



REASONED ANALYSIS

**Period finished by
September 31st, 2011**

REASONED ANALYSIS

AGUAS ANDINAS S.A. AND SUBSIDIARIES

September - 2011

I GENERAL ASPECTS

Share composition

Aguas Andinas's capital constitutes 6.118.965.160 shares, without nominal value. By September 30th, 2011, our largest shareholder is Inversiones Aguas Metropolitanas S.A. with 50.1%.

Revenue for ordinary activities

Our revenue is derived mainly from the regulated services that we provide and which relate to: production and distribution of drinkable water; collection, treatment and sewage disposal among other regulated services (which include revenue related to the charges for supply disconnection and reconnection, the monitoring of liquid industrial waste disposal and fixed charges).

The ordinary revenue for the 2011 period rose to Ch\$261.390 million, which is Ch\$23.017 million (9.7%) above the revenue for the previous period. This variation is due to the increase in the cubic meters produced by the natural increase of our clients, together with the increase in rates because of indexations and, mainly because of the incorporation of the rated associated to the Mapocho Interceptor Collector going online in April 2010, which allowed for the substantial improvement of sewage treatment coverage from 72.7% to the current 85.5%. When comparing the income for the third trimester of the 2011 term to those of the same period for the previous term, it is possible to see an improvement of Ch\$4,365 million associated to the notable improvement of billed consumption. The net profit for Aguas Andinas S.A. to September 30th, 2011 was of Ch\$77,336 which is Ch\$3,984 million (5.4%) compared to the previous period.

Operational costs and expenses

The operational costs and expenses are composed by the costs of raw materials and used consumables, expenses for employee benefits, expenses for depreciation and amortization, losses from value impairment and other expenses, by nature. The most relevant items are: "other expenses, by nature" with a 37.5% of the total operational costs and associated to the outsourcing of certain services with contractors; the expense for depreciation and amortization which represented a 28.4%; the expense for employee benefits represented a 19.4%; and raw materials and consumables used which represented a 14.1%, all of this to the third trimester of 2011. Part of the relevant increases observed when comparing the accumulated costs of the 2011 term with the previous term, and also when analyzing the evolution of these expenses within the third trimester, those associated with the measures destined to mitigate the consequences of the drought that the Company is going through is causing, must be pointed out. Among them costs such as the purchase of water and the consequent usage of more wells with the increase in electricity costs, stand out. Also outstanding, is the increase in the cost associated to sewage treatment, given that the going online of the Mapocho Collector Interceptor in April 2010 has meant a notable increase, during the last term, of the sewage flow rates that, arrive at the plants and are properly treated before their restitution into the environment.

Rates

The selected rates for our regulated sales and services are the most important factor in determining the results of our operations and financial situation. As a sanitary company, we are regulated by the

SISS (Superintendence of Sanitary Services, Chile) and our rates are fixed in conformity to the Rates Law for Sanitary Services D.F.L. N°70 of 1988.

Our rate levels are revised every five years and, during said period, they are subject to additional readjustments related to a polynomial indexation, which are applied when the accumulated variation since the previous adjustment is 3.0% or above, according to calculations based on various inflation indexes. Specifically, the readjustments are applied in accordance to a formula which includes the Consumer Price Index, the Wholesale Price Index for Imported Industrial Goods and the Wholesale Price Index for National Industrial Goods, all of which are measured by the Chilean National Statistics Institute. Also, the rates are subject to change in order to reflect additional services previously authorized by the SISS.

Aguas Andinas S.A., Aguas Cordillera S.A. and Aguas Manquehue S.A.'s rate negotiation processes for the 2010-2015 period ended in 2009. The new rates, approved by Decree number 60, dated February 2nd, 2010. The new rates, approved by Decree N°60, dated February 2nd, 2010 for Aguas Andinas S.A., from the Ministry of Economy, Development and Reconstruction started being enforced on March 1st, 2010, while the decrees for Aguas Cordillera and Aguas Manquehue S.A. correspond to N°176 dated June 8th, 2010 and N° 170 dated May 20th, 2010 respectively. Also, Empresa de Servicios Sanitarios de los Lagos S.A. (ESSAL) concluded its rate negotiation process in 2006, for the five year period between 2006 and 2011. These were approved by decree N° 116, dated August 31st 2011.

