeting held this afternoon, agreed to summon to an Extraordinary Shareholders' Meeting "to be duly apprised about the reasons of the Board of Directors and of each one of its members, with regard to the decision of summoning to an Extraordinary Shareholders' Meeting to approve a capital increase payable in kind and in cash, as proposed by the controlling shareholder Endesa S.A. (Spain) and, in particular, to inform the following:

- a) which will be the proposal of the Board of Directors or of each of its members with respect to the exchange ratio between the Enersis' new shares representing the capital increase and the package of assets to be contributed by the controlling shareholder, as well as the reasons that would justify the convenience of such proposals, both for the Company and for all its shareholders, as well as the manner in which such proposals would

allow compliance with the provisions of article 30 of Law No 18,046;

- b) the reasons for which Board Members have had to propose a floor or minimum value of the assets with which the controlling shareholder intends to contribute to the capital increase;
- c) the reasons of the Board of Directors and its members that would justify the convenience of materializing a capital increase that would exceed the amount of assets that the controlling shareholder intends to contribute to the Company; and,
- d) to inform and explain the provisions of the ADR Deposit Agreement on the use of non-voting ADRs and the manner in which to exercise the votes of the referred ADR holders

Such Extraordinary Shareholders' Meeting will be held on December 14, 2012 at 12:30 p.m. at the Enersis Group' Stadium located in Carlos Medina Street No 858, Independencia, Santiago.

On November 29, 2012 the Company informs that the Board of Directors of Enersis S.A., in a meeting held yesterday, has unanimously agreed to distribute on January 25, 2013, an interim dividend of Ch\$1.21538 per share attributable to the fiscal period of 2012, corresponding to 15% of liquid net income as of September 30, 2012, in accordance with the Company's dividend policy.

On December 7, 2012 the Company informs that it has received a copy of the press release issued by Endesa, S.A., relating to the capital increase of Enersis S.A.

On December 13, 2012 the Company informs that the Board of Directors of the Company has decided to propose to the Extraordinary Shareholders' Meeting summoned to make a decision on the ongoing capital increase of Enersis S.A, to be held on December 20, of the present year, a range for the subscription price of new shares from Ch\$ 160 to Ch\$ 187 per share.

In addition, the Board, by the unanimity of its members, agreed to declare that the capital

increase amount, the value of the assets and the maximum number of shares to be issued contained in the press releases published on December 7 by Endesa, S.A. and five Pension Fund Administration companies: AFP Capital S.A., AFP Cuprum S.A., AFP Habitat S.A., AFP Plan Vital S.A. and AFP Provida S.A., are within the parameters referred to in the reports issued by the independent evaluators and by the Company's Directors' Committee. The Board of Directors considers that the terms contained in the above mentioned press releases are consistent with the approaches made to date by the Board and the Directors' Committee.

Finally, attached herewith is a copy of Enersis S.A.'s Board of Directors response to Official Letter No. 28,292 dated December 3, 2012, issued by the Superintendence of Securities and Insurance, regarding the enquiries made by the AFPs and the SVS itself.

On December 18, 2012, the Company informs that the Directors' Committee has reviewed and by unanimity of its members, has referred to the Board of Directors without observations the subscription contract of shares to be held between Enersis S.A. and its controller, Endesa, S.A., for its distribution to the shareholders. The contract will be submitted for approval at the Extraordinary Shareholders' Meeting which shall decide upon the capital increase of Enersis S.A., to be held on December 20 this year. The draft of such contract, without its descriptive exhibits, will be available for shareholders consideration in the Investments and Risks Department of Enersis S.A., located at Santa Rosa 76, floor 15, Santiago, and in the company's website: www.enersis.cl.

In addition, the Company informs as a significant event that the Citibank Depositary has notified that it will not grant the Chairman of the Board the discretionary vote of those ADR holders that have not expressed their intention to voted.

On December 18, 2012, the Company informs that on December 20, 2012 the Extraordinary

Shareholders' Meeting was held which decided upon the capital increase of Enersis S.A. In such Meeting, a very large majority, almost 86% of all shareholders present with voting rights, equivalent to 81.94% of the total shares with voting rights of the Company, approved the capital increase with the following characteristics:

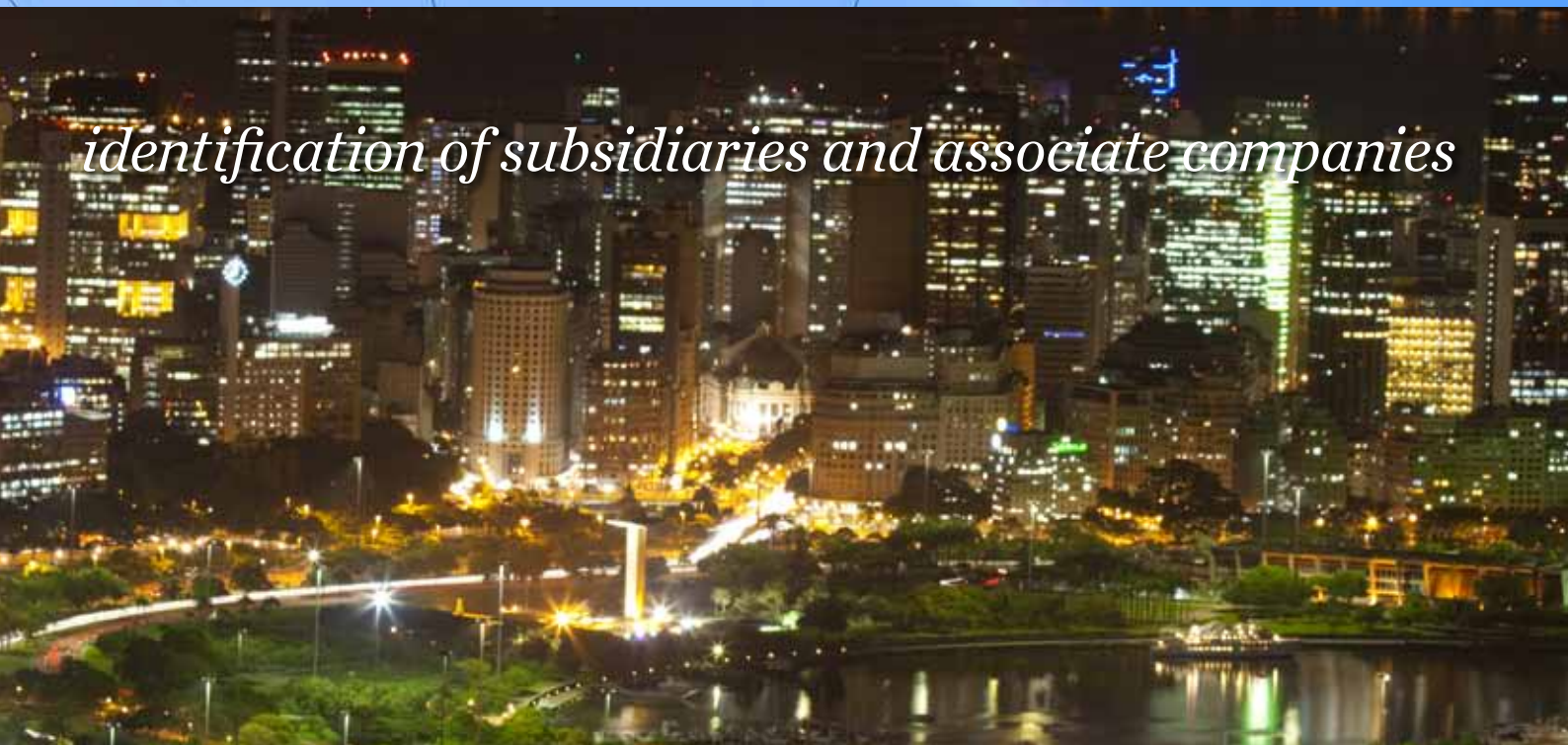
- 1) Maximum amount of the capital increase: Ch\$ 2,844,397,889,381, divided into 16,441,606,297 ordinary nominative payment shares of the same series, with no preemptive rights and no par value.
- 2) Value of non-cash contributions to be capitalized: The total equity of Cono Sur, Company that will concentrate the shares that are identified in the reports that have been made available to the shareholders and that would be contributed by Endesa to Enersis S.A., will amount to Ch\$ 1,724,400,000,034 corresponding to 9,967,630,058 shares of Enersis S.A. at a price of Ch\$ 173 per share. This represents a reference value of US\$ 3,634,754,015.5 at an observed exchange rate of Ch\$ 474.42 per dollar of the United States of America as of December 20, 2012.
- 3) Placement share price: A fixed price of Ch\$173 for every payment share to be issued as a result of the capital increase.

Shareholders approved the terms of the capital increase described above, as a related party transaction within market conditions and in the best interest of the Company, thus complying with the requirements of Article 147 of Law 18,046.

Additionally, the commitments of the controlling shareholder, which had been previously reported through significant event dated November 8, were voted, ratified and approved.



identification of subsidiaries and associate companies



AGRÍCOLA DE CAMEROS

Name
Sociedad Agrícola
de Cameros Limitada

Type of entity
Limited partnership

Tax ID
77,047,280-6

Address
Camino Polpaico a Til-Til, S/N Til-Til

Telephone number
(56 2) 2378 4700

Subscribed and paid capital (Th\$)
5,738,046

Corporate purpose
The exploitation of agricultural land

Core business
Real estate and agriculture

Main executive
Hugo Ayala Espinoza
CEO

Enersis stake
(direct and indirect)
57.50% - Unchanged

AGUAS SANTIAGO PONIENTE

Name
Aguas Santiago Poniente S.A.

Type of entity
Private company, subject to the regulations for
publicly-held companies

TAX ID
96,773,290-7

Address
Américo Vespucio 100, Pudahuel, Santiago, Chile

Telephone number
(56 2) 2601 0601

Subscribed and paid capital (Th\$)
6,601,121

Corporate purpose
Exclusively to establish, construct and exploit
public utilities for water production and
distribution; sewage collection, treatment
and disposal, and other functions expressly
authorized by Law 382 of 1988 and its
amendments.

Core business
Water and related services.

Board of Directors

Victor M. Jarpa Riveros
Andrés Salas Estrades
Luis F. Edwards Mery
José M. Guzmán Nieto
Fernando Gardeweg Ried (National Finance
Officer-Enersis)

Main executives
Jorge Carnevali Flores
CEO

Enersis stake
(direct and indirect)
55.00% - Unchanged

AMPLA ENERGÍA

Name
Ampla Energia e Serviços S.A.

Type of entity
Publicly held Limited Liability Company

Address
Praça Leoni Ramos, N° 01 – São Domingos,
Niteroi, Rio de Janeiro, Brasil

Telephone number
(55 21) 2613 7000

Subscribed and paid capital (Th\$)
233,242,237

Corporate purpose
Study, plan, project, build and explore electricity
production, transmission, transformation,
distribution and sale systems, and provide
related services that have been or may be
conceded; carry out research in the energy
sector, participate in regional , national or
international organizations dedicated to the
planning, operation, technical Exchange and
business development related to the electricity
industry and participate as a shareholder in other
companies in the energy sector, even within the
framework of Brazil's privatization program.

Core business
Distribution of electricity

Board of Directors
Mario Fernando de Melo Santos (Chairman)
Antonio Basilio Pires e Albuquerque (Vice
Chairman)
Nelson Ribas Visconti
Luciano Galasso Samaria
Elizabeth Codeço de Almeida Lopes
José Távora Batista
José Alves de Mello Franco
Cristián Fierro Montes

Deputy Director
Otacilio de Souza Junior

Main executives
Marcelo Llévenes Rebolledo
Chief Executive Officer
José Alves de Mello Franco
Bruno Golebiovsky

Carlos Ewandro Naegele Moreira
Claudio Rivera Moya
Déborah Meirelles Rosa Brasil
Aurélio Ricardo Bustilho Oliveira
Teobaldo Jose Cavalcante Leal

Enersis stake
(direct and indirect)
70.22% unchanged

Proportion of Enersis assets
1.81%

AMPLA INVESTIMENTOS

Name
Ampla Investimentos e Serviços S.A.

