EARNINGS RELEASE

Period ending
March 31, 2017

1. <u>2017 Summary</u>

- During the first quarter of 2017, the Company's revenues amounted to CLP Th$145,869,714, which was CLP Th$6,557,189 (4.7%) more than first quarter earnings in 2016. This increase was explained mainly by higher sales volumes, recording a 4.5% increase for potable water and 4.1% for sewage.

- Non-regulated subsidiaries marginally increased their sales by CLP Th$8,326 due to higher sales of EcoRiles and Análisis Ambientales (Anam), which was partially offset by lower sales in Gestión y Servicios due to a drop in sales of materials. The Aguas del Maipo subsidiary did not record sales during the period due to a delay in start-up operations at the methanization plant being built at the La Farfana plant.

- Costs increased by 3.7%, mainly due to a CLP Th$1,330,982 increase in provisions for uncollectible bills, higher costs totaling CLP Th$484,296 for sanitation modification infrastructure services, higher expenses of CLP Th$416,765 for leases, and an increase in Personnel costs amounting to CLP Th$332,945, mainly associated with CPI adjustments. This was partially offset by lower selling costs due to the lower level of activity of the Gestión y Servicios subsidiary.

- EBITDA for the period amounted to CLP Th$95,790,717, a 5.2% increase over the same period the previous year.

- Financial earnings showed a loss of CLP Th$9,283,126, which was CLP Th$1,111,214 less than the same quarter last year. This was mainly the result of a lower revaluation of the debt that can be adjusted in Unidades de Fomento (UFs).

- Income tax expense at the end of the first quarter of 2017 was CLP Th$16,877,856, which was CLP Th$2,465,542 higher than the same quarter of the prior year. This change is mainly explained by a higher pre-tax gain of CLP Th$4,719,228 together with the change in tax rate from 24% to 25.5% due to the Tax Reform in force since September 2014.

- Net income as of March 31, 2017 amounted to CLP Th$50,837,259, which was CLP Th$2,543,571 higher (5.3%) than that obtained in the previous year.

- During the month of February, rains in the mountains increased the turbidity of the Maipo River, the main source of water for Santiago. The turbidity reached levels many times higher than the maximum level at which water treatment plants can operate. As a result, service was cut on February 26 and 27, affecting more than 1 million customers.

- Following the end of the quarter, a similar situation occurred in April, which meant service was cut on June 21, affecting 733,000 customers.

2. Results

2.1 Accumulated Results

Income Statement (CLP$ thousands)	Mar. 17	Mar. 16	% Var.	2017 / 2016
Ordinary Revenue	145,869,714	139,312,525	4.7%	6,557,189
Operational Costs & Expenses	(50,078,997)	(48,269,629)	3.7%	(1,809,368)
EBITDA	**95,790,717**	**91,042,896**	**5.2%**	**4,747,821**
Depreciation and Amortization	(17,794,254)	(16,527,355)	7.7%	(1,266,899)
Operating Income	**77,996,463**	**74,515,541**	**4.7%**	**3,480,922**
Financial Results*	(9,283,126)	(10,394,340)	(10.7%)	1,111,214
Tax expenses	(16,877,856)	(14,412,314)	17.1%	(2,465,542)
Net Income	**50,837,259**	**48,293,688**	**5.3%**	**2,543,571**

**Includes financial revenue, financial costs, exchange rate differences and results due to indexation units.*

2.2 Consolidated Revenue Analysis

	Mar. 17		Mar. 16		Variation	
	Sales CLP Th$	Share	Sales CLP Th$	Share	CLP Th$	%
Potable Water	62,606,158	42.9%	59,145,343	42.5%	3,460,815	5.9%
Sewage	67,545,948	46.3%	64,404,021	46.3%	3,141,927	4.9%
Other Regulated Income	4,061,205	2.8%	4,768,405	3.4%	(707,200)	(14.8%)
Non-Regulated Income	11,656,403	8.0%	10,994,756	7.9%	661,647	6.0%
Total	**145,869,714**	100.0%	**139,312,525**	100.0%	**6,557,189**	4.7%