Market Risk

Our company presents a favorable situation when it comes to risk, which is mainly due to the particular characteristics of the health sector. Our business is seasonal and the exploitation results may vary from one trimester another. We tend to record higher levels of demand and revenue during the summer months (December through March) and the lowest levels of demand and revenue during the winter months (June through September). In general, demand for water is greater during the warmest months and not in the months with milder temperatures, due mainly to the additional water requirements generated by irrigation systems and other external uses of water.

Adverse climate conditions can eventually affect the optimal delivery of sanitary services because the catchment and water production processes for drinking water largely depend on the climate conditions that develop in hydrographic basins. Factors such as meteorological precipitations (snow, hail, rain, fog), temperature, humidity, sediment transport, as well as river flows and turbidity, determine the quantity, quality and continuity of raw water available at every intake, which can be treated at a drinking water treatment plant. In case of drought, we have large water reserves at the El Yeso reservoir, Laguna Negra and Lo Encañado, in addition to the contingency plans that we have developed, and that allow us to diminish the possible negative impacts that adverse weather conditions could cause for our operations.

Capital Investments

One of the variables that has the most incidence in our operations' results and financial standing is capital investments. There are two types:

Committed investments. We have the obligation to agree on an investment plan with the SISS, where we describe the investments that we must make for the next 15 years till the date when the corresponding investment plan starts being enforced. Specifically, the investment plan reflects commitment on our part to undertake certain projects related to the maintenance of certain standards for quality and coverage. The aforementioned investment plan is subject to revising every five years, with the possibility of requests for change being made when certain relevant facts are verified.

Approval dates for updates in the development plans of Grupo Aguas.

Aguas Andinas S.A.

Gran Santiago: May 16th, 2011

Other Locations: December 22nd and 28th, 2010 and August 7th, 2006

Aguas Cordillera S.A.

Aguas Cordillera and Villa Los Dominicos: December 29th, 2010

Aguas Manquehue S.A.

Santa María and Los Trapenses: December 28th, 2010

Chicureo, Chamisero and Valle Grande III: December 28th, 2006 and July 14th, 2009

Essal S.A.

X and XIV Regions: January 7th and June 10th, 2006

Non Committed investments. Non committed investments are those which are not considered in the investment plan and which we voluntarily undertake with the objective of ensuring the quality of our services and replacing obsolete assets, acquiring water use rights and the investment in non - regulated businesses, among others.

In accordance to international financial information standards enforced in Chile (NIIFCH), interests over capital investments in construction in progress are capitalized. In consequence, the financial costs associated to our capital investment plan affect the amount of expenses in paid interest in the revenue statements, consigned as construction in progress under "Properties, plant and equipment" of our balance.

II COMPARATIVE ANALYSIS AND EXPLANATION OF VARIATIONS

Consolidated statements of financial position

The composition of assets and liabilities is as follows:

Consolidated Statements of Financial position	September 2011	December 2010	Variation Sep 11 - Dec 10	
	MMCh\$	MMCh\$	MMCh\$	%
Current assets	77.971	75.792	2.179	2,9%
Long-term assets	1.380.811	1.330.647	50.164	3,8%
Total Assets	1.458.782	1.406.439	52.343	3,7%
Current liabilities	150.319	92.931	57.388	61,8%
Long-term liabilities	629.018	639.876	(10.858)	-1,7%
Total Liabilities	779.337	732.807	46.530	6,3%
Equity attributable to the parent owners	614.202	607.588	6.614	1,1%
Non-controlling interests	65.243	66.044	(801)	-1,2%
Total Equity	679.445	673.632	5.813	0,9%
Total Equity and Liabilities	1.458.782	1.406.439	52.343	3,7%

Assets

The total assets of Aguas Andinas Consolidado to September 30th, 2011 present a rise of 3.7% compared to December 2010, going from Ch\$1,406,439 million to Ch\$1,458,782 million. The following are the most relevant variations in each category.

Current Assets

When comparing the September 2011 values with December 2010, they present a greater value, of Ch\$2,179 million due to an increase in cash for Ch\$5,036 (because of the new issuing of bonds in April 2011), along with greater inventory levels for Ch\$1,732 million in Gestión and Servicios S.A. This is partially compensated by fewer commercial debtors for Ch\$5,310 million.

Long-term assets

The present an increase of Ch\$50,164 (3.8%) which is explained mainly by the net increase in Properties, Plants and Equipment in Ch\$43.102 and in Software for Ch\$4,031 million, due to the investments made to the third trimester by the Group.