Type of entity
Publicly held Limited Liability Company

Address
Praça Leoni Ramos, N° 01 – parte, Niterói, Rio
de Janeiro, Brasil

Telephone number
(55 21) 2613 7071

Corporate purpose
Study, plan, project, construct and explore
electricity production, transmission,
transformation, distribution and sale systems,
and provide related services that have been or
may be conceded; provide services of any kind
to concessionaires, permits or authorizations
of electricity services and their customers and
participate as shareholder in other energy sector
companies.

Core business
Investments

Board of Directors
Mario Fernando de Melo Santos
Antonio Basilio Pires e Albuquerque
Cristián Eduardo Fierro Montes
Nelson Ribas Visconti
Luciano Galasso Samaria
José Alves Mello Franco
José Távora Batista
Marcelo Llévenes Rebolledo
Michelle Rodrigues Nogueira

Main Executives
Marcelo Llévenes Rebolledo
Chief Executive Officer
Teobaldo Jose Cavalcante Leal
José Alves de Mello Franco

Subscribed and paid capital (Th\$)
27,827,555

Enersis stake
(direct and indirect)
70.22% unchanged

Proportion of Enersis assets
0.17%

ARA – INGENDESA

Name
Consorcio Ara - Ingendesa Ltda.

Type of entity
Limited partnership

TAX ID
77,625,850-4

Address
Santa Rosa 76, Santiago, Chile

Telephone number
(562) 2630 9000

Corporate purpose
Engineering services supply, including the projection, planning and implementation of engineering studies and projects, advice and consultancy, assistance and technical supply and management information, inspection and development of projects and works. Also, for itself or others, all types of projects, set up the site, start up, all establishments, industrial or not, commercializing for it or others, the goods and services produced.

Core business
Engineering services

Subscribed and paid capital (Th\$)
500

Attorneys-in-fact
Alejandro Santolaya de Pablo
Juan Benabarre Benaiges

Alternate Attorneys-in-fact
Daniel Barría
Cristián Araneda Valdivieso
Fernando Armijo Scotti
Nelson Hernández Pérez

Enersis stake
(direct and indirect)
29.99%- unchanged

ATACAMA FINANCE

Name
Atacama Finance Co.

Type of entity
Exempt company

Address
Caledonian House P.O. Box 265 G, George Town,
Grand Cayman, Cayman Islands

Telephone number
(562) 2630 9000

Subscribed and paid capital (Th\$)
3,016,360

Corporate purpose
Money borrowing in the financial market

through loans or bonds or other instruments issuance, and cash loans to other companies, particularly those related to the Atacama project.

Core business
Investments

Board of Directors
Horacio Reyser
Ingrid Morales
Gonzalo Alende
Vacant

Enersis stake
(direct and indirect)
29.99%- unchanged

AYSÉN TRANSMISIÓN

Name
Aysén Transmisión S.A.

Type of entity
Private company recorded at the Securities Registry of the SVS

TAX ID
76,041,891-9

Address
Miraflores 383, Of. 1302, Santiago, Chile

Telephone number
(562) 713 5000

Subscribed and paid capital (Th\$)
22,368

Corporate purpose
Develop, and alternatively or additionally manage, the electricity transmission systems required by the hydroelectric generation project that Hidroaysén is planning to build in the 11th Region of Aysén, del general Carlos Ibáñez del Campo. In order to do so, the following activities are Included in its corporate purpose: a) the design, development, construction, operation, ownership, maintenance and exploitation of electricity transmission systems, b) electricity transportation, and c) procurement of services related to Its corporate purpose

Core business
Electricity transmission

Board of Directors
Joaquín Galindo Vélez (Chairman)
Juan Benabarre Benaiges
Bernardo Larraín Matte
Luis Felipe Gazitúa Achondo
Ramiro Alfonsín Balza (Regional Planning and Control Officer)
Juan Eduardo Vásquez

Alternate board members
Carlos Martín Vergara
Sebastián Fernández Cox
Claudio Iglesias Guillard
Eduardo Lauer Rodríguez
Cristián Morales Jaureguiberry

Main executives
José Andrés Taboada
Chief Executive Officer

Enersis stake
(direct and indirect)
30.59% - unchanged.

AYSÉN TRANSMISIÓN

Name
Aysén Transmisión S.A.

Type of entity
Private company recorded at the Securities Registry of the SVS

TAX ID
76,041,891-9

Address
Miraflores 383, Of. 1302, Santiago, Chile

Telephone number
(562) 713 5000

Subscribed and paid capital (Th\$)
22,368

Corporate purpose
Develop, and alternatively or additionally manage, the electricity transmission systems required by the hydroelectric generation project that Hidroaysén is planning to build in the 11th Region of Aysén, del general Carlos Ibáñez del Campo. In order to do so, the following activities are Included in its corporate purpose: a) the design, development, construction, operation, ownership, maintenance and exploitation of electricity transmission systems, b) electricity transportation, and c) procurement of services related to Its corporate purpose

Core business
Electricity transmission

Board of Directors
Joaquín Galindo Vélez (Chairman)
Juan Benabarre Benaiges
Bernardo Larraín Matte
Luis Felipe Gazitúa Achondo
Ramiro Alfonsín Balza (Regional Planning and Control Officer)
Juan Eduardo Vásquez

Alternate board members
Carlos Martín Vergara
Sebastián Fernández Cox
Claudio Iglesias Guillard
Eduardo Lauer Rodríguez
Cristián Morales Jaureguiberry

Main executives
José Andrés Taboada
Chief Executive Officer

Enersis stake
(direct and indirect)
30.59% - unchanged.

AYSÉN ENERGÍA

Name
Aysén Energía S.A.

Type of entity
Private company

TAX ID
76,091,595-5

Address
Miraflores 383, Of. 1302, Santiago, Chile

Telephone number
(562) 2713 5000

Subscribed and paid capital (Th\$)
4,900

Corporate purpose
The purposes of this company are the following:
I.-Comply with obligations derived from the Free-Market Competition Tribunal (TDLC in its Spanish acronym). II.-Fulfill Centrales Hidroeléctricas de Aysén S.A. commitments with the community of the XI Region, Aysén, del General Carlos Ibáñez del Campo, within the framework of the development of the Aysen Hydroelectric Project, to provide such region with a supply of electricity at a cost below the current one, by developing, financing, ownership and exploitation of electricity generation and transmission projects in the region. In order to do so, the company may develop, among others, the following activities: a) the generation of electricity by using any generation means, its procurement and commercialization, b) electricity transportation, and c) procurement of services related to its corporate purpose, d) request, obtain or acquire and use the concessions, rights and permits that may be required.

Core business
Electricity generation (project)

Board of Directors
Joaquín Galindo Vélez (Chairman)
Juan Benabarre Benaiges
Ramiro Alfonsín Balza (Regional Planning and Control Officer)
Bernardo Larraín Matte
Luis Felipe Gazitúa Achondo
Juan Eduardo Vásquez

Alternate board members
Carlos Martín Vergara
Sebastián Fernández Cox
Claudio Iglesias Guillard
Eduardo Lauer Rodríguez
Cristián Morales Jaureguiberry
Enrique Donoso Moscoso

Main Executives
Daniel Fernández Koprach
Chief Executive Officer

Enersis stake
(direct and indirect)
30.59% - new

CACHOEIRA DOURADA

Name
Centrais Elétricas Cachoeira Dourada S.A.-CDSA

Type of entity
Private company

Address
Rodovia GO 206, Km 0, Cachoeira Dourada
Goiania, Goiás, Brazil

Telephone number
(55 62) 3434 9000

Subscribed and paid capital (Th\$)
67,605,907

Corporate purpose
The company's corporate purpose is to perform the studies, planning, construction, installation, operation and exploitation of electricity generation power plants and the businesses related to these activities. Also, the company may promote and participate in other companies created to generate electricity within or outside the State of Goiás.

Core business
Electricity generation

Board of Directors
Marcelo Llévenes Rebollo
Luis Larumbe Aragón
Ana Cláudia Goncalves Rebello

Main executives
Guilherme Gomes Lencastre
Chief Executive Officer

Manuel Herrera Vargas
José Ignacio Pires Medeiros
Carlos Ewandro Naegle Moreira
José Alves de Mello Franco
Ana Cláudia Goncalves Rebello
Aurélio Ricardo Bustilho de Oliveira
Teobaldo José Cavalcante Leal

Enersis stake
(direct and indirect)
54.09% (unchanged)

CANELA

Name
Central Eólica Canela S.A.

Type of entity
Private company

TAX ID
76,003,204-2

Address
Santa Rosa 76, Santiago, Chile

Telephone number
(562) 2630 9000

Subscribed and paid capital (Th\$)
12,284,743

Corporate purpose
Promote and develop renewable energy projects, mainly wind energy, identify and develop clean development mechanism (MDL in its Spanish acronym) projects and act as depository and trader in emission reduction certificates originated from these projects. The generation, transport, distribution, supply and sale of electricity, for which it may acquire and exploit the respective concessions and grants.

Core business
Wind farm electricity generation

Board of Directors
Juan Benabarre Benaiges
Claudio Iglesias Guillard
Sebastián Fernández Cox
Cristóbal García-Huidobro Ramírez
Bernardo Canales Fuenzalida

Alternate board members
Alan Fisher Hill
Claudio Betti Pruzzo
Juan Cristóbal Pavéz Recart
Marcelo Álvarez Ríos
Alejandro García Chacón

Main executives
Wilfredo Jara Tirapegui
Chief Executive Officer

Enersis stake
(direct and indirect)
44.98% - Unchanged

CELTA

Name
Compañía Eléctrica Tarapacá S.A.

Type of entity
Private company

TAX ID
96.770.940-9

Address
Santa Rosa 76, Santiago, Chile

Telephone number
(562) 630 9000

Subscribed and paid capital (Th\$)
103,099,643

Corporate purpose
The company's main purpose is the production, transport, distribution and supply of electricity, in Chile and internationally, for which it may obtain, acquire and exploit the respective concessions and grants.

