



**Interim Consolidated Financial Statements
for period ended
March 31, 2019 and 2018**

AGUAS ANDINAS S.A. AND SUBSIDIARIES

**INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
AGUAS ANDINAS S.A. AND SUBSIDIARIES**

This document includes:

Interim Consolidated Financial Position Statements
Interim Consolidated Statements of Comprehensive Revenue according to their Nature
Interim Consolidated Statements of Direct Cash Flows
Interim Consolidated Statements of Changes in Net Equity
Explanatory Notes to the Interim Consolidated Financial Statements

Interim Consolidated Financial Position Statements
As at March 31, 2019 and December 31, 2018
(In thousand pesos - Th\$)

ASSETS	Note	31-03-2019 Th\$	31-12-2018 Th\$
CURRENT ASSETS			
Cash & cash equivalents	7	28,780,952	39,980,474
Other current financial assets	8	8,155,274	0
Other non-financial assets		1,514,141	2,324,238
Trade debtors & other accounts receivable	8	123,379,237	116,821,062
Accounts receivable from related entities	9	58,862	91,183
Inventories	10	3,756,604	3,636,388
Tax assets		2,548,712	5,660,627
Total current assets other than assets or groups of assets for disposal classified as held for sale or held to be distributed to the owners		168,193,782	168,513,972
TOTAL CURRENT ASSETS		168,193,782	168,513,972
NON-CURRENT ASSETS			
Other financial assets	8	7,852,912	7,852,912
Other non-financial assets		496,935	495,067
Receivables	8	4,106,500	4,500,020
Intangible assets other than goodwill	11	224,385,897	224,864,424
Goodwill	12	36,233,012	36,233,012
Property, plant & equipment	13	1,452,843,633	1,440,093,131
Deferred tax assets	24	22,518,644	23,499,561
TOTAL NON-CURRENT ASSETS		1,748,437,533	1,737,538,127
TOTAL ASSETS		1,916,631,315	1,906,052,099

The accompanying notes 1 to 32 are an integral part of these interim consolidated financial statements.

Interim Consolidated Financial Position Statements as of March 31, 2019 and December 31, 2018 (In thousand pesos - Th\$)

EQUITY AND LIABILITIES	Note	31-03-2019 Th\$	31-12-2018 Th\$
CURRENT LIABILITIES			
Other financial liabilities	8	67,100,602	33,963,316
Trade creditors & other accounts payable	8	80,564,020	136,872,967
Accounts payable to related entities	9	22,510,625	46,569,102
Other provisions	15	3,007,495	2,992,246
Tax liabilities		4,595,006	181,758
Provisions for employee benefits	19	1,285,796	5,496,070
Other non-financial liabilities		20,190,916	16,243,065
Total current liabilities other than liabilities included in groups of liabilities for disposal classified as held for sale		199,254,460	242,318,524
TOTAL CURRENT LIABILITIES		199,254,460	242,318,524
NON-CURRENT LIABILITIES			
Other financial liabilities	8	909,570,455	912,513,179
Other accounts payable	8	945,673	983,335
Other provisions	15	1,341,231	1,341,233
Deferred tax liabilities	24	35,725,200	35,452,801
Provisions for employee benefits	19	18,175,661	17,338,241
Other non-financial liabilities		8,980,853	9,113,389
TOTAL NON-CURRENT LIABILITIES		974,739,073	976,742,178
TOTAL LIABILITIES		1,173,993,533	1,219,060,702
EQUITY			
Issued capital	3	155,567,354	155,567,354
Accumulated earnings	3	379,524,075	324,954,813
Share premium	3	164,064,038	164,064,038
Other equity participations	3	(5,965,550)	(5,965,550)
Equity attributable to owners of the controller		693,189,917	638,620,655
Non-controller participations	4	49,447,865	48,370,742
TOTAL EQUITY		742,637,782	686,991,397
TOTAL EQUITY & LIABILITIES		1,916,631,315	1,906,052,099

The accompanying notes 1 to 32 are an integral part of these interim consolidated financial statements.