Sales Volume (Thousands of m^3)	Mar. 17	Mar. 16	% Var.	Difference
Potable Water	166,352	159,159	4.5%	7,193
Sewage Collection	157,604	151,422	4.1%	6,182
Sewage Treatment & Disposal	135,912	130,452	4.2%	5,460
Interconnections *	36,908	35,334	4.5%	1,574
Customers	**Mar. 17**	**Mar. 16**	**% Var.**	**Difference**
Potable Water	2,215,289	2,165,647	2.3%	49,642
Sewage Collection	2,161,626	2,112,640	2.3%	48,986

** Interconnections include the Treatment and Disposal of Sewage for other Sanitation companies*

a. Regulated Businesses

1. Potable Water

Revenues from potable water during the first quarter of 2017 amounted to CLP Th$62,606,158, an increase of CLP Th$3,460,815 compared to the same period last year, due to the higher volumes supplied, together with the tariff variations recorded over the course of 2016 and 2017.

2. Sewage

Sewage revenues during the first quarter of 2017 amounted to CLP Th$67,545,948, an increase of 4.9% compared to CLP Th$64,404,021 recorded in the same quarter of 2016. The increase of CLP Th$3,141,927 was due to a higher volume supplied, together with the tariff variations recorded in 2016 and 2017.

3. Other Regulated Income

This item decreased by CLP Th$707,200, mainly due to the variation in provisions for unbilled consumption.

b. Non-regulated Revenue

Non-regulated revenues increased by CLP Th$661,647 during the first quarter of 2017 compared to the same quarter of the previous year. This variation was explained by:

1. Sanitation Services

An increase of CLP Th$653,321, mainly due to higher work activity requested by clients together with higher revenues associated with sanitation infrastructure modifications requested by clients.

2. Non-Sanitation Services

A marginal increase of CLP Th$8,326, mainly explained by increased activity at EcoRiles and Anam, was offset by a decrease in Gestión y Servicios due to lower sales of materials. Aguas del Maipo did not record sales during the period due to the delay in start-up operations of the methanization plant being built at La Farfana Plant.

(CLP Th$	Mar. 17	Mar. 16	Var. %
Anam S.A.	1,060,933	852,612	24.4%
EcoRiles S.A.	3,381,097	3,061,402	10.4%
Gestión y Servicios S.A.	1,423,524	1,943,214	(26.7%)
Aguas del Maipo S.A.	0	0	-
Non-regulated, non-sanitation companies	**5,865,554**	**5,857,228**	**0.1%**

2.3. Expense Analysis

a) Raw Materials and Consumables Used

As of March 31, 2017, costs of raw materials and consumables totaled CLP Th$8,364,134, an amount CLP Th$551,010 less than that obtained in the first quarter of fiscal year 2016. The decrease in these costs is mainly due to lower costs of CLP Th$212,651 in power energy, due to the re-liquidations registered during the first quarter of 2016, together with a lower consumption of kWh due to lower groundwater abstraction, and a decrease in material costs of CLP Th$181,365 due to lower sales of materials by Gestión y Servicios.

b) Personnel Expenses

At the end of the first quarter of 2017, personnel expenses totaled CLP Th$12,799,067, which was CLP Th$332,945 more than for the same quarter of the previous year, generated by higher compensation and gratuities associated to CPI adjustments, together with a larger work force.

c) Depreciation and amortization expenses

As of March 31, 2017, depreciation and amortization amounted to CLP Th$17,794,254, CLP Th$1,266,899 more than that obtained in the same quarter of 2016. This was the result of the depreciation associated with the new assets like the fourth module of the Trebal-Mapocho Plant.

d) Other Expenses

At the end of the first quarter of 2017, these expenses amounted to CLP Th$28,915,796, which was CLP Th$2,027,433 higher than that obtained in the same period of 2016. This was mainly due to a higher provision of CLP Th$1,330,982 for uncollectible bills, higher costs of CLP Th$484,296 for sanitation infrastructure transfers, and higher costs of CLP Th$416,765 for transportation service leasing in order to lease tank trucks.