Core business
Electricity generation

| | | |
|--|--|---|
| Board of Directors Alejandro García Chacón (Chairman) Alan Fischer Hill Humberto Espejo Paluz | Main executives Pedro Cruz Viné Chief Executive Officer Juan Carlos Blanco | Type of entity Private company incorporated in Santiago, Chile, recorded in the Securities Registry of the SVS |
| Main executives Eduardo Soto Trincado Chief Executive Officer | Enersis stake (direct and indirect) 26.99% - Unchanged. | Tax ID 76,652,400-1 |
| Enersis stake (direct and indirect) 59.98% - Unchanged. | CENTRAL VUELTA OBLIGADO | Address In Santiago, Chile, Miraflores 383, of. 1302. In Coyhaique, Chile, Baquedano 260. In Cochrane, Teniente Merino 324. |
| CEMSA | Name Central Vuelta Obligado S.A. | Telephone number (562) 2713 5000 |
| Name Endesa Cemsa S.A. | Type of entity Private company | Subscribed and paid capital (Th\$) 158,975,665 |
| Type of entity Corporation | Address Thomas Edison Ave. 2701. CP 1104, Ciudad Autónoma de Buenos Aires, Argentina | Corporate purpose The development, financing, ownership and exploitation of a hydroelectric project, the "Aysén Project", in the 11th Region of Aysén, which contemplates an estimated capacity of 2,750 MW distributed between five hydroelectric plants. In order to comply with its purpose, the following activities form part of its purposes: a) the production and transport of electricity; b) the supply and sale of electricity to its shareholders; c) the administration, operation and maintenance of hydraulic works, electrical systems and hydroelectric generating plants. |
| Address Pasaje Ing. E. Butty 220, 16th floor, Buenos Aires, Argentina | Telephone number (5411) 4117 1077 | Core business Electricity generation (project). |
| Telephone number (5411) 4875 0600 | Subscribed and paid capital (Th\$arg) 500 | Board of directors Joaquín Galindo Vélez Juan Benabarre Benaiges Ramiro Alfonsín Balza (Regional Planning and Control Officer) Bernardo Larraín Matte Luis Felipe Gazitúa Achondo Juan Eduardo Vásquez |
| Subscribed and paid capital (Th\$) 1,364,625 | Corporate purpose Generation of electricity and its commercialization by blocks and particularly, equipment purchasing management, construction, operation and maintenance of a thermal power plant named Vuelta Obligado complying with "Management and Operation of Projects, Increase of Thermal Generation Availability and Generation Compensation Adaptation 2008-2011 Agreement" agreed upon November 25, 2010 by the National State and the signing Generation companies. | Alternate board members Carlos Martín Vergara Sebastián Fernández Cox Claudio Iglesias Guillard Eduardo Lauer Rodríguez Cristián Morales Jaureguiberry Enrique Donoso Moscoso |
| Corporate purpose The purpose of the company is the wholesale purchase and sale of electricity capacity and energy produced and/or consumed by third parties, including the import and export of electricity power and energy and the marketing of royalties, and the supply and/or performing of services related to the above activity, both in the country as well as abroad of information technology services and/or of control of the operation and/or of telecommunications. Likewise, the Company shall be entitled to execute buy/sell operations or to purchase and sell natural gas, and/or its transportation, including the importation and/or exportation of natural gas and/or the marketing of regalia/privileges, as well as to provide and/or execute services related to the abovementioned activity. Also, the Company shall be entitled to execute buy/sell operations or to purchase and sell crude petroleum, and/or lubricants and/or to transport such elements, including the importation and/or exportation of liquid fuels and the marketing of regalia/ privileges, as well as to provide and/or execute services related to the abovementioned activity. | Core business Construction of a thermoelectric power plant named Vuelta Obligado. | Main executives Daniel Fernández Koprach Executive Vice president |
| Core business Trading of electricity and gas | Board of directors José Miguel Granged Bruñen Fernando Claudio Antognazza José María Vázquez Carlos Bertagno | Enersis stake (direct and indirect) 30.59% - Unchanged |
| Board of directors José María Hidalgo Martín-Mateos José Venegas Maluenda Fernando Antognazza | Alternate board members Leonardo Marinaro Juan Carlos Blanco Roberto José Fagan Vacant | CHILECTRA |
| Alternate board members Arturo Pappalardo Roberto José Fagan | Main executives Eduardo Nitardi Chief Executive Officer | Name Chilectra S.A. |
| | Enersis stake (direct and indirect) 13.56% - New. | Type of entity Publicly held company |
| | CENTRALES HIDROELÉCTRICAS DE AYSÉN | TAX ID 96,800,570-7 |
| | Name Centrales Hidroeléctricas de Aysén S.A. | |

Address
Santa Rosa 76, 8th floor,
Santiago, Chile

Telephone number
(56 2) 2675 2000

Subscribed and paid capital (Th\$)
367,928,682

Corporate purpose
Exploit in Chile or abroad the distribution and sale of hydraulic, thermal, heat or any kind of electricity, as well as the distribution, transport and sale of fuels of any kind, supplying this energy or fuel directly or through other companies to as many customers possible.

Core business
Electricity distribution

Board of Directors
Juan María Moreno Mellado
Marcelo Llénenes Rebolledo
Livio Gallo
Hernán Felipe Errázuriz Correa

Main executives
Cristián Fierro Montes
Chief Executive Officer
Gonzalo Vial Vial
Andreas Gebhardt Strobel
Guillermo Pérez del Río
Enrique Fernández Pérez
Ramón Castañeda Ponce
Jaime Muñoz Vargas
Paola Visintini Vaccarezza
Héctor Villouta Sanhueza
Luciano Galasso Samaria
Jean Paul Zalaquett Falaha

Commercial relations
Structured loans; rentals of transmission lines and substation; risk-prevention services; legal and professional advice in business administration and engineering, financial management in general, corporate and others.

Enersis stake
(direct and indirect)
99.09% - Unchanged.

Proportion of Enersis assets
12.40%

CHILECTRA INVERSUD

Name
Chilectra Inversud S.A.

TAX ID
99.573.910-0

Type of entity
Private company

Address
Santa Rosa 76, 8th floor, Santiago, Chile

Telephone number
(56 2) 675 2000

Subscribed and paid capital (Th\$)
265,306,226

Corporate purpose
Exploit abroad, for its own or through third parties, the distribution and sale of electricity. It may make investments in foreign companies and make all kind of investments in all kind of financial instruments, such as; bonds, debentures, debt titles, credits, negotiable securities or other financial or commercial documents, all with to the objective of obtaining their natural and civil returns. In order to do so, it may constitute, amend, dissolve and liquidate companies in foreign countries and develop all other activities that are complementary and/or related to the above mentioned businesses.

Core business
Investments

Board of Directors
Ramón Castañeda Ponce
Francisco Miqueles Ruz
Gonzalo Vial Vial

Main executives
Francisco Miqueles Ruz
Chief Executive Officer

Enersis stake
(direct and indirect)
99.09% - Unchanged

CHINANGO

Name
Chinango S.A.C.

Type of entity
Private company

Address
Víctor Andrés Belaúnde Ave. 147, Edificio Real 4,
7th floor, San Isidro, Lima, Perú

Subscribed and paid capital (Th\$)
49,974,755

Corporate purpose
The main purpose of the company is electricity generation, trading and transmission, being able to perform all acts and hold all contracts that the Peruvian law allows for such purposes.

Core business
Electricity generation

Chief Executive Officer
Edegel S.A.A. represented by Julián Cabello Yong

Enersis stake
(direct and indirect)
29.97% (unchanged)

CHOCÓN

Name
Hidroeléctrica El Chocón S.A.

Type of entity
Corporation

Address
España Ave. 3301,
Buenos Aires, Argentina

Subscribed and paid capital (Th\$)
29,079,030

Corporate purpose
Electricity generation and its block commercialization

Core business
Electricity generation.

Board of directors
Joaquín Galindo Vélez
José Miguel Granged Bruñen
José María Hidalgo Martín Mateos
Eduardo Escaffi Johnson (Enersis Regional Finance Officer)
Carlos Martín Vergara
Alex Daniel Horacio Valdez
Juan Carlos Nayar
Sergio Maschio

Alternate board members
Jorge Raúl Burlando Bonino
Francisco Domingo Monteleone
Juan Carlos Blanco
Roberto José Fagan
Fernando Carlos Boggini
Héctor Osvaldo Mendiberri
Alejandro Nagel
Gustavo Brockerhof

Main executives
Fernando Claudio Antognazza
Chief Executive Officer
Fernando Carlos Luis Boggini
Chief Financial Officer
Néstor Srebernic
Operations Manager
Cristian Vargas
Commercial Manager
Rodolfo Silvio Bettinsoli
Human Resources Manager

Enersis stake
(direct and indirect)
39.21% - Unchanged

CIEN

Name
Compañía de Interconexión Energética S.A.

Type of entity
Corporation

Address

Praça Leoni Ramos, Nº 1, 6th floor, Bloco 2, São Domingos, Niterói, Rio de Janeiro, Brazil

Telephone number

(55 21) 3607 9500

Subscribed and paid capital (Th\$)

66,602,319

Corporate purpose

The purpose of the company is the production, industrialization, distribution and commercialization of electricity, including the import and export activities. In view of achieving the purposes mentioned above, the company will promote the study, planning and construction of facilities for production systems, transmission, conversion and distribution of electricity by capturing the necessary investment to develop the activities and by providing services. Beyond the purposes referred to, the company may promote the implementation of associated products, as well as inherent, ancillary or complementary activities to services and jobs that cometh to provide. To carry out the activities necessary to achieve its goals, the company may participate in other societies.

Core business

Electricity transmission and commercialization

Board of Directors

Marcelo Andrés Llévanes Rebolledo
Ana Claudia Gonçalves Rebello
José Augustín Venegas Maluenda

Main executives

Guilherme Gomes Lencastre
Chief Executive Officer

Manuel Herrera Vargas

José Ignacio Pires Medeiros
Carlos Ewandro Naegele Moreira
Teobaldo José Cavalcante Leal
José Alves de Mello Franco
Ana Cláudia Gonçalves Rebello
Aurélio Ricardo Bustilho de Oliveira

Enersis stake

(direct and indirect)
54.30% (unchanged)

CODENSA**Name**

Codensa S.A. E.S.P.

Type of entity

Private company

Address

Carrera 13 A #93-66, Bogotá, Colombia

Telephone number

(57 1) 601 6060

Subscribed and paid capital (Th\$)

3,579,786

Corporate purpose

The company's main purpose is the distribution and sale of electricity and all related activities, complementary and related activities to the distribution and sale of electricity, carrying out of works, designs and consultancy in electrical engineering and the sale of products to the benefit of its customers. The company shall be also entitled to execute other activities related to providing public utility services, in general, manage and operate other public utility companies, sign and execute special management contracts with other public utility companies and sell or lend assets or services to other economic agents in and out of the country in relation to public utility services. The Company shall be also entitled to become a partner or shareholder of another public utility company, directly or in partnership with other persons, or setting up a consortium with them. While pursuing the above-indicated main business purpose, the Company shall be entitled to promote and establish entities or agencies in Colombia or abroad; acquire under any concept whatsoever any kind of personal or real estate properties, lease them, sell them, encumber and pledge them as guarantee; assume any form of associative or collaborative enterprise with natural or juridical third parties to advance activities related, connected and complementary to its main business purpose; develop brand names, commercial names, patents, inventions or any other intangible good, provided that they are consistent with its main business purpose; draw, accept, endorse, collect and pay all kind of value certificates, negotiable instruments, shares, executive titles and others; participate in public and private bidding contests; give to, or receive money on loan from its shareholders, parent/matrix companies, subsidiaries, and third parties; execute insurance policy contracts, transportation, participation accounts, and contracts with banks and/or financial institutions.

Core business

Electricity distribution

Board of directors

José Antonio Vargas Lleras
Cristian Fierro Montes
Orlando José Cabrales Martínez
Lucio Rubio Díaz
Mónica de Greiff Lindo
Catalina Velasco Campuzano
Ricardo Bonilla González

Alternate board members

Juan Manuel Pardo Gómez
Leonardo López Vergara
Antonio Sedán Murra
David Felipe Acosta Correa
Henry Navarro Sánchez
Ernesto Moreno Restrepo
José Alejandro Herrera Lozano

Main executives

David Felipe Acosta Correa
Chief Executive Officer

Andrés Caldas Rico

Jaime A. Vargas Barrera

Juan Manuel Pardo Gómez

María Celina Restrepo
Leonardo López Vergara
Rafael Carbonell Blanco
Omar Serrano Rueda
Mauricio Carvajal
Raúl Puentes

Enersis stake

(direct and indirect)
21.73% - unchanged

Proportion of Enersis assets

2.27%

COELCE**Name**

Companhia Energética do Ceará

Type of entity

Publicly held company

Address

Rua Padre Valdevino, 150 - Centro, Fortaleza, Ceará, Brasil

Telephone number

(55 85) 3453-4082

Subscribed and paid capital (Th\$)

103,497,072

Corporate purpose

a) Generation, transmission, distribution and commercialization of electricity, and related services; b) Performing studies, planning, projects, construction and operating production systems, transformation, transportation and storage, distribution and sale of any type of energy, as a concession, authorization or permit that may be granted in the State of Ceará, and other areas defined by the granting authority. c) The study, project and implementation of plans and programs of research and development of new sources of energy, particularly renewable ones, developed directly or in cooperation with other institutions; d) The study, preparation and implementation, in the energy sector, of economic and social development plans and programs in regions of interest to the community, and the company, either directly or collaborating with state or private bodies, being able to also supply information and technical assistance to public or private initiatives that intend to implement economic and social activities necessary for development; e) Perform other activities that could become necessary from a corporate purpose perspective, such as participating in the ownership of other companies in Brazil or in other countries, whose purpose is the development of public electricity services, including generation, transmission and distribution.