The main investments made are reflected in the following table:

Investment Projects	Acum Sep 2011 (MMCh\$)
Farfana - Trebal Interceptor	20.336
Third STP Gran Santiago	40.904
Sewage Networks	2.601
Starters and Meters	2.825

LIABILITIES AND EQUITY

Liabilities

The liabilities to September 2011 increased 6.3% in comparison to December 2010, which translates into Ch\$46,530 million. The following shows the most relevant variations in each category.

Current Liabilities

When comparing the September 2011 values to those for December 2010, there is an increase of Ch\$57,388 million. The main variation corresponds to short term bond obligations for Ch\$37,226 million, due to the last issuing of bonds made in April 2011, to greater bank loans for Ch\$8.176 million, more accounts payable to related companies for Ch\$5,138 million and more commercial accounts payable for Ch\$4,999 million, all of these increases explained by the intense investment effort executed throughout the term.

Long-term Liabilities

They decreased in Ch\$10,858 million, when comparing the September 2011 values to those of December 2010. The main variation corresponds to the decrease of other long-term financial liabilities for Ch\$8,811, explained by the prepayment of the B bond. In addition, there were lower differed taxes to pay, for Ch\$1,586.

Equity

When comparing the September 2011 values with December 2010, the net equity rose in Ch\$5,813 million, where the net equity attributable to parent instrument holders rose in Ch\$6,614, which is due to the greater income generated during the period.

FINANCIAL INDICATORS

Indicator		September 2011	December 2010	Variation Sep 11 - Dec 10
Liquidity				
Current Liquidity	times	0,52	0,82	-36,6%
Acid-Test Ratio	times	0,07	0,07	12,1%
Debt				
Total Debt	%	114,7	108,78	5,4%
Current Debt	%	19,29	12,68	52,1%
Long-term Debt	%	80,71	87,32	-7,6%
Financial expenses coverage	times	5,70	6,46	-11,8%
Profitability				
Annualized Parent equity profitability	%	17,61	16,88	4,3%
Annualized Asset Profitability	%	7,50	7,40	1,4%
Annualized profitability per share	\$	17,62	16,97	3,8%
Dividend return (1)	%	6,19	8,25	-25,0%

(1) The price of shares to December 2010 was Ch\$245, while in September 2011 it rose to Ch\$274.2, which generates the fall shown.

To September 2011, current liquidity decreased 36.6%, because the increase of current assets for Ch\$2,179 million (2,9%), was very inferior to the increase of current liabilities, which was for Ch\$56.387 million (61,8%), all of this when compared to December 2010. The main variations in current liabilities are: short term bond obligations for Ch\$37,226 million, greater bank loans for Ch\$8,176 million, greater accounts payable to related companies for Ch\$5,138 million, and greater commercial accounts payable for Ch\$4,999 million, explained by the investments executed throughout the term.

The debt ratio rose 5.4%, due basically to the increase in current liability for Ch\$57,387, produced by the aforementioned variations.

Annualized Parent equity profitability presents an increase of 4.3% mainly due to an increase in the result of the mobile period in Ch\$3,984 million to September 2011 compared to December 2010.

STATEMENTS OF INCOME BY NATURE

The following table shows the statements of income for the 2011 and 2010 periods:

Statement of Income by nature	September 2011	September 2010	Variation Sep 11 - Sep 10	
	MMCh\$	MMCh\$	MMCh\$	%
Income for ordinary activities, total	261.390	238.373	23.017	9,7%
Raw materials and consumables used	(19.872)	(16.789)	(3.083)	18,4%
Expenses for employee benefits	(27.382)	(27.164)	(218)	0,8%
Depreciation and amortization costs	(40.066)	(39.830)	(236)	0,6%
Losses for value impairment recognized in term result	(852)	(1.555)	703	-45,2%
Other expenses by nature	(52.859)	(44.986)	(7.873)	17,5%
Exploitation result	120.359	108.049	12.310	11,4%
Financial Income	5.510	2.766	2.744	99,2%
Financial costs	(20.139)	(16.246)	(3.893)	24,0%
Exchange difference	8	(18)	26	-144,4%
Results by Indexation Units	(12.968)	(8.431)	(4.537)	53,8%
Financial Result	(27.589)	(21.929)	(5.660)	25,8%
Other income	1.932	1.681	251	14,9%
Results before taxes	94.702	87.801	6.901	7,9%
Income tax expenses	(17.225)	(13.678)	(3.547)	25,9%
Income attributable to non-controlling interests	(141)	(771)	630	-81,7%
Income attributable to parent owners	77.336	73.352	3.984	5,4%

- Ordinary Income:**

To the third trimester of 2011, Aguas Andinas S.A. gained income for Ch\$261,390 million, which is Ch\$23,017 million (9.7%) above the one obtained during the same period for 2010.