2.4. Analysis of Financial Income and Other Earnings

a) Financial Income

At the end of the first quarter of 2017, CLP Th$1,577,091 in financial income was obtained, CLP Th$336,208 less than that obtained in the same quarter of 2016, mainly explained by lower financial interests resulting from lower temporary cash surpluses.

b) Financial Costs

At the end of the first quarter of 2017, financial costs totaled CLP Th$7,560,501, which meant a CLP Th$697,191 increase in costs compared to the same period in 2016. This is mainly explained by lower financial activation, partially offset by lower bond interest associated with a lower level of debt, due to the amortizations of series K, N and R bonds during 2016.

c) Results from Indexation Units

At the end of the first quarter of 2017, earnings of CLP Th$3,300,106 were obtained, resulting from CLP Th$2,155,473 fewer expenses compared to the end of the same period in 2016, mainly explained by a lower revaluation of the debt due to greater variation of the UF compared to the first quarter of 2016.

d) Income Tax Expenses (Income)

Income tax expenses at the end of the first quarter of 2017 was CLP Th$16,877,856, which was CLP Th$2,465,542 higher compared to the same period of the previous year. This change is mainly explained by the change in the tax rate from 24% to 25.5% due to the Tax Reform in force since September 2014, compounded by a higher pre-tax income of CLP Th$4,719,228.

e) Net Income

Net income as of March 31, 2017 amounted to CLP Th$50,837,259, which was CLP Th$2,543,571 (5.3%) higher than that obtained in the first quarter of 2016.

3. Results by Segments

3.1 Accumulated Results, Water Segment

Income Statement (CLP$ thousands)	Mar. 17	Mar. 16	% Var.	2017 - 2016
External Revenues	140,448,605	133,169,262	5.5%	7,279,343
Inter-Segment Income	217,404	125,260	73.6%	92,144
Operational Costs and Expenses	(45,927,111)	(42,978,077)	6.9%	(2,949,034)
EBITDA	**94,738,898**	**90,316,446**	**4.9%**	**4,422,452**
Depreciation and Amortization	(17,625,264)	(16,356,105)	7.8%	(1,269,159)
Operating Income	**77,113,634**	**73,960,341**	**4.3%**	**3,153,293**
Other Earnings	27,629	(70,648)	(139.1%)	98,277
Financial Results*	(9,282,390)	(10,389,493)	(10.7%)	1,107,103
Tax Expenses	(16,621,058)	(14,217,380)	16.9%	(2,403,678)
Net Income	**50,147,699**	**47,902,819**	**4.7%**	**2,244,880**

** Includes financial income, financial costs, exchange differences and earnings by readjustment units.*

Earnings for this segment showed a 4.7% increase from the same quarter the previous year, mainly due to:

- An increase in external revenues, mainly associated with higher volumes supplied together with the positive changes in tariffs registered in 2016 and 2017.
- A 6.9% increase in costs, mainly due to a higher provision for uncollectible bills, higher costs associated with sanitation infrastructure modifications requested by customers, and increased leasing of transportation services.
- An increase in depreciation and amortization costs, mainly due to new assets like the fourth module of the Trebal-Mapocho Wastewater Treatment plant.
- An improvement in the financial results compared to 2016, mainly due to a lower revaluation of the debt readjustment in Unidades de Fomento (UFs).
- Higher income tax expenses compared to the previous year, mainly due to a higher pre-tax profit together with the change in the tax rate from 24.0% to 25.5% due to the Tax Reform in force since September 2014.

3.2 Accumulated Results, Non-Water Segment

Income Statement (CLP$ thousands)	**Mar. 17**	**Mar. 16**	**% Var.**	**2017 - 2016**
External Revenues	5,796,491	6,143,261	(5.6%)	(346,770)
Inter-Segment Income	1,003,207	829,461	20.9%	173,746
Operational Costs and Expenses	(5,748,242)	(6,204,017)	(7.3%)	455,775
EBITDA	**1,051,456**	**768,705**	**36.8%**	**282,751**
Depreciation and Amortization	(175,555)	(178,178)	(1.5%)	2,623
Operating Income		**590,527**	**48.3%**	**285,374**
Other Earnings	71,193	125	>200%	71,068
Financial Results*	(736)	(4,849)	(84.8%)	4,113
Tax Expenses	(256,798)	(194,934)	31.7%	(61,864)
Net Income	**689,560**	**390,869**	**76.4%**	**298,691**

** Includes financial income, financial costs, exchange differences and earnings by readjustment units*

Non-Water segment earnings showed an increase of 76.4% over the same period in the previous year, mainly due to:

- A drop in external revenues mainly due to lower activity at Gestión y Servicios S.A. (mainly due to lower sales volumes for network materials), offset by increased activity in EcoRiles (mainly higher volumes of waste discharges and new projects at the operation plants).