Core business

Electricity distribution

Board of directors
 Mario Fernando de Melo Santos (Chairman)
 Marcelo Llévénos Rebolledo (Vice chairman)
 Gonzalo Vial Vial
 José Alves de Mello Franco
 Aurelio Ricardo Bustilho Oliveira
 Jorge Parente Frota Júnior
 Cristián Eduardo Fierro Montes
 Fernando Antonio de Moura Avelino
 Renato Soares Sacramento
 Francisco Honório Pinheiro Alves
 Renato Soares Sacramento
 Nelson Ribas Visconti

Alternate board members
 Antonio Basilio Pires de Carvalho e Albuquerque
 Luciano Alberto Galasso Samaria
 Teobaldo José Cavalcante Leal
 José Caminha Alencar Aripe Júnior
 José Távora Batista
 Juarez Ferreira de Paula
 Vlândia Viana Regis
 José Nunes de Almeida Neto

Main executives
 Abel Alves Rochinha
 Chief Executive Officer

David Augusto de Abreu
 Teobaldo José Cavalcante Leal
 José Nunes de Almeida Neto
 Carlos Ewandro Naegele Moreira
 José Távora Batista
 Olga Jovanna Carranza Salazar
 Aurélio Ricardo Bustilho de Oliveira
 José Alves de Mello Franco
 Cristine de Magalhães Marcondes
 Nelson Ribas Visconti

Enersis stake
 (direct and indirect)
 35.25 (unchanged)

CONSTRUCCIONES Y PROYECTOS LOS MAITENES

Name
 Construcciones y Proyectos Los Maitenes S.A.

Type of entity
 Private company

TAX ID
 96,764,840-K

Address
 Américo Vespucio 100, Pudahuel, Santiago, Chile

Telephone number
 (56 2) 2601 0601

Subscribed and paid capital (Th\$)
 41,742,265

Corporate purpose
 a) The construction for its own or for third parties', on its own land or other land, urbanized

or not, of all kind of civil works, facilities, buildings, housing, offices and others; b) the sale or disposal in any form of such building works; c) the study and development of projects for such buildings, including engineering, architecture, financing, commercialization, and others. In order to do so, it may act for its own or third parties, either directly or forming part of associations, communities, companies and legal entities of any kind, in which it may also assume the management.

Core business
 Real estate

Board of Directors
 Fernando Gardeweg Ried (Enersis National Finance Officer)
 Victor Jarpa Riveros
 Andrés Salas Estrades
 Luis Felipe Edwards Mery
 José Manuel Guzmán Nieto

Main executives
 Roberto Alcalde Eyzaguirre
 Chief Executive Officer
 Rodrigo Sánchez Cubric
 Fernando Krebs Labarca

Enersis stake
 (direct and indirect)
 55.00% - Unchanged

COSTANERA

Name
 Endesa Costanera S.A.

Type of entity
 Corporation

Address
 España Ave. 3301, Buenos Aires, Argentina

Telephone number
 (5411) 4307 3040

Subscribed and paid capital (Th\$)
 16,683,548

Corporate purpose
 The production of electricity and its block commercialization.

Core business
 Electricity generation.

Board of directors
 Joaquín Galindo Vélez
 Máximo Luis Bomchil
 José María Hidalgo Martín Mateos
 Vacant
 César Fernando Amuchástegui
 Matías Maria Brea
 Patricia Charvay
 Carlos Martín Vergara

Alternate board members
 Roberto José Fagan
 Damián Camacho
 Francisco Domingo Monteleone
 Fernando Carlos Boggini
 Maria Inés Justo
 Jorge Raúl Burlando Bonino
 Rodrigo Quesada
 Fernando Claudio Antognazza

Main executives
 Jose Miguel Granged Bruñen
 Chief Executive Officer
 Fernando Carlos Luis Boggini
 Chief Financial Officer
 Rodolfo Silvio Bettinsoli
 Human Resources Manager
 Francisco Domingo Monteleone
 Operations Manager
 Rodrigo Quesada
 Legal Council

Enersis stake
 (direct and indirect)
 41.85% - Unchanged.

CTM

Name
 Compañía de Transmisión del Mercosur S.A.

Type of entity
 Corporation

Address
 Bartolomé Mitre 797, 11th floor, Buenos Aires, Argentina

Subscribed and paid capital (Th\$)
 1,380,597

Corporate purpose
 Provide high-voltage electricity transmission services both in relation to national and international electricity systems, in accordance with current legislation, for which it may participate in national or international tenders, become an electric-utility concession holder in local or international high voltage transmission systems and carry out all activities necessary to meet its purposes, included but not limited to, be a part in construction contracts, operating and maintenance, both when beginning or expanding electricity transmission lines, participating in financing projects directly or indirectly related to such initiatives as a creditor and /or borrower and/or guarantee, allowing to offer guarantees third parties. All activities expressly identified as being rules by the Financial Institutions Law are excluded and any other that requires applying government financing.

Core business
 International electricity transmission

Board of directors
 José María Hidalgo Martín-Mateos
 Guilherme Gomes Lencastre
 Arturo Miguel Pappalardo

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|---|--|---|
| <p>Alternate board members José Venegas Maluenda Juan Carlos Blanco Roberto José Fagan</p> <p>Main executives Arturo Miguel Pappalardo Chief Executive Officer</p> <p>Enersis stake (direct and indirect) 54.30% (unchanged)</p> | <p>Address San José 140, Buenos Aires, Argentina</p> <p>Telephone number (54 11) 4370 3700</p> <p>Subscribed and paid capital (Th\$) 49,230,442</p> <p>Corporate purpose Exclusively to invest in companies constituted or to be constituted whose main activity is the distribution of electricity or that directly or indirectly participate in companies with that principal business through all kind of financial and investment activities, except those in the laws of financial entities, the purchase and sale of public and private debt paper, bonds, shares, negotiable instruments and the granting of loans, and the placement of its funds in bank deposits of any kind.</p> <p>Core business Investments</p> <p>Board of directors José Carlos Caino Olivera José María Hidalgo Martín Mateos Cristián Fierro Montes María Inés Justo Juan Carlos Blanco Ramiro Alfonsín Balza (Regional Planning and Control Officer) Daniel Casal Jorge Subijana Rigoberto Mejía Aravena Jorge Ravlich</p> <p>Alternate board members Gonzalo Vial Vial José Miguel Granged Bruñen Roberto José Fagan Fernando Antognazza Daniel Garrido Diego Saralegui Ricardo Monge Claudio Díaz Jean Yatim Morillas José Eduardo Lazary Teixeira</p> <p>Main executives Antonio Jerez Chief Executive Officer</p> <p>Enersis stake (direct and indirect) 50.93% - Unchanged.</p> <p>Proportion of Enersis assets 0.03%</p> | <p>Subscribed and paid capital (Th\$) 423,177,466</p> <p>Corporate purpose Mainly, and in general, electricity generation activities, also the civil, industrial, commercial and any other act or operation relating or leading to the principal purposes.</p> <p>Core business Electricity generation</p> <p>Board of directors Ignacio Blanco Fernández (Chairmen) Alberto Briand Rebaza Torres (Vice Chairman) Joaquín Galindo Vélez Rafael Fauquién Bernal Reynaldo Llosa Barber Francisco García Calderón Portugal Gerardo Rafael Sepúlveda Quezada</p> <p>Alternate board members Julián Cabello Yong Raffaele Enrico Grandi Arrate Gorostidi Aguirresarobe Claudio Herzka Buchdahl Alberto Triulzi Mora Claudio Iglesias Guillard Eric Andrés Añorga Müller</p> <p>Main executives Carlos Alberto Luna Cabrera (CEO) Julián Cabello Yong (Operations Manager) Carlos Rosas Cedillo (Energy and Commercialization Manager) Gonzalo Gil Plano (CFO) Daniel Abramovich Ackerman (Legal Counsel)</p> <p>Enersis stake (direct and indirect) 37.46% (unchanged)</p> |
| <p>DISTRIBUIDORA ELÉCTRICA DE CUNDINAMARCA</p> <p>Name Distribuidora Eléctrica de Cundinamarca S.A. E.S.P.</p> <p>Type of entity Private company</p> <p>Tax ID 900,265,917-0</p> <p>Address Carrera 9 N° 73-44 5th floor</p> <p>Subscribed and paid capital (Th\$) 57,656,190</p> <p>Corporate purpose The company's main purpose is the distribution and commercialization of electricity, and the execution of all associates, complementary and related activities to distribution and commercialization of electricity, public works, design s and electrical engineering consulting, and the commercialization of products for the benefit of its customers.</p> <p>Core business Distribution and commercialization of electricity</p> <p>Board of directors Jorge Armando Pinzón Barragán Mario Trujillo Acevedo David Felipe Acosta</p> <p>Alternate board members Ernesto Moreno Restrepo Jaime Herrera Rodríguez Leonardo López Vergara</p> <p>Main executives Henry Navarro Sánchez Chief Executive Officer</p> <p>Enersis stake (direct and indirect) 10.65% (unchanged)</p> | <p>EDELNOR</p> <p>Name Empresa de Distribución Eléctrica de Lima Norte S.A.A.</p> <p>Type of entity Publicly held company</p> <p>Address Jr. Teniente Cesar López Rojas 201 Urb. Maranga, San Miguel, Lima, Peru</p> <p>Telephone number (51 1) 561 2001</p> <p>Subscribed and paid capital (Th\$) 99,769,717</p> <p>Corporate purpose Engage in the activities of distribution, transmission and generation of electricity in accordance with the provisions of current legislation. Additionally, the company may engage in the sale of goods in any form, as well as providing consulting and financial services, among others, except those services which require specific authorization in accordance with current law.</p> <p>Core business Electricity distribution</p> | |
| <p>DISTRILEC INVERSORA</p> <p>Name Distrilec Inversora S.A.</p> <p>Type of entity Private company</p> | <p>EDEGEL</p> <p>Name Edegel S.A.A.</p> <p>Type of entity Publicly held company</p> <p>Address Victor Andrés Belaúnde Ave. 147, Edificio Real 4, piso 7, Centro Empresarial Camino Real, San Isidro, Lima, Peru</p> | |