Comprehensive Interim Consolidated revenue statements by nature
For the period ended on March 31, 2019 and 2018
(In thousand pesos - Th\$)

STATEMENT OF RESULTS BY NATURE	Note	31-03-2019 Th\$	31-03-2018 Th\$
Revenues from ordinary activities	17	156,863,309	152,479,378
Raw materials & consumables used		(10,467,479)	(9,889,790)
Employee benefit expenses	19	(14,360,456)	(14,391,733)
Charges for depreciation & amortization	11-13	(18,783,300)	(18,855,839)
Other expenses, by nature	21	(30,804,990)	(30,097,598)
Other (losses) gains	5	(78,058)	2,014,615
Financial income	5	1,343,461	1,387,311
Financial costs	5	(7,466,619)	(6,983,093)
Exchange differences	20	(13,129)	(28,922)
Results of indexation adjustments	22	28,870	(4,584,317)
Earnings before taxes		76,261,609	71,050,012
Charge for income taxes	24	(20,615,224)	(18,129,444)
Earnings from continuing operations		55,646,385	52,920,568
Earnings		55,646,385	52,920,568
Earnings attributable to:			
Owners of the controller		54,569,262	52,057,389
Earnings attributable to non-controller participations	4	1,077,123	863,179
Earnings		55,646,385	52,920,568
Earnings per share			
Basic earnings per share from continuing operations	25	8.918	8.508
Basic earnings per share		8.918	8.508

The attached notes from 1 to 32 are a comprehensive part of these interim consolidated financial statements.

Comprehensive Interim Consolidated revenue statements by nature
For the period ended on March 31, 2019 and 2017
(In thousand pesos - Th\$)

STATEMENT OF COMPREHENSIVE RESULTS	Note	31-03-2019 Th\$	31-03-2018 Th\$
Earnings		55,646,385	52,920,568
TOTAL COMPREHENSIVE RESULT		55,646,385	52,920,568
Comprehensive result attributable to			
Result attributable to owners of the controller		54,569,262	52,057,389
Result attributable to non-controller participations	4	1,077,123	863,179
Total comprehensive result		55,646,385	52,920,568

The attached notes from 1 to 32 are a comprehensive part of these interim consolidated financial statements.

Interim Consolidated direct cash flow statements

For the period ended on March 31, 2019 and 2018

(In thousand pesos - Th\$)

	Note	31-03-2019 Th\$	31-03-2018 Th\$
Proceeds classes from operating activities		180,818,802	177,241,873
Proceeds of sales of goods & services		180,005,713	176,491,840
Proceeds of insurance claims, annuities & other benefits		442,887	232,778
Other proceeds from operating activities		370,202	517,255
Payment classes from operating activities		(84,613,327)	(93,202,498)
Payments to suppliers of goods & services		(50,853,280)	(58,451,014)
Payments to & on behalf of employees		(19,383,624)	(20,657,728)
Payments of insurance premiums, annuities & other obligations		(27,981)	(34,801)
Other operating activity payments		(14,348,442)	(14,058,955)
Cash flow from (used in) operating activities		(18,966,736)	(22,258,990)
Interest paid		(7,825,936)	(7,218,869)
Interest received		166,396	62,333
Income taxes paid (refunded)		(11,020,640)	(14,511,309)
Other cash inflows (outflows)		(286,556)	(591,145)
Cash flow from (used in) operating activities		77,238,739	61,780,385
Proceeds of sales of property, plant & equipment		-	1,600,298
Purchases of property, plant & equipment		(64,623,668)	(33,123,790)
Purchases of intangible assets		-	(204,515)
Other cash inflows (outflows)		(1,104,633)	(1,177,282)
Cash flow from (used in) investment activities		(65,728,301)	(32,905,289)
Proceeds of long-term loans		3,678,936	4,785,111
Proceeds of short-term loans		28,522,453	44,533,417
Proceeds of loans, classified as financing activities		32,201,389	49,318,528
Loan repayments		(10,029,690)	(29,184,867)
Dividends paid		(44,881,659)	(43,851,567)
Other cash inflows (outflows)		-	-
Cash flow from (used in) financing activities		(22,709,960)	(23,717,906)
Net increase (decrease) in cash & cash equivalents		(11,199,522)	5,157,190
Cash & cash equivalents at start of the period		39,980,474	18,808,340
Cash & cash equivalents at end of the period	7	28,780,952	23,965,530