- An increase in revenue between segments due mainly to sales of chemical inputs generated by Gestión y Servicios.

- A reduction in costs, mainly for Gestión y Servicios due to a decrease in external sales costs resulting from less activity.

- An increase in other earnings, mainly at Gestión y Servicios due to a recovery of guarantee notes that had been provisioned for being older than 4 years, together with the sale of assets.

- Higher income tax expense compared to the same quarter of 2016, mainly due to an increase in income before tax, together with the increase in the tax rate from 24.0% to 25.5%.

4. Balance Sheet

	Mar. 17	Dec. 16	
	CLP Th$	CLP Th$	% Var.
Assets			
Current assets	186,859,637	182,071,355	2.6%
Non-current assets	1,594,029,601	1,589,747,781	0.3%
Total assets	**1,780,889,238**	**1,771,819,136**	**0.5%**
Liabilities and equity			
Current liabilities	162,551,473	211,931,051	(23.3%)
Non-current liabilities	879,527,965	873,005,660	0.7%
Total liabilities	**1,042,079,438**	**1,084,936,711**	**(4.0%)**
Shareholder's Equity	684,994,439	634,157,180	8.0%
Minority Interest	53,815,361	52,725,245	2.1%
Total Shareholder's Equity	**738,809,800**	**686,882,425**	**7.6%**
Total Liabilities & Shareholder's Equity	**1,780,889,238**	**1,771,818,136**	**0.5%**

4.1 Asset Analysis

Aguas Andinas' total consolidated assets as of March 31, 2017 increased by 0.5% compared to December 31, 2016, from CLP Th$1,771,819,136 to CLP Th$1,780,889,238.

Current assets increased by CLP Th$4,788,282, mainly due to the increase in other current financial assets of CLP Th$8,889,290 associated with the registration of the advance payment of principal and interest on bonds payable on April 1, 2017; CLP Th$6,456,201 in sales, and a CLP Th$2,836,251 advance of insurance. This is partially offset by CLP Th$12,871,809 less in cash.

Non-current assets increased by CLP Th$4,281,819, mainly explained by the CLP Th$3,636,588 in property, plant and equipment, associated with investments made during the period, primarily the fourth Mapocho Plant Module. The main investment works during the period are shown in the following table:

Investments (CLP Th$)	Mar-17
Mapocho-Trebal WWTP Expansion	3,501,880
Las Vizcachas PWTP Filter Renovations	2,013,570
Sewage Network Renovations	1,413,395
Chamisero Potable Water Plant	1,191,484
Potable Water Network Renovations	1,040,251

4.2 Liabilities and Shareholders' Equity Analysis

Liabilities through March 2017 decreased by CLP Th$42,857,273 compared to December 2016.

Current liabilities decreased by CLP Th$49,379,578. This variation was mainly due to the distribution of interim dividends made during the first quarter of 2017.

Non-current liabilities increased by CLP Th$6,522,305 (0.7%). This corresponds mainly to a CLP Th$6,000,000 increase in bank loan debts.

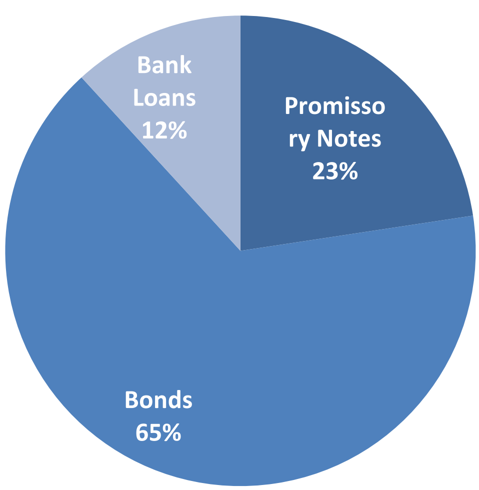
Total shareholders' equity increased by CLP Th$51,927,375 and net equity attributable to the controllers increased by CLP Th$50,837,259, mainly explained by profits during the period.