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|---|---|--|
| Board of Directors Reynaldo Llosa Baber Ignacio Blanco Fernández Raffaele Enrico Grandi Entró María Cecilia Blume Cilloniz Cristian Eduardo Fierro Montes Fernando Fort Marie Claudio Eduardo Helfmann Soto José María Hidalgo Martín Mateos | Gonzalo Vial Vial Ramiro Alfonsín Balza (Regional Planning and Control Officer of Enersis S.A.) Ernesto Pablo Badaraco Alternate board members Roberto Fagan José Miguel Granged Fernando Antognazza | Subscribed and paid capital (Th\$) 10,181,964 Board of directors Claudio Iglesias Guillard Juan Eduardo Vásquez Moya Enrique Donoso Moscoso Pedro Gatica Kerr Rafael Sotil Bidart Alternate board members Eduardo Lauer Rodríguez Gastón Schofield Lara Cristian Morales Jaureguiberry Juan Oliva Vásquez Ricardo Santibáñez Zamorano |
| Main executives Ignacio Blanco Fernández Chief Executive Officer Carlos Solís Pino Walter Sciutto Brattoli Rocío Pachas Soto Raffaele Enrico Grandi Luis Salem Hone Pamela Gutiérrez Damiani Juan Miguel Cayo Mata Alfonso Valle Cisneros | Daniel Casal Ricardo Monge Juan Pablo Larrain Medina (Regional Communications Officer of Enersis S.A.) María Inés Justo Rodrigo Quesada Mariana Marine José María Hidalgo Martín-Mateos | Main executives Carlos Andreami Luco Chief Executive Officer Enersis stake (direct and indirect) 25.49% - Unchanged. |
| Enersis stake (direct and indirect) 57.54% (unchanged) | Main executives Antonio Jerez Agudo Chief Executive Officer Silvia Migone Díaz | EMGESA |
| Proportion of Enersis assets 2.79% | Enersis stake (direct and indirect) 65.39% - Unchanged | Name Emgesa S.A. E.S.P. |
| EDESUR | Proportion on Enersis assets 0.03% | Type of entity Public utility Corporation |
| Name Empresa Distribuidora Sur S.A. | ELECTROGAS | Address Carrera 11 N°82-76, 4th floor, Santa Fe de Bogotá, D.C. Colombia |
| Type of entity Corporation | Name Electrogas S.A. | Subscribed and paid capital (Th\$) 164,600,582 |
| Address San José 140 (1076), Capital Federal, Argentina | Type of entity Private company | Corporate purpose The main purpose of the company is generation and commercialization of electricity and associated, connected, complementary and related activities. |
| Telephone number (54 11) 4370 3700 | TAX ID 96,806,130-5 | Core business Electricity generation and commercialization |
| Subscribed and paid capital (Th\$) 83,616,788 | Address Alonso de Córdova 5900, Oficina 401, Las Condes Santiago, Chile | Board of directors José A. Vargas Lleras Joaquín Galindo Vélez Ramiro Diego Alfonsín Balza (Regional Planning and Control Officer) Luisa Fernanda Lafaurie Rivera Mónica De Greiff Lindo Catalina Velasco Campuzano Ricardo Bonilla González |
| Corporate purpose Distribution and commercialization of electricity and related operations | Telephone number (562) 2299 3400 | Alternate board members Omar Serrano Rueda Fernando Gutiérrez Medina Gustavo Gómez Cerón |
| Core business Electricity distribution | Corporate purpose The purpose of the company is the transportation services for natural gas and other fuels, for its own or third party's account, for which it may construct, operate and maintain gas, oil and multi-use pipelines and complementary facilities. | |
| Board of directors José María Hidalgo Martín Mateos (Vice chairman) Juan Carlos Blanco | Core business Gas transportation | |
| Cristian Fierro Montes José Carlos Caino De Oliveira (Chairman) Rigoberto Mejía Aravena Marcelo Silva Iribarne | | |

Henry Navarro Sánchez
Ernesto Moreno Sánchez
Jose Alejandro Herrera Lozano
Andrés López Valderrama

Main executives
Lucio Rubio Díaz
Chief Executive Officer
Andrés Caldas Rico
Juan Manuel Pardo Gómez
Fernando Gutiérrez Medina
Gustavo Gómez Cerón
María Celina Restrepo
Leonardo López Vergara
Rafael Carbonell Blanco
Omar Serrano Rueda
Mauricio Carvajal García
Raúl Puentes
Ana Patricia Delgado Meza
Ana Lucía Moreno Moreno
Javier Blanco Fernández

Enersis stake
(direct and indirect)
16.12%- Unchanged.

EMGESA PANAMÁ, S.A.

Name
Emgesa Panamá, S.A.

Type of entity
Private company

Address
Panama City, Panamá

Corporate purpose
Purchase, sale, import, export of electricity. Also, the company may perform other industrial and commercial activities in general, it is able to celebrate all transactions, operations, business, events and activities that are permitted by the Panamanian law to corporations even if they are not expressly mentioned in this corporate purpose.

Core business
Purchase, sale, import, export of electricity.

Subscribed and paid capital (Th\$)
4,788

Board of directors
Lucio Rubio Díaz
Andrés Caldas Rico
Omar Serrano Rueda

Main executives
Fernando Gutiérrez Medina
Andrés Caldas Rico
Elizabeth Laverde Enciso

Enersis stake
(direct and indirect)
16.12%- Unchanged.

EMPRESA DE ENERGÍA DE CUNDINAMARCA

Name
Empresa de Energía de Cundinamarca S.A.

Type of entity
Private company

Tax ID
860,007,638-0

Address
Carrera 11 N° 93-52 Bogotá D.C.

Telephone
(571) 7051800

Subscribed and paid capital (Th\$)
10,758,776

Corporate purpose
Electricity generation, commercialization and distribution utility in the Cundinamarca district and its surroundings. It owns an electricity generation power plant in Río Negro.

Core business
Electricity generation, commercialization and distribution

Board of directors:
Mario Trujillo Hernandez
Jorge Pinzón Barragán
Ernesto Moreno Restrepo
Alvaro Cruz Vargas
Paulo Jairo Orozco Díaz
Carlos M. Restrepo Molina
Manuel Enrique Agámez

Alternate board member
Fabiola Leal Castro
Iván Pinzón Amaya
Heliodoro Mayorga Moncada
Luis Alfonso Gonzalez Saavedra
David Feferbaum Gutfraind
Nidia Ximena León Corredor
Vacant

Main executives:
Carlos Mario Restrepo Molina
Olga Pérez R.
Alba Marina Urrea Gómez
Diego Mauricio Muñoz Hoyos
Nidia Ximena León Corredor

Enersis stake
(direct and indirect)
8.77% (Unchanged.)

EMPRESA ELÉCTRICA DE COLINA

Name
Empresa Eléctrica de Colina Ltda.

Type of entity
Limited partnership

TAX ID
96,783,910-8

Address
Chacabuco 31, Colina, Santiago, Chile

Telephone
(56 2) 2844 4280

Subscribed and paid capital (Th\$)
82,222

Corporate purpose
Distribution and sale of electricity and home, sports, entertainment and computer electrical appliances.

Core business
Electricity distribution

Main executives
Leonel Martínez Garrido
Chief Executive Officer

Enersis stake
(direct and indirect)
99.09% - Unchanged

ENDESA ARGENTINA

Name
Endesa Argentina S.A.

Type of entity
Corporation

Address
Suipacha 268, 12 floor, Buenos Aires, Argentina

Telephone
(5411) 4307 3040

Corporate purpose
Invest in companies dedicated to the production, transmission and distribution of electricity and its commercialization, as well as financial activities except those limited by the law to banks.

Core business
Investments.

Subscribed and paid capital (Th\$)
52,105,667

Board of directors
José María Hidalgo Martín Mateos
José Miguel Granged Bruñen
María Inés Justo

Alternate board members
Rodrigo Quesada
Mariana Cecilia Mariné
María Julia Nosetti

Enersis stake
(direct and indirect)
59.98% - Unchanged.

EN - BRASIL COMÉRCIO E SERVIÇOS S.A.

Name
En- Brasil Comércio e Serviços S.A.

Type of entity
Private company incorporated according to Brazilian Federal Law.

Address
Praça Leoni Ramos nº 01 – parte, São Domingos, Niterói, Rio de Janeiro, Brasil.

Telephone
(55 21) 2613 7000

Subscribed and paid capital (Th\$)
233,655

Corporate purpose
The company aims to participate in the capital of other companies in Brazil or abroad, trade in general, even imports and exports, through retail or wholesale transactions of various products, and to provide general services for the electric sector and others.

Core business
Services in general to the electricity industry and others

Main executives
Albino Motta da Cruz
Chief Executive Officer
José Ignacio Pires de Medeiros

Enersis stake
(direct and indirect)
54.30% (Unchanged.)

ENDESA BRASIL

Name
Endesa Brasil S.A.

Type of entity
Private company

Address
Praça Leoni Ramos, N°1, 7° andar, bloco 2 - Parte, Niterói, Rio de Janeiro, Brasil

Telephone
(5521) 3607 9500

Subscribed and paid capital (Th\$)
188,292,374

Corporate purpose
Participate in the capital of other companies in any segment of the electricity sector, including companies that provide services to companies in that sector, in Brazil or abroad;; transmission, distribution, generation or commercialization of electricity and related activities and participation, individually or through joint ventures, consortia or other similar forms of association, in tenders, projects and enterprises for the supply of services and activities previously mentioned.

Core business
Investments

Board of directors
Mario Fernando de Melo Santos
Ignacio Antoñanzas Alvear (Chief Executive Officer of Enersis S.A.)
Massimo Tambosco (Deputy Chief Executive Officer of Enersis S.A.)
Antonio Basilio Pires de Carvalho e Albuquerque
Ramiro Diego Alfonsín Balza (Regional Planning and Control Officer of Enersis S.A.)
Cristián Eduardo Fierro Montes
Joaquín Galindo Velez

Main executives
Marcelo Llévénos Rebolledo
Chief Executive Officer

Aurelio Ricardo Bustillo de Oliveira
Antonio Basilio Pires de Carvalho e Albuquerque
José Alves de Mello Franco
Carlos Ewandro Naegele Moreira
Lívia de Sá Baião
Teobaldo José Cavalcante Leal

Enersis stake
(direct and indirect)
54.30% (Unchanged.)

Proportion of Enersis assets
6.29%

ENDESA CHILE

Name
Empresa Nacional de Electricidad S.A.

Type of entity
Publicly held company

TAX ID
91,081,000-6

Address
Santa Rosa 76, Santiago, Chile

Telephone
(56 2) 2630 9000

Subscribed and paid capital (Th\$)
1,331,714,085

Corporate purpose
Generation and supply of electricity, engineering and consulting services in Chile and abroad and the construction and exploitation of infrastructure works.

Core business
Electricity generation

Board of directors
Jorge Rosenblut (Chairman)
Paolo Bondi (Vice chairman)
Francesco Buresti
Vittorio Corbo Lioi
Felipe Lamarca Claro
Jaime Bauzá Bauzá
Enrique Andrés Cibié Bluth
Manuel Moran Casero
Alfredo Arahuetes García

Main executives
Joaquín Galindo Vélez
Chief Executive Officer
Carlos Fernando Gardeweg Ried
Luz María Torm Silva
Francisca Moya Moreno
Juan Benabarre Benaiges
Claudio Iglesias Guillard
Luis Larumbe Aragón
Sebastian Fernandez Cox
José Venegas Maluenda
Carlos Martin Vergara

Commercial relations
Trading current accounts, accounting, trading desk and treasury services.

Enersis stake
(direct and indirect)
59.98% - Unchanged.

Proportion of Enersis assets
55.88%

ENDESA ECO

Name
Endesa Eco S.A.

Type of entity
Private company

TAX ID
76,313,310-9

Address
Santa Rosa 76, floor 12, Santiago, Chile

Telephone
(56 2) 2630 9000

Subscribed and paid capital (Th\$)
98,664,033

Corporate purpose

Generate, transport, distribute and supply electricity, and in order to do so, it may obtain, purchase, and use the respective concessions. It also aims to promote and develop renewable energy projects, identify and develop Clean Development Mechanism projects (MDL In its Spanish acronym) and act a depository and trader of emission reduction certificates generated through the projects. Also, the company may participate in all types of investment, particularly, those related to the electricity business. The company may develop maintain and manage the investments in energy projects related to Gasoducto Atacama Compañía Limitada, Gasoducto Cuenca Noroeste Limitada and Nor Oeste Pacifico Generación de Energía Limitada; and also in Administradora Proyecto Atacama S.A, or its legal successors, Also, the object of the company shall cover the lease, the purchase, administration and exploitation, itself, or through others, of all kinds of property, real estate, securities and other securities, offer consulting services, offer all types of services, including engineering services, inspection and reception of lab materials and equipment, management of companies in diverse fields, environmental consulting services, including carrying out environmental impact assessments, in general, consulting services of all their specialties.