The attached notes from 1 to 32 are a comprehensive part of these interim consolidated financial statements.

Statement of Changes in Interim Consolidated Net Equity
For the period ended on March 31, 2019, and 2018
(In thousand pesos - Th\$)

Statement of changes in equity	Note	Issued Capital	Share premium	Other participations in the equity	Accumulated earnings (losses)	Equity attributable to owners of the controller	Non-controller participations	Total equity
		Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Initial balance as of 01-01-2019		155,567,354	164,064,038	(5,965,550)	324,954,813	638,620,655	48,370,742	686,991,397
Comprehensive result								
Earnings		-	-	-	54,569,262	54,569,262	1,077,123	55,646,385
Total changes in equity		-	-	-	54,569,262	54,569,262	1,077,123	55,646,385
Closing balance as of 31-03-2019	3-4	155,567,354	164,064,038	(5,965,550)	379,524,075	693,189,917	49,447,865	742,637,782

Statement of changes in equity	Note	Issued Capital	Share premium	Other participations in the equity	Accumulated earnings (losses)	Equity attributable to owners of the controller	Non-controller participations	Total equity
		Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Initial balance as of 01-01-2018		155,567,354	164,064,038	(5,965,550)	320,491,338	634,157,180	52,725,245	686,882,425
Comprehensive result								
Earnings		-	-	-	52,057,389	52,057,389	863,179	52,920,568
Total changes in equity		-	-	-	52,057,389	52,057,389	863,179	52,920,568
Closing balance as of 31-03-2018	3-4	155,567,354	164,064,038	(5,965,550)	372,548,727	686,214,569	53,588,424	739,802,993

The attached notes from 1 to 32 are a comprehensive part of these interim consolidated financial statements.



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Note 1. OVERVIEW

Aguas Andinas S.A. (hereinafter the “Company”) and its Subsidiaries are part of the Aguas Andinas Group (hereinafter the “Group”). Its legal address is Avenida Presidente Balmaceda 1398, Santiago, Chile and its RUT Taxpayer Identification Number is 61.808.000-5.

Aguas Andinas S.A. was incorporated as an open joint stock company by public deed on May 31, 1989 in Santiago, before Notary Public Mr. Raúl Undurraga Laso. An excerpt of the by-laws was published in the Official gazette on June 10, 1989, being recorded in the Register of Commerce on page 13.981, No. 7.040 of 1989 of the Registrar of Land, Mines and Industrial Property of Santiago.

The Company’s corporate purpose as stated in article two of its bylaws is the rendering of water utility services, which considers the building and operation of public services aimed at producing and distributing potable water as well as collecting and disposing wastewater. Its current concession area is Greater Santiago and peripheral locations.

The Company is parent company of three utility companies, two in Greater Santiago (Aguas Cordillera S.A. and Aguas Manquehue S.A.) and one in the De los Ríos y De Los Lagos Region (Empresa de Servicios Sanitarios de Los Lagos S.A., ESSAL). To provide a comprehensive service within its line of business, the Company has non-sanitation subsidiaries rendering services such as liquid industrial waste treatment (EcoRiles S.A.), laboratory analysis (Análisis Ambientales S.A.), trade of materials and other services related to the utility business (Gestión y Servicios S.A.) and other activities related to the water rights and energy projects arising from facilities and goods owned by utility companies (Aguas del Maipo S.A.).