The maturity profile of the financial debt as of March 31, 2017 is as follows:

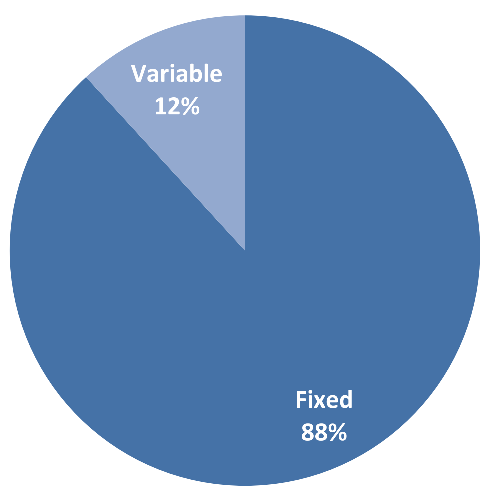
Capital CLP Th.$	Currency	Total	12 months	1 to 3 years	3 to 5 years	more than 5 years
Promissory Notes	$	191,520,598	25,809,735	26,400,498	25,800,259	113,510,106
Bonds	$	555,570,174	8,947,824	48,044,247	19,366,312	479,211,791
Bank Debt	$	100,019,209	0	75,859,307	24,159,902	0
Total		**847,109,981**	**34,757,559**	**150,304,052**	**69,326,473**	**592,721,897**

4.3 Structure of Financial Liabilities

Breakdown By Instrument



Breakdown By Interest Rate



5. Consolidated Cash Flow

Cash Flow Statement (CLP$ Th.)	Mar. 17	Mar. 16	% Var.
Operating activities	58,530,337	66,297,871	(11.7%)
Investment activities	(25,689,824)	(33,406,081)	(23.1%)
Financing activities	(45,712,321)	(3,120,623)	1,364.8%
Net flows for the period	**(12,871,808)**	**29,771,167**	**(143.2%)**
Closing cash balance	**52,004,635**	**62,724,696**	**(17.1%)**

Flows from operating activities experienced a decrease of CLP Th$7,767,534, comparing March 2017 with March 2016.

The main variations were as follows:

- A CLP Th$3,329,955 increase in payments for premiums and benefits, annuities and other obligations derived from the policies subscribed, associated with the payment of fire insurance corresponding to 24 months.

- A CLP Th$2,161,577 increase in payments to suppliers for, mainly associated with higher payments to suppliers of sanitation infrastructure transfers and leases.

- A CLP Th$2,065,984 increase in income taxes paid, which is explained by the PPM rate change in 2017 (including payment for revenues associated with the sale of land at Aguas Cordillera) and by higher sales.

- A CLP Th$1,098,285 increase in payments for employee benefits, due to higher income from CPI readjustments together with a larger workforce.

These variations were partially offset by the following concept:

- A CLP Th$4,300,498 increase in collections from sales of goods and provision of services, mainly due to higher sales volume and a higher average tariff.

The disbursement for investment activities decreased by CLP Th$7,716,257, due to lower payment of investments during the period.

Financing activities generated a net flow (decrease) of CLP Th$42,591,698, due to a higher level of indebtedness from the issue of the series Z and AA bonds in January 2016, partially offset by the amortizations of series K, N and R bonds.

6. Financial Ratios

		Mar. 17	Dic. 16
Liquidity			
Current Ratio	times	1.15	0.86
Acid Test Ratio	times	0.32	0.31
Leverage			
Total Leverage	times	1.41	1.58
Current Leverage	times	0.16	0.20
Long-term Leverage	times	0.84	0.80
Interest Coverage Ratio	times	8.30	8.31
Return			
ROE	%	22.68	24.07
ROA	%	8.64	8.70
Earnings Per Share	CLP $	25.02	24.61
Dividend Yield*	%	5.54	6.05

Current Ratio: Currents Assets / Current Liabilities.
Acid Test Ratio: *Cash and Cash Equivalents / Current Liabilities.*
Total Leverage: *Total Liabilities / Total Shareholders' Equity.*
Current Leverage: *Current Liabilities / Total Liabilities.*
Long-Term Leverage: *Long-Term Liabilities / Total Liabilities.*
Interest Rate Coverage: *Net Income before Taxes / Financial Costs.*
ROE: *Net Income / Average Assets.*
ROA: *Net Income / Average Assets.*
Earnings per Share: *Net Income / Total Shares.*
Dividend Yield: *Dividends Paid / Share Price*
(*) The share price as of March 2017 amounts to $384.71, while in December 2016 it was $348.73.