Core business

Electricity generation

Board of directors

Juan Benabarre Benaiges
Sebastián Fernández Cox
Bernardo Canales Fuenzalida

Main executives

Wilfredo Jara Tirapegui
Chief Executive Officer

Enersis stake

(direct and indirect)
59.98% - Unchanged.

ENDESA FORTALEZA**Name**

Central Geradora Termelétrica Fortaleza S.A.

Type of entity

Private company

Address

Rodovia 422, Km 1 s/n, Complexo Industrial e Portuário de Pecém Caucaia – Ceará, Brazil

Telephone

(55 85) 3464-4100

Subscribed and paid capital (Th\$)

35,500,663

Corporate purpose

Study, project, build and explore production, transmission, distribution and commercialization systems of electricity under concessions, permits or authorizations under any title, and other activities related to services supply of any kind related to the above activities; the acquisition, obtaining and exploration of any right, concession or privilege related to the above activities and the carrying out of all the other acts and business necessary for achieving its purposes; and participation in the capital of other companies as shareholder or partner, whatever their purposes.

Core business

Electricity generation

Board of directors

Marcelo Andrés Llévénos Rebolledo
Ana Claudia Gonçalves Rebello
Luis Larumbe Aragón (Planning and Control Officer of Endesa Chile.)

Main executives

Manuel Rigoberto Herrera Vargas
Chief Executive Officer

Raimundo Câmara Filho

Teobaldo José Cavalcante Leal
José Ignacio Pires Medeiros
Aurelio de Oliveira
José Alves de Mello Franco
Ana Cláudia Goncalves Rebello
Manuel Rigoberto Herrera Vargas

Enersis stake

(direct and indirect)
54.30% (Unchanged.)

ENERGEX**Name**

Energex Co.

Type of entity

Exempt company, incorporated in Cayman Islands, BWI

Address

Walker House, 87 Mary Street, George Town, Grand Cayman, Cayman Islands

Subscribed and paid capital (Th\$)

4,788

Corporate purpose

The purpose of the Company is to participate in any business or activity according to the laws of the Cayman Islands. In terms of businesses or activities in the financial area, those reserved for banks are not permitted. It is also forbidden to do business with firms or persons that are Cayman Islands residents.

Core business

Investments

Board of directors

Horacio Reyser
Gonzalo Alende
Ingrid Morales
Vacant

Enersis stake

(direct and indirect)
29.99% - Unchanged.

ENEL GREEN POWER MODELO I EÓLICA S.A.**Name**

Enel Green Power Modelo I Eólica S.A.

Type of entity

Private company

Address

Praça Leoni Ramos, Nº 1, 5º andar, bloco 2, Niterói, RJ, Brasil.

Subscribed and paid capital

R\$ 5,125,000

Corporate purpose

Wind electricity generation.

Core business

Electricity generation

Administration

Pedro Alberto Costa Braga de Oliveira
Newton Souza de Moraes
Enrique de las Morenas Moneo
Orlando Lopez

Enersis stake

(direct and indirect)
21.72% - New

ENEL GREEN POWER MODELO II EÓLICA S.A.**Name**

Enel Green Power Modelo II Eólica S.A.

Type of entity

Private company.

Address

Praça Leoni Ramos, Nº 1, 5º andar, bloco 2, Niterói, RJ, Brasil.

Corporate purpose

Wind electricity generation.

Core business

Electricity generation

Subscribed and paid capital

R\$ 125,000

Management
Pedro Alberto Costa Braga de Oliveira
Newton Souza de Moraes
Enrique de las Morenas Moneo
Orlando Lopez

Enersis stake
(direct and indirect)
21.72% - New

EÓLICA FAZENDA NOVA

Name
Eólica Fazenda Nova o Geração e
Comercialização de Energia S.A.

Type of entity
Private company

Address
Rua Felipe Camarão, nº 507, sala 104, Ciudad de
Natal, Rio Grande do Norte, Brasil

Telephone
(5521) 3607 9500

Subscribed and paid capital (R\$)
1,839,000

Corporate purpose
Generation, transmission, distribution
and commercialization of energy,
participation in other companies as a partner,
shareholder, or quota holders and import
machinery and equipment related to the
generation, transmission, distribution and
commercialization of wind energy.

Core business
Electricity generation

Administration
Marcelo Llévenes Rebolledo
President
Guilherme Gomes Lencastre
Livia de Sá Baião

Enersis stake
(direct and indirect)
54.28% (Unchanged)

GASATACAMA

Name
GasAtacama S.A.

Type of entity
Private company

TAX ID
96,830,980-3

Address
Isidora Goyenechea 3365, piso 8, Santiago, Chile

Telephone
(562) 2366 3800

Subscribed and paid capital (Th\$)
139,558,874

Corporate purpose
The purpose of the company is: a) the
administration and management of the
companies Gasoducto Atacama Chile Limitada,
Gasoducto Atacama Argentina Limitada,
GasAtacama Generación Limitada and other
companies agreed to by the partners; b)
investment of its own or third party's resources,
in all kinds of assets, corporeal or incorporeal,
securities, shares and commercial paper.

Core business
Investments

Board of directors
Raúl Sotomayor Valenzuela (Chairman)
Joaquín Galindo Vélez
Gonzalo Dulanto Letelier
Claudio Iglesias Guillard

Alternate board members
Juan Benabarre Benaiges
Eduardo Ojea Quintana
Fernando Gardeweg Ried
Vacant

Main executives
Rudolf Araneda Kauert
Chief Executive Officer

Enersis stake
(direct and indirect)
29.99% - Unchanged.

GASATACAMA CHILE

Name
GasAtacama Chile S.A.

Type of entity
Private company

TAX ID
78,932,860-9

Address
Isidora Goyenechea 3365, floor 8, Las Condes,
Santiago, Chile

Telephone
(562) 2366 3800

Subscribed and paid capital (Th\$)
88,587,706

Corporate purpose
The company purpose includes a) exploit the
generation, transmission, purchase, distribution
and sale of electric or any other energy; b) the
purchase, extraction, exploitation, processing,
distribution, commercialization and sale of
solids, liquids and gas fuels; c) the sale and
engineering services supply; d) obtain, purchase,
transfer, rental, charging and exploitation in any

way of the concessions referred to in the General
Electrical Services Law, maritime concessions
and water usage rights of any kind; e) the
transport of natural gas, through its own means
or together with other parties within Chile or
other countries, including the construction,
location and exploitation of gas pipelines and
other activities related directly or indirectly to
it; f) invest in all kinds of assets, corporeal or
incorporeal, movable or fixed; g) the organization
and constitution of all kind of companies whose
purposes are related or linked to energy in any of
its forms or that have electricity as their principal
input, or correspond to any of the activities
mentioned above.

Core business
Electricity generation and gas transportation

Board of directors
Raúl Sotomayor Valenzuela
Joaquín Galindo Vélez
Gonzalo Dulanto Letelier
Claudio Iglesias Guillard

Alternate board members
Juan Benabarre Benaiges
Eduardo Ojea Quintana
Fernando Gardeweg Ried
Vacant

Main executives
Rudolf Araneda Kauert
Chief Executive Officer

Enersis stake
(direct and indirect)
29.99% - Unchanged.

GASODUCTO ATACAMA ARGENTINA

Name
Gasoducto Atacama Argentina S.A.

Type of entity
Private company

TAX ID
78,952,420-3

Address
Isidora Goyenechea 3365, floor 8, Las Condes,
Santiago, Chile

Telephone
(562) 2366 3800

Subscribed and paid capital (Th\$)
99,670,644

Corporate purpose
The company's purpose is the transportation
of natural gas, through its own means or
together with other parties within Chile or
other countries, including the construction,
location and exploitation of gas pipelines and
other activities related directly or indirectly to it.

The company has an Agency based in Argentina, “Gasoducto Cuenca Noroeste Limitada Sucursal Argentina”, and its purpose is the execution of a pipeline between the town of Cornejo, Salta province and the Argentine- Chilean border in the vicinity of the Jama border crossing located in the second region of Chile.

Core business
Gas transportation

Board of directors
Rafael Zamorano Chaparro
Gustavo Venegas Castro
Pedro de la Sotta

Alternate board members
Luis Cerda Ahumada
Mario Guevara Esturillo
Alejandro Sáez Carreño

Main executives
Rudolf Araneda Kauert
Chief Executive Officer

Enersis stake
(direct and indirect)
29.99% - Unchanged.

GASODUCTO TALTAL

Name
Gasoducto Taltal S.A.

Type of entity
Private company

TAX ID
77,032,280-4

Address
Isidora Goyenechea 3365, piso 8, Las Condes, Santiago, Chile.

Telephone
(562) 2366 3800

Corporate purpose
Transportation, commercialization and distribution of natural gas, through its own means or together with other parties within Chile, especially in the towns of Mejillones and Paposos in the 2nd Region, including the construction, location and exploitation of gas pipelines and other activities related directly or indirectly to it.

Core business
Gas transportation

Subscribed and paid capital (Th\$)
18,638,522

Board of directors
Rafael Zamorano Chaparro
Gustavo Venegas Castro
Pedro de la Sotta

Alternate board members
Luis Cerda Ahumada
Mario Guevara Esturillo
Alejandro Sáez Carreño

Main executives
Rudolf Araneda
Chief Executive Officer

Enersis stake
(direct and indirect)
29.99% - Unchanged.

GENERANDES PERÚ

Name
Generandes Peru S.A.

Type of entity
Corporation

Address
Avda. Víctor Andrés Belaúnde 147, Edificio Real 4, piso 7, San Isidro, Lima, Peru

Telephone
(511) 215 6300

Subscribed and paid capital (Th\$)
186,073,314

Corporate purpose
The company has the purpose to develop activities related to electricity generation, directly, or through companies created for that purpose.

Core business
Investments

Board of directors
Ignacio Blanco Fernández
Alberto Briand Rebaza Torres
Joaquín Galindo Vélez
Raffaele Enrico Grandi
José Agustín Venegas Maluenda
Rafael Fauquie Bernal
Gerardo Rafael Sepúlveda Quezada
Alberto Triulzi Mora

Alternate board members
Guillermo Lozada Pozo
Rafael Alcázar Uzátegui
Julían Cabello Yong
Carlos Rosas Cedillo
José María Hidalgo Martín-Mateos
Gonzalo Adolfo De Las Casas Salinas
Claudio Iglesias Guillard
Eric Andrés Añorga Müller

Main executives
Carlos Luna Cabrera (Chief Executive Officer)
Gonzalo Gil Plano (Chief Financial Officer)

Enersis stake
(direct and indirect)
36.59% - Unchanged.

GNL CHILE

Name
GNL Chile S.A.

Type of entity
Private company

TAX ID
76,418,940-K

Address
Rosario Norte 530, of. 1303, Las Condes, Santiago, Chile

Telephone
(562) 2892 8000

Subscribed and paid capital (Th\$)
1,448,886

Corporate purpose
The company purpose is to a) contract the services of the liquefied natural gas (LNG) regasification company GNL Quintero S.A. and use all the natural gas and LNG storage, processing, re-gasification and delivery capacity of its re-gasification terminal, including its expansions if any and any other matter stated in the contract that the Company signs to use of the re-gasification terminal; b) import LNG under the delivered on ship (DES) mode from LNG suppliers according to LNG purchase agreements; c) the sale and delivery of natural gas according to contracts signed by the company with its customers; d) manage and coordinate the programming and nominations of LNG loads, as well as the delivery of natural gas among the different customers; e) comply with all its obligations and demand compliance with all its rights according to the contracts mentioned above and coordinate all activities included in such contracts, and in general carry out any type of act or contract that may be necessary, useful or convenient for meeting its purposes.

Core business
Import and commercialization of natural gas

Board of directors
José Agustín Venegas Maluenda
Julio Bertrand Planella
Klaus Lührmann Poblete

Alternate board members
Juan Oliva Vásquez
Gonzalo Palacios Vásquez
Fernando Promis Baeza

Main executives
Alejandro Palma Rioseco
Chief Executive Officer

Enersis stake
(direct and indirect)
19.99% - Unchanged.