The aforementioned variation is obtained from the following income composition:

Ordinary Income	September 2011		September 2010		Variation Sep 11 - Sep 10	
	MMCh\$	%	MMCh\$	%	MMCh\$	%
Drinking water	108.214	41,4%	102.033	42,8%	6.181	6,1%
Sewage	120.764	46,2%	108.119	45,4%	12.645	11,7%
Other regulated income	6.143	2,4%	5.473	2,3%	670	12,2%
Non-regulated businesses	26.269	10,0%	22.748	9,5%	3.521	15,5%
Ordinary income Total	261.390	100,0%	238.373	100,0%	23.017	9,7%

a) **Drinking Water:** Here, we consider the production and distribution of drinking water. These services show an increase of Ch\$6,181 million when compared to the same period for the previous year. The main variation is caused by a higher average rate, which rose because of the positive indexations experienced in: June 2010, January 2011, as an effect of a rise in the tax rate and April 2011. In addition, there is a greater sales volume, which increased in 6.5 million m³, when compared to 2010, explained by the increase in clients and their consumption.

b) **Sewage:** Here we consider the collection, treatment, disposal and interconnection of sewage. The revenue from these services increased in Ch\$12,645 million (11.7%) as a product of:

- Greater income from collection, for Ch\$4,971 (Ch\$59,744 million from 2011, compared to the Ch\$54,773 million from the previous year), explained, mainly, by a greater average rate. In addition to a greater accrued sales rate of 5.8 million m³.
- Greater income in treatment for Ch\$6,044 million (Ch\$48,456 million from 2011, compared to the Ch\$42,412 from the previous year) explained, mainly, by a greater average rate. In addition to a greater accrued sales volume of 4.9 million m³.
- Greater income from sewage interconnections Ch\$1,631 million (Ch\$12,564 from 2011 compared to the Ch\$10,931 million from the previous year), explained mainly by a greater average rate. Also, there was a greater accrued sales volume of 1,1 million m³.

The variations in the average rates are produced by the effect of the indexations experienced during the term. Positive indexations have been generated in 2011. From January 1st, 2011, new rates began being enforced because of a rise in taxes that affected every rate group. Also, on February 15th, 2011, Aguas Manquehue S.A. indexed, Aguas Andinas S.A. did so on April 15th, Essal S.A. on April 15th and Aguas Cordillera S.A. on May 15th, 2011.

Additionally, on April 1st, 2010, the rate agreed upon with the Sanitary Services Superintendence began to be enforced after the Mapocho Collector Interceptor went online. The investment made in this new infrastructure rose to US\$ 115 million and allowed for the increase in coverage of sewage treatment from 72,7% to 85,5%.

c) **Other Regulated Income:** Here we consider the fixed charge to our customers, the interruption and resuming of service and provisions for uncharged consumption. These revenues increased in Ch\$670 million, explained mainly by a greater fixed charge for Ch\$438 million.

d) **Non-regulated businesses:** present an increase of Ch\$3,521 million (15.5%) with respect to the same period of the previous year, explained mainly by the following businesses:

- Sanitary: increased in Ch\$1,319 million associated, mainly, by greater easements granted, together with a greater level of activity in zones.
- Non Sanitary: Increased in Ch\$2,202 million explained, first, by a greater level of activities in Ecoriles S.A. (operation of liquid residue treatment plants and treatment of excess industrial organic load), followed by greater materials sales in Gestión y Servicios S.A. and, to a lesser degree, by Análisis Ambientales S.A. (laboratory services; sampling and analysis).