As of March 2017, the current ratio increased by 33.7%, due to a CLP Th$49,379,578 decrease (23.3%) in current liabilities, due to the payment of interim dividends in the first quarter of 2017 and a CLP Th$4,788,283 increase in current assets, mainly due to the booking of the capital advance and bond interest payable on April 1, 2017 for CLP Th$7,996,463.

Total leverage decreased by 10.7%, as a result of a CLP Th$51,927,375 increase in total equity, explained by the income for the period and a CLP Th$42,857,273 decrease in liabilities payable, which was mainly due to the payment of Interim dividends in the first quarter of 2017.

Annualized return on equity attributable to the controller showed a decrease of 5.8%, due to a CLP Th$49,565,473 increase in average equity, mainly due to earnings during the period, partially offset by a CLP Th$2,543,571 increase in annualized earnings.

7. Other Information

a) Tariffs

The most important factor that determines the earnings of our operations and financial situation are the tariffs that are set for our regulated sales and services. As a sanitation company we are regulated by the S.I.S.S. and our tariffs are set in accordance with the Law of Tariffs for Sanitation Services D.F.L. Nº70 of 1988.

Our tariff levels are reviewed every five years and during each period are subject to additional adjustments linked to an indexing polynomial, which are applied when the accumulated variation from the previous adjustment is 3.0% or higher, according to calculations made depending on various inflation tariffs. Specifically, the adjustments are applied based on a formula that includes the Consumer Price Index, the Price Index of Imported Manufacturing Sector Goods and the Manufacturing Producer Price Index, all of which are measured by the Chilean National Statistics Institute. The latest indexes made by each Group Company were applied on the following dates:

Aguas Andinas S.A.:	
Group 1	November 2015
Group 2	November 2015
Rinconada de Maipú	January 2016
Aguas Cordillera S.A.:	January 2017
Aguas Manquehue S.A.:	
Santa María	March 2016
Chicureo	October 2015
Chamisero	November 2016
Los Trapenses	March 2016
Valle Grande 3	January 2016 and January 2017
Essal S.A.:	
Group 1	October 2015
Group 2	October 2015
Group 3	October 2015
Chinquihue	December 2015
Los Alerces	October 2015

In addition, the tariffs are subject to readjustment to reflect additional services previously authorized by the S.I.S.S.

The tariffs in force for Aguas Andinas S.A. for the 2015-2020 period were approved by Decree Nº83 of June 5, 2015, by the Ministry of Economy, Development and Reconstruction, and entered into force on March 1, 2015 (published in the Diario Official on September 03, 2015). The current tariffs for Aguas Cordillera S.A. for the same 2015-2020 five-year period were approved by Decree Nº152 dated October 19, 2015, and entered into force on June 30, 2015 (published in the Diario Official on November 25, 2015) and current 2015-2020 tariffs for Aguas Manquehue S.A. were approved by Decree Nº139 dated September 16, 2015 and entering into force on May 19, 2015 (published in the Diario Official on November 25, 2015).

Meanwhile, for the Essal subsidiary, the tariffs in force for the 2016-2021 period were approved by Decree Nº143 dated August 25, 2016, published in the Diario Official on January 21, 2017.

b) Market Risk

Our company has a favorable situation in terms of risk, which is mainly due to the particular characteristics of the sanitation sector. Our business is seasonal and the earnings from operations can vary from quarter to quarter. The highest levels of demand and income are recorded during the summer months (December to March) and the lowest levels of demand and income during the winter months (June to September). In general, water demand is higher in warmer than temperate months, mainly due to the additional water requirements generated by irrigation systems and other external water uses.

Adverse weather conditions can occasionally affect the optimal delivery of sanitation services, because the processes of capturing and producing drinking water depend to a large extent on the climatic conditions that develop in the watersheds. Factors such as precipitation (snow, hail, rain, fog), temperature, humidity, sediment drags, river flows and turbidity determine not only the quantity, quality and continuity of raw water available in each intake location, but also the possibility that they can be properly treated in the potable water plants.