GNL QUINTERO

Name
GNL Quintero S.A.

Type of entity
Private company

TAX ID
76,788,080-4

Address
Rosario Norte 532, oficina 1604, Las Condes,
Santiago, Chile

Telephone
(562) 2499 0900

Subscribed and paid capital (Th\$)
54,609,413

Corporate purpose
a) the development, financing, design, engineering, supply, construction, start up, operation and maintenance of an liquefied natural gas ("LNG") storage and re-gasification plant and its corresponding sea terminal for loading and unloading LNG and its expansions, if any, including the installations and connections necessary to deliver the LNG through a truck-loading yard and/ or one or more LNG pipeline delivery points (the "Re-gasification Terminal"); and any other activity leading or related to such purpose, including, but not limited to, the provision of management and administrative services of all commercial agreements needed to receive LNG or to deliver it to customers, re-gasification of LNG, delivery of natural gas and sale of services and storage, processing, re-gasification-loading and unloading at the LNG Regasification and delivery Terminal (the "Project") and its expansions, if any, and b) offer general management and administrative consulting in general necessary for the correct operation of the company, the Trading Company according to how it is defined in numeral thirteen four of article thirteen of the social agreement and that is currently known as GNL Chile S.A. The company may carry out all kinds of acts or contracts that are necessary, useful or convenient for meeting this purpose.

Core business
Unloading, storing and re-gasifying liquefied natural gas and natural gas.

Board of directors
Claudio Iglesias Guillard
Diego Hollweck
Julio Vertrand Planella
Francesco Gazmuri Schleyer
Jesús Saldaña

Alternate board members
Juan Oliva Vásquez
Carlos Quintana
Fernando Promis Baeza
Victor Turpaud Fernández
Rafael González

Main executives
Antonio Bacigalupo Gittins
Chief Executive Officer

Enersis stake
(direct and indirect)
12% - Unchanged.

HIDROINVEST

Name
Hidroinvest S.A.

Type of entity
Corporation incorporated in Buenos Aires,
Argentina

Address
Avda. España 3301, Buenos Aires, Argentina

Telephone
(5411) 4307 3040

Subscribed and paid capital (Th\$)
35,137,643

Corporate purpose
Acquire and maintain a majority shareholding in Hidroeléctrica Alicura S.A. and/or Hidroeléctrica El Chocón S.A. and/or Hidroeléctrica Cerro Colorado S.A. ("the concessionaire companies") created by National Executive Power decree 287/93 and manages such investments.

Core business
Investments

Board of directors
Joaquín Galindo Vélez
José Miguel Granged Bruñen
José María Hidalgo Martín Mateos
Fernando Claudio Antognazza
Eduardo Escaffi Johnson (Regional Finance Officer of Enersis S.A.)
Juan Carlos Blanco
Roberto José Fagan
Carlos Martín Vergara

Alternate board members
Francisco Monteleone
Jorge Raúl Burlando Bonino
Daniel Garrido
Rodolfo Bettinsoli
Fernando Boggini
Rodrigo Quesada
Sergio Camps
Oscar Rigueiro

Enersis stake
(direct and indirect)
57.64% - Unchanged.

ICT

Name
ICT Servicios Informáticos Limitada

Type of entity
Limited partnership

TAX ID
76,107,186-6

Address
Santa Rosa 76, piso 9

Telephone
(562) 2353 4606

Subscribed and paid capital (Th\$)
500,000

Corporate purpose
The provision of consulting services in matters related to information technology and computing, telecommunications and data transmission.

Core business
Consulting services in information and computing technology, telecommunications, and data transmission; acquire and dispose of all assets related to the company's business.

Main executives
Pedro Carrizo Polanco
Chief Executive Officer

Enersis stake
(Direct and indirect)
99.99%

Proportion of Enersis' Assets
0.02%

INGENDESA DO BRASIL

Name
Ingendesa do Brasil Ltda.

Type of entity
Limited partnership

Address
Praça Leoni Ramos, Nº 1, parte, São Domingos,
Niterói - RJ, Brasil.

Corporate purpose
The corporate purpose includes offering services in engineering, studies, projects, technical consulting, management, inspection and supervision of works supply, inspection and reception of materials and equipment for laboratories, appraisals, commercial representation of local and foreign engineering companies, as well as other services that the legal powers permit in the practice of the professions of engineering, architecture, agronomy, geology and meteorology in all their specialties.

Core business
Engineering services

Subscribed and paid capital (Th\$)
\$48,203

Representative
Sergio Ribeiro Campos

INMOBILIARIA MANSO DE VELASCO

Name
Inmobiliaria Manso de Velasco Ltda.

Type of entity
Limited Partnership

TAX ID
79,913,810-7

Address
Miraflores 383, piso 29, Santiago, Chile

Telephone
(562) 2378 4700

Corporate purpose
Acquisition, disposal, commercialization and exploitation of real estate and investment companies.

Core business
Real estate

Subscribed and paid capital (Th\$)
25,916,800

Representatives
Andrés Salas Estrades
Fernando Gardeweg Ried (National Finance Officer of Enersis)

Main executives
Andrés Salas Estrades
Chief Executive Officer

Hugo Ayala Espinoza
Jorge Carnevali Flores

Commercial relations
Property rentals, trading desk services, accounting, tax and other services supply. Commercial accounts trading.

Enersis stake
100% - Unchanged.

Proportion of Enersis assets
0.21%

INVERSIONES DISTRILIMA

Name
Inversiones Distrilima S.A.C.

Type of entity
Private company

Address
Jr. Teniente César López Rojas 201, Maranga, San Miguel, Lima, Peru.

Telephone
(511) 561 1604

Subscribed and paid capital (Th\$)
37,643,913

Corporate purpose
Make investments in other companies, most preferably in those Involved in the exploitation of natural resources, and especially those related to the distribution, transmission and generation of electricity. In order to perform according to its purpose and practice the activities related to it, the company may perform all actions and enter into all contracts that the Peruvian laws allow to corporations. The company may also make equity investments in any kind of property including stocks, bonds and any other class of transferable securities, as well as the administration of such investments within the limits set by the board and ordinary shareholders meeting. The activities that are considered within the purpose of the company may be carried out in Peru and abroad.

Core business
Investments

Board of directors
The Ordinary shareholders meeting that met 03/29/2011 agreed to change the entity Into a Private Company without Board of Directors.

Main executives
Ignacio Blanco Fernández
Chief Executive Officer

Enersis stake
(direct and indirect)
64.90% Unchanged.

Proportion of Enersis assets
0.51%

Enersis stake
(direct and indirect)
25.49% - Unchanged.

INVERSIONES GASATACAMA HOLDING

Name
Inversiones Gasatacama Holding Limitada

Type of entity
Limited liability Company

TAX ID
76,014,570-K

Address
Isidora Goyenechea 3365, piso 8, Santiago, Chile

Telephone
(562) 2366 3800

Corporate purpose
The company purpose is a) the direct or indirect participation through any kind of association in companies whose purpose include one or more of the following: i) the transportation of natural gas in any of its forms; ii) the generation, transmission, purchase, distribution and sale

of electricity, and iii) financing the activities stated in i) and ii) above that are carried out by related third parties, and b) the perception and investment of the assets invested, including lucrative activities related to the ones mentioned.

Core business
Investments

Subscribed and paid capital (Th\$)
159,684,942

Board of directors
Raúl Sotomayor Valenzuela
Joaquín Galindo Vélez
Fernando Gardeweg Ried
Gonzalo Dulanto Letelier

Alternate board members
Juan Benabarre Benaiges
Claudio Iglesias Guillard
Eduardo Ojea Quintana
Vacant

Main executives
Rudolf Aranedá Kauert
Chief Executive Officer

Enersis stake
(direct and indirect)
29.99% - Unchanged.

INVERSORA CODENSA S.A.S.

Name
Inversora Codensa S.A.S.

Type of entity
[Sociedad por acciones simplificada]

Address
Carrera 11 N°82-76, Piso 4, Bogotá, Colombia

Telephone
(571) 601 6060

Equity (Colombian\$)
5,000,000

Corporate purpose
Investment in residential public electric utility services, especially the acquisition of shares in any public electric utility or in any other company that also invests in utilities whose main purpose is residential electricity service according to the definition in Law 142 of 1994, or in any other company that also invests in utilities whose main purpose is residential public electric utility services.

Core business
Investments

Legal Representative
David Felipe Acosta Correa

Enersis stake
(direct and indirect)
21.73% - Unchanged.

INVESTLUZ

Name
Investluz S.A.

Type of entity
Private company

Address
Rua Padre Valdevino, N° 150-Parte, Fortaleza,
Ceará, Brasil

Telephone
(5585) 3216 1350

Subscribed and paid capital (Th\$)
223,052,176

Corporate purpose
Participate in equity of Companhia Energetica
do Ceará and in other companies, in Brazil and
abroad as a partner or shareholder

Core business
Investments

Management
Abel Alves Rochinha
President
Olga Jovana Carranza Salazar
Carlos Ewandro Naegele Moreira
Cristine de Magalhães Marcondes

Enersis stake
(direct and indirect)
60.10% (Unchanged.)

LUZ ANDES

Name
Luz Andes Limitada

Type of entity
Limited liability company
TAX ID
96,800,460-3

Address
Santa Rosa 76, Santiago, Chile

Telephone
(56 2) 2634 6310

Subscribed and paid capital (Th\$)
1,224

Corporate purpose
Distribution and commercialization of electricity
and the sale of home, sports, entertainment and
computers electrical appliances.

Core business
Electricity distribution

Main executives
Claudio Inzunza Díaz
Chief Executive Officer

Enersis stake
(direct and indirect)
99.09% - Unchanged.

PEHUENCHE

Name
Empresa Eléctrica Pehuenche S.A.

Type of entity
Publicly held company

TAX ID
96,504,980-0

Address
Santa Rosa 76, Santiago, Chile

Telephone
(562) 2630 9000

Corporate purpose
The company purpose is the generation,
transmission, distribution and supply of
electricity, for which it may acquire and use the
respective concessions, permits and rights.

Core business
Electricity generation

Subscribed and paid capital (Th\$)
200,319,020

Board of directors
Alan Fischer Hill
Alejandro García Chacón
Humberto Espejo Paluz
Fernando Gardeweg Ried
Vacant

Main executives
Lucio Castro Márquez
Chief Executive Officer

Enersis stake
(direct and indirect)
55.57% - Unchanged.

PROGAS

Name
Progás S.A.

Type of entity
Private company

TAX ID
77,625,850-4

Address
Isidora Goyenechea 3365, piso 8, Santiago, Chile

Telephone
(562) 2366 3800

Corporate purpose
Develop the following businesses in the 1st, 2nd
and 3rd regions of the country, the acquisition,
production, storage, transportation, distribution,
transformation and commercialization of
natural gas and other oil derivatives and fuels
in general, the supply of services, manufacture,
commercialization of equipment and materials,
and carrying out works related to the above
purposes or those necessary for their execution
and development, any other activity necessary
or leading to comply with the above mentioned
purposes.

Core business
Gas supply

Subscribed and paid capital (Th\$)
1,526

Board of directors
Rudolf Araneda Kauert
Luis Cerda Ahumada
Pedro De La Sotta Sánchez

Main executives
Alejandro Sáez Carreño
Chief Executive Officer

Enersis stake
(direct and indirect)
29.99% - Unchanged.

SACME

Name
Sacme S.A.