Group Consolidate	September 2011 MMCh\$	September 2010 MMCh\$	Variation Sep 11 - Sep 10	
			MMCh\$	%
Non-Sanitary non-regulated products	13.937	11.735	2.202	18,8%
Ecoriles S.A.	7.137	5.989	1.148	19,2%
Gestión y Servicios S.A.	5.602	4.634	968	20,9%
Anam S.A.	1.198	1.112	86	7,7%

All of the commented effects determine that, when comparing, particularly, the income for the third trimester of 2011, with the same period of the 2010 term there is a 6.1% increase, equivalent to Ch\$4,365 million.

Raw materials and consumables used

To the third trimester of 2011, these costs rose to Ch\$19,872 million, which is Ch\$3,083 million greater than the amount obtained in 2010. This, mainly explained by the purchase of water, together with a greater cost in electric energy, both increases, as has been commented, caused by the drought that is taking place in 2011. These same effects determine that, when comparing the amounts for the third semester of 2011, with the same period of 2010, there is a Ch\$1,588 million increase, equivalent to 2.2%.

• Expenses for employee benefits

To the third trimester of 2011, these costs rose to Ch\$27,382 million, which is Ch\$218 million above the amount achieved for the same period of the previous year, mainly explained by greater salaries and employee benefits, both associated to Consumer Price Index adjustments.

• Expenses for depreciation and amortization

To the third trimester of 2011, these expenses rose to Ch\$40,066 million, which is Ch\$236 million above the amount obtained for the same period of 2010, explained mainly by the depreciation generated by the new investments made by the Company, within which the MUL, with its operation having started in April 2010, stands out.

- **Losses for value impairment recognized in the period results**

To the third trimester of 2011, losses for value impairment for Ch\$852 million have been registered. This amount is Ch\$703 million lower in comparison to the third trimester of 2010. This is explained by the difference between the downturns caused by the 2010 earthquake and the downturns of the Aguas Manquehue S.A. plants during 2011 after its paralyzation and substitution in the service.

- **Other expenses, by nature**

To the third trimester of 2011, these expenses rose to Ch\$52,859 million, which is Ch\$7,873 million above the amount obtained during the same period of 2010 explained, mainly, by greater operational costs in the treatment plants, for Ch\$2,164 million and collection of waste and sludge from plants for Ch\$2,439 million. This increase is associated to greater volume of treated water, because of the coming online of the Mapocho Interceptor Collector. Similarly, this same effects justify the Ch\$3,127 million increase, equivalent to 21.6%, that can be seen when comparing the amounts for the third trimester of 2011 with the same period for 2010.

- **Financial Income**

To the third trimester of 2011, Aguas Andinas Consolidado, obtained financial income for Ch\$5.510 million, which is Ch\$2.744 million above the amount obtained for the same period of 2010, explained by greater financial interests and greater repurchase of refundable financial contributions.

- **Financial Costs**

To the third trimester of 2011, these costs rose to Ch\$20,139 million, which is Ch\$3.893 million above the amount obtained for the same period of 2010. This is explained, mainly, by greater interests compared to the previous year, because of greater bank loans prepared and to the increase of the interest rate that the market has had, in addition to the issuing of bonds made in April of the current term, which incorporate new financial costs with respect to those incurred in 2010. These same effects justify the Ch\$1,487 million increase observed when comparing the amounts for the third trimester of both terms.

- **Results by Indexation Units**

To the third trimester of 2011, there were negative results for Ch\$12,968 million, which is Ch\$4,537 million above the amount obtained for the same period of 2010, explained, mainly, by a greater debt revaluation due to the greater variation of the UF to the third trimester, compared to the same period of 2010.

- **Other income**

Aguas Andinas Consolidada obtained results for Ch\$1,932 million, which is Ch\$251 million above the one obtained for the same period of 2010. This difference is justified by the registration of compensation paid by the registered Insurance Company in 2011 in relation to damages caused by the February 2010 earthquake in Aguas Manquehue S.A., amount which is greater than the compensation paid by the registered Insurance Company in 2010, because of the damages from the incident caused by the Chaitén volcano in Essal S.A.

- **Expenses for income tax**

Income tax provision for the third trimester of 2011 is Ch\$3,547 million higher when compared to the same period for the previous year, explained by higher result before taxes, together with the

effect of the transitory increase of the tax rate which went from 17% during the 2010 term to 20% during the current term.

- **Profit**

Due to the aforementioned factors, the Net Result for Aguas Andinas Consolidado, for the third trimester of 2011, rose to Ch\$77,336 million, which is Ch\$3,984 million (5.4%) above the amount obtained to September 2010.