The Company and its subsidiary Essal are registered in the Register of the Superintendence of Securities and Insurance (S.V.S., in Spanish) under No. 346 and No. 524, respectively. The subsidiaries Aguas Cordillera S.A. and Aguas Manquehue S.A. are recorded in the special Register of reporting entities of the Register of the Superintendence of Securities and Insurance under No. 170 and No. 2, respectively. As sanitation companies, they are regulated by the Superintendence of Water Services, in accordance with Act No. 18.902 of 1989 and Decrees with Force of Law No. 382 and No. 70, both enacted in 1988.

To prepare these consolidated financial statements, it is understood that a group exists when there is a parent company with one or more subsidiaries directly or indirectly controlled by the parent company. The accounting policies applied to prepare the Group interim consolidated financial statements are detailed in Note 2.2.

The direct controlling entity is Inversiones Aguas Metropolitanas S.A. (“IAM”), a joint stock corporation controlled by Sociedad General Aguas de Barcelona S.A. (“Agbar”), based in Spain and one of the largest worldwide sanitation services operators, which in turn is controlled by Suez (France), being ENGIE (France) its main shareholder.



Note 2. PREPARATION BASIS AND ACCOUNTING POLICIES

2.1 Preparation basis

These interim consolidated financial statements are the consolidated financial position statements as of March 31, 2019 and December 31, 2018 and the interim consolidated comprehensive statements of changes in net equity and cash flows for period ended on March 31, 2019 and 2018. They have been prepared based on the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (hereinafter "IASB"), and represent the comprehensive, explicit adoption of the referred IFRS without reservations.

The Group complies with the legal conditions of its operations' environment, particularly the sanitation Subsidiaries regarding the sanitation regulations. Group companies show normal operation conditions in each scope in which they develop their activities; their projections show a profitable operation and they are capable of using the finance system for their operations. In the opinion of the management this determines their capability of continuing as an on-going company, as established by the accounting norms under which these interim consolidated financial statements are issued.

Functional and presentation currency

The financial statements of each Company in the Group are presented in the currency of the main economic environment in which those companies operate (Functional Currency). For interim consolidated financial statements, the results and the financial position of each Company in the Group are expressed in Chilean Pesos (rounded to thousand pesos), which is the Company's functional currency and its subsidiaries, and the presentation currency for interim consolidated financial statements.

New accounting pronouncements

The rules and interpretations, as well as the improvements and changes to IFRS, which have been issued to enter into effect the date of issue of these financial statements, are summarized below. The Company has applied these rules and concluded that they did not have an impact on the financial statements.

Standards and Interpretations	Date of mandatory application
IFRS 16, Leases	Annual periods starting or after January 1, 2019
IFRIC 23, Treatment of uncertain tax positions	Annual periods starting or after January 1, 2019

Improvements	Date of mandatory application
IFRS 3, Business combinations – interests previously held in a joint operation	Annual periods starting or after January 1, 2019
IFRS 9, Financial Instruments – payments with negative compensation	Annual periods starting or after January 1, 2019
IFRS 11, Joint Agreements – interests previously held in a joint operation	Annual periods starting or after January 1, 2019
IAS 12, Income tax – tax consequences of payments related to financial instruments classified as equity	Annual periods starting or after January 1, 2019
IAS 23, Cost on loans – eligible loan costs to be capitalized	Annual periods starting or after January 1, 2019
IAS 28, Investments in associates – long-term investments in associates or joint ventures	Annual periods starting or after January 1, 2019
IAS 19, Employee benefits – Modification, reduction or plan liquidation of the plan	Annual periods starting or after January 1, 2019



IFRS 16 “Leases”

The IFRS 16, issued in January 2016 by IASB, established the principles to the recognition, measurement and presentation of the leases and its associated disclosures. The new standard replace IAS 17 “Leases” and its interpretations