Type of entity
Private company

Address
Avda. España 3251, Ciudad Autónoma de Buenos
Aires, Argentina

Telephone
(5411) 4361 5107

| | | |
|--|--|--|
| Subscribed and paid capital (Argentine\$) 12,000 | Address Santa Rosa 76, Santiago, Chile | their management and operations and the development and operation of a multipurpose port, according to the law, among others. |
| Corporate purpose Conduct, supervise and control the operation of the electricity generation, transmission and sub transmission system of Capital Federal and Gran Buenos Aires, and the interconnections with the Argentine Interconnection System (SADI in its Spanish acronym). Represent the companies Distribuidora Edenor S.A. and Edesur S.A. in terms of operations, before the wholesale market administrator, Compañía Administradora del Mercado Mayorista Eléctrico (CAMMESA in its Spanish acronym). In general, adopt all actions necessary to allow it to carry out the administration of the business correctly, as being constituted for this purpose by the concessionaire companies of the electricity distribution and commercialization in Capital Federal and Gran Buenos Aires, all in accordance with the international public tender for the sale of Class A shares in Edenor S.A. and Edesur S.A. and applicable regulations. | Telephone (56 2) 2630 9000 Corporate purpose Generate, transmit, distribute and supply electricity, being able to acquire and make use of concessions, permits and rights in order to do so. | Board of directors Fernando Gutiérrez Medina Juan Manuel Pardo Leonardo López Vergara Alternate board members Gustavo Gómez Cerón Alba Lucía Salcedo Luís Fernando Salamanca |
| Core business Conduction, supervision and control of operations of part of the Argentine electricity system. | Core business Electricity generation Subscribed and paid capital (Th\$) 130,047,401 | Main executives Fernando Gutiérrez Medina Chief Executive Officer Enersis stake (direct and indirect) 16.37% |
| Board of directors Ricardo Héctor Sericano Osvaldo Ernesto Rolando Leandro Ostuni Eduardo Maggi | Board of directors Alan Fischer Hill Alejandro García Chacón Pedro Gatica Kerr Humberto Espejo Paluz Ricardo Santibáñez Zamorano | SOUTHERN CONE POWER ARGENTINA Name Southern Cone Power Argentina S.A. |
| Alternate board members Abel Cresta Leonardo Félix Druker José Luis Marinelli Pedro Rosenfeld | Alternate board members Osvaldo Muñoz Díaz Carlo Carvallo Artiga Claudio Betti Pruzzo Rodrigo Naranjo Martorell Enrique Lozán Jiménez | Type of entity Corporation Address Avda. España 3301, Buenos Aires, Argentina |
| Main executives Francisco Cerar | Main executives Claudio Iglesias Guillard Chief Executive Officer | Telephone (54 11) 4307 3040 Subscribed and paid capital (Th\$) 2,086,965 |
| Enersis stake (direct and indirect) 32.69% - Unchanged. | Enersis stake (direct and indirect) 57.35% - Unchanged. | Corporate purpose Wholesale electricity buying and produced by third parties and to be consumed by third parties. It may also hold participations in companies dedicated to electricity generation. |
| SAN ISIDRO | SOCIEDAD PORTUARIA CENTRAL CARTAGENA | Core business Investments |
| Name Compañía Eléctrica San Isidro S.A. | Name Sociedad Portuaria Central Cartagena S.A. | Board of directors José María Hidalgo Martín Mateos José Miguel Granged Bruñen Roberto José Fagan |
| Type of entity Private company | Type of entity Corporation | Alternate board members Fernando Claudio Antognazza |
| TAX ID 96,783,220-0 | Address Carrera 13 A N° 93-.66, piso 2 Bogotá, D.C. Colombia. | Enersis stake (direct and indirect) 59.98% Unchanged. |
| | Subscribed and paid capital (Th\$) 1,571 Corporate purpose The company's main purpose is the following: 1. Investment, construction and maintenance of docks and private and public ports, | |

TERMOELÉCTRICA JOSÉ DE SAN MARTÍN

Name
Termoeléctrica José de San Martín S.A.

Type of entity
Corporation

Address
Elvia Rawson de Dellepiane 150, piso 9, Buenos Aires, República de Argentina

Telephone
(511) 561 0386

Subscribed and paid capital (Th\$)
48,695

Corporate purpose
The generation of electricity and its block commercialization, and particularly the management of the equipment, construction, operation and maintenance of a thermal plant in accordance with the “Definitive agreement for the management and operation of the projects for the re-adaptation of the MEM in the terms of Resolution SE N° 1427/2004”, approved by Resolution SE N° 1193/2005.

Core business
Electricity generation

Board of directors
José María Vázquez
Claudio O. Majul
José Miguel Granged Bruñen
Fernando Claudio Antognazza
Omar Ramiro Algacibiur
Jorge Aníbal Rauber
Gerardo Carlos Paz
Mariana Patricia Schoua
Jorge Ravlich

Alternate board members
Juan Carlos Blanco
Roberto José Fagan
Adrián Gustavo Salvatore
Leonardo Pablo Katz
Milton Gustavo Tomás Longobardo
Luis Agustín León Longobardo
Sergio Raúl Sánchez
Rigoberto Orlando Mejía Aravena

Main executives
Claudio Omar Majul
Chief Executive Officer - Business and Finance Manager
Fernando Rabita - Power Plant Operations

Manager
Guillermo Paillet - Commercial Manager

Enersis stake
(direct and indirect)
8.32%- Unchanged.

TERMOELÉCTRICA MANUEL BELGRANO

Name
Termoeléctrica Manuel Belgrano S.A.

Type of entity
Corporation

Address
Suipacha 268, piso 12, Buenos Aires, Argentina

Telephone
(511) 561 0386

Subscribed and paid capital (Th\$)
48,690

Corporate purpose
The purpose of the company is the generation of electricity and its block commercialization, and particularly the management of the equipment, construction, operation and maintenance of a thermal plant in accordance with the “Definitive agreement for the management and operation of the projects for the re-adaptation of the MEM in the terms of Resolution SE N° 1427/2004”, approved by Resolution SE N° 1193/2005.

Core business
Electricity generation

Board of directors
Jorge Aníbal Rauber
Milton Gustavo Tomás Pérez
José Miguel Granged Bruñen
Fernando Claudio Antognazza
Adrián Salvatore
José María Vásquez
Gerardo Carlos Paz
Mariana Schoua
Jorge Ravlich

Alternate board members
Gabriel Omar Ures
Omar Ramiro Algacibur
Juan Carlos Blanco
Roberto José Fagan
Leonardo Marinaro
Leonardo Pablo Katz
Patricio Testorelli
Luis Agustín León Longobardo
Sergio Raúl Sánchez
Rigoberto Mejía Aravena

Main executives
Daniel Garrido
Chief Executive Officer

Gustavo Manifesto
Óscar Zapiola
Sergio Schmois

Enersis stake
(direct and indirect)
8.32% - Unchanged.

TESA

Name
Transportadora de Energía S.A.

Type of entity
Corporation

Address
Bartolomé Mitre 797, piso 11, Buenos Aires, República de Argentina

Telephone
(5411) 4394 1161

Subscribed and paid capital (Th\$)
3.967,132

Corporate purpose
Supply high voltage electricity transmission services in relation to national and international electricity systems, according to current legislation, for which it may take part in national or international tenders, become a public utility concessionaire in local or international high-voltage electricity transmission, and perform all activities necessary for these purposes, including but not limited to, becoming a part of construction, operation and maintenance for the start up or expansion of electricity transmission lines, participate in financing of projects directly or indirectly related to such endeavors as borrower and/or lender and/or guarantor, and allowed to give guarantees in favor of third parties. All activities considered in the Financial Institutions Act and any other that requires the assistance of government funds are excluded.

Core business
Electricity transmission

Board of directors
José María Hidalgo Martín-Mateos
Guilherme Gomes Lencastre
Arturo Miguel Pappalardo

Alternate board members

José Venegas Maluenda
Juan Carlos Blanco
Roberto José Fagan

Main executives

Arturo Pappalardo
Chief Executive Officer

Enersis stake

(direct and indirect)
54.30% (Unchanged.)

TRANSQUILLOTA

Name

Transmisora Eléctrica de Quillota Ltda.

Type of entity

Limited partnership

TAX ID

77,017,930-0

Address

Ruta 60, km 25, Lo Venecia, Comuna de Quillota,
Valparaíso Region

Telephone

(562) 2630 9000

Subscribed and paid capital (Th\$)

4,404,446

Corporate purpose

Transmission, distribution and supply of
electricity, by itself or through third parties

Core business

Electricity transmission

Legal Representatives

Juan Eduardo Vásquez Moya
Gabriel Carvajal Menegóñez
Ricardo Santibáñez Zamorano

Alternate Legal Representatives

Eduardo Calderón Avilés
Carlos Ferruz Bunster
Ricardo Sáez Sánchez

Enersis stake

(direct and indirect)
29.99% - Unchanged.

TÚNEL EL MELÓN

Name

Sociedad Concesionaria Túnel El Melón S.A.

Type of entity

Private company

TAX ID

96,671,360-7

Address

Santa Rosa 76, Santiago, Chile

Telephone

(562) 2690 5081

Subscribed and paid capital (Th\$)

19,028,480

Corporate purpose

Execution, construction and exploitation of the
public highway tunnel called Tunnel El Melón
and the supply of complementary services,
authorized by the Ministry of Public Works.

Core business

Infrastructure concessionaire

Board of directors

Eduardo Escaffi Johnson
(Regional Finance Officer of Enersis S.A.)
Luis Larumbe Aragón
Sebastián Fernández Cox

Main executives

Maximiliano Ruiz Ortíz
Chief Executive Officer

Enersis stake

(direct and indirect)
59.98% - Unchanged.

Notes:

1. There are no acts or contracts subscribed by Enersis S.A. with its subsidiaries or associates that significantly influence Enersis S.A. operations.
2. In subsidiaries and associates that do not include the item Proportion of Enersis assets, Enersis does not hold a direct Investment.
3. In subsidiaries and associates that do not include the item commercial relations, Enersis does not have a commercial relations.

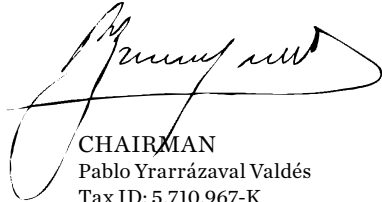
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declaration of responsibility



Declaration of responsibility

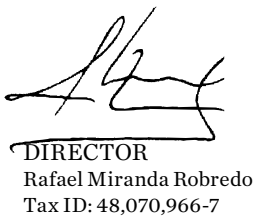
The members of the board of directors and chief executive officer of Enersis, the signatories to this declaration, swear to accept responsibility for the accuracy of all the information contained in this document, in compliance with general rule N°30 of the Superintendence of Securities and Insurance.



CHAIRMAN
Pablo Yrarrázaval Valdés
Tax ID: 5,710,967-K



VICE CHAIRMAN
Andrea Brentan
Passport: YA0688158



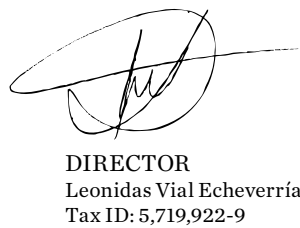
DIRECTOR
Rafael Miranda Robredo
Tax ID: 48,070,966-7



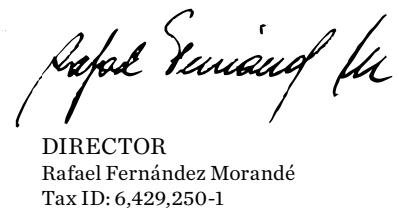
DIRECTOR
Hernán Somerville Senn
Tax ID: 4,132,185-7



DIRECTOR
Eugenio Tironi Barrios
Tax ID: 5,715,860-3



DIRECTOR
Leonidas Vial Echeverría
Tax ID: 5,719,922-9



DIRECTOR
Rafael Fernández Morandé
Tax ID: 6,429,250-1



CHIEF EXECUTIVE
OFFICER
Ignacio Antoñanzas Alvear
Tax ID: 22,298,662-1