In the case of drought, we have important water reserves that we maintain in the El Yeso Reservoir, Laguna Negra and Lo Encañado, in addition to the contingency plans we have developed which allow us to reduce any negative impacts adverse weather conditions could cause for our operations. Currently the drought continues to exist since 2010, which means implementing contingency plans such as the purchase of raw water, intensive use of wells, rental and purchase of water rights, among others. All of this is in order to diminish the impact of the drought and provide our services at normal levels, both in terms of quality and continuity.

c) Market analysis

The Company does not present variations in the market in which it participates because of the nature of its services and the current legal regulations, meaning it does not have competition in its concession areas.

Aguas Andinas S.A. maintains 100% potable water coverage, 98.7% sewage service coverage and 100% wastewater treatment coverage in the Santiago watershed.

Aguas Cordillera S.A. maintains 100% potable water coverage, 98.8% for sewage service and 100% for wastewater treatment.

Aguas Manquehue S.A. maintains 100% potable water coverage, 99.0% for sewage service and 100% for wastewater treatment.

Essal S.A. maintains 100% potable water coverage, 95.7% sewerage coverage in Region X and 92.3% sewerage coverage in Region XIV, and for 100% wastewater treatment.

d) Capital investments

One of the variables that most affects the earnings of our operations and financial situation are capital investments. These can be of two types:

Committed investments. We have an obligation to agree to an investment plan with the S.I.S.S., which describes the investments that must be made during the 15 years following the date on which the corresponding investment plan enters into force. Specifically, the investment plan reflects a commitment on our part to carry out certain projects related to the maintenance of certain quality standards and service coverage. The aforementioned investment plan is subject to review every five years, and may require modifications when certain relevant facts are verified.

Dates for approval and updating of the development plans for the Aguas Group:

Aguas Andinas S.A.
Greater Santiago: December 23, 2015
Localities: September 12, 2012, April 5, 2013, September 26, 2013, December 31, 2014, and January 12, 2015

Aguas Cordillera S.A.
Aguas Cordillera and Villa Los Dominicos: December 21, 2015

Aguas Manquehue S.A.
Santa María and Los Trapenses: December 23, 2014
Chicureo, Chamisero and Valle Grande III: December 29, 2011
Alto Lampa: November 22, 2013

Essal S.A.
Localities in the X and XIV Regions: June 1, 2016, June 14, 2016, August 12, 2016 and January 16, 2016

Uncommitted investments. Uncommitted investments are those that are not included in the investment plan and that we perform voluntarily in order to ensure the quality of our services and replace obsolete assets. These, in general, relate to the replacement of network infrastructure and other assets, the acquisition of water use rights and investments in unregulated businesses, among others.

In accordance with the international financial reporting standards in force in Chile, in particular IAS 23, interest on capital investments for works in progress is capitalized. The aforementioned IAS 23 establishes that when the entity acquires debt in order to finance investments, interest on that debt must be deducted from the financial expense and incorporated into the financed construction work, up to the total amount of said interest, applying the respective rate to disbursements made at the date of presenting the financial statements. As a result, the financial costs associated with our capital investment plan affect the amount of interest expenses recorded in the income statements, and these financial costs are recorded together with the work in progress under "property, plant and equipment" in our statement of financial position.

e) Financial Aspects

Currency Risks: Our revenues are largely tied to changes in local currency. That is why our debt is mainly issued in the same currency, so we do not record significant risks from foreign currency transactions.

Interest Rate Risk: As of March 31, 2017, the interest rate risk held by Aguas Andinas S.A. is made up of 88.3% at a fixed rate and 11.7% at a variable rate. Fixed-rate debt consists of short-term and long-term bond issues (74.5%) and repayable financial contributions (25.5%), while variable-rate debt corresponds to loans from domestic banks.

As of December 31, 2016, the interest rate risk held by Aguas Andinas S.A. was made up of 88.5% at a fixed rate and 11.5% at a variable rate. Fixed-rate debt consisted of short-term and long-term bond issues (74.2%) and repayable financial contributions (25.8%), while variable-rate debt corresponded to loans from domestic banks.

The company maintains an interest rate monitoring and management policy, which, in order to optimize the cost of financing, permanently evaluates the hedging instruments available in the financial market.

These favorable situations have meant that the risk classifiers have assigned a risk rating of AA+ for long-term debt. In the case of shares, Fitch and ICR assigned us a first-class level 1 classification for Series A and the first-class level 4 for the Series B.