CONSOLIDATED CASH FLOW STATEMENT

The main categories for the cash flow statement are the following:

Consolidated Direct Cash Flow Statements	September 2011	September 2010	Variation Sep 11 - Sep 10
	MMCh\$	MMCh\$	%
Net Cash flows from operation activities	138.990	129.505	7,3%
Net Cash Flows used in investment activities	-84.217	-46.544	80,9%
Net cash flows used in financing activities	-49.736	-71.802	-30,7%
Net increase in cash and cash equivalents	5.037	11.159	-54,9%
Cash and cash equivalents at the beginning of the period.	6.090	24.996	-75,6%
Cash and cash equivalents at the end of the period	11.127	36.155	-69,2%

The positive flow from operation activities had a variation of Ch\$9.485 million (7,3%) when comparing September 2011 with September 2010. The main variations that justify the increase are the charges from the sales of goods and providing of services for (Ch\$18,321 million), coming, mainly, from greater income because of the going online of the Mapocho Interceptor Collector, and the positive indexation of the rates; these effects are compensated mainly, by a decrease in other payments for operational activities for Ch\$2,499 million, decrease in premiums and claims as well as other policy benefits for lower insurance refunds obtained for Ch\$1,671 million and an increase in interest payments in bonds as well as an increase in interest rates in bank loans for Ch\$5,264 million.

The negative flow for investment activities created a variation of Ch\$37,673 million (80,9%), due, mainly to the increase in the incorporation of Properties, Plants and Equipment for Ch\$ 36,032 million, with the construction of the Mapocho Sewage Treatment Plant and the La Farfana-El Trebal Interceptor the justifications for said variation.

The negative financing flow had a variation of Ch\$22,066 million (30.7%), due, mainly to a decrease in the paid dividends for Ch\$20,026 million, derived from a lower profit for the 2010 term, in comparison to the 2009 term and by an increase of the income from short and long term loans for Ch\$24.005 million, where the variation is explained mainly by the issuing of bonds (Series N, P, K and M).

Market Analysis

The Company does not present variations in the market it participates in, due to the nature of its services and the current legal framework, it does not have any competition in its concession area.

Aguas Andinas S.A. has 100% coverage in drinking water, del 98.7% in sewerage service and 85.5% in sewage treatment

Aguas Cordillera S.A. has 100% coverage in drinking water and 98.9% in sewerage service.

Aguas Manquehue S.A. has 100,0% coverage in drinking water, 99.4% in sewerage service and 94.6% in sewage treatment.

Essal S.A. has 100% coverage in drinking water, 93.9% in sewerage service and 93.5% sewage treatment.

Group Sales Volumes (Values in thousands of m3 billed)	September 2011	September 2010	Variation Sep 11 - Sep 10
Drinking Water	392.437	385.889	1,7%
Sewage Collection	382.239	376.410	1,6%
Sewage Treatment and Disposal	333.508	328.556	1,5%
Sewage Interconnection services	87.862	86.731	1,3%

Group Clients	September 2011	September 2010	Variation Sep 11 - Sep 10
Drinking Water	1.937.138	1.899.623	2,0%
Sewage Collection	1.895.241	1.855.915	2,1%

Financial Aspects

Currency Risks: Our revenues are mainly linked to the evolution of local currency. It is because of this that our debt is issued in this currency, reason for which we do not possess significant debt in foreign currency.

To September 30th, 2011 the risk of the interest rate kept by Aguas Andinas S.A. is composed by an 82.5% fixed rate and a 17.5% variable rate. Fixed rate debt is composed by: the issuing of long and short term bonds (82.2%) and reimbursable financial contributions (17.8%), while the variable rate debt is related to loans by national banks.

To December 31st, 2010, the risk for the interest rate kept by Aguas Andinas S.A., was composed by an 81.0% fixed rate and a 19.0% variable rate. Fixed rate debt is composed by: the issuing of long and short term bonds (83.2%) and reimbursable financial contributions (16.8%), while the variable rate debt is related to loans by national banks.

The Company maintains an interest rate management and monitoring policy which, with the objective of optimizing the financing cost, permanently evaluates the coverage instruments available in the financial market.

This favorable situation has meant that credit rating agencies have awarded us an AA+ rating for long term debt. In the case of shares, Feller Rate assigned us a first class level 3 classification, while ICR gave us a first class level 2 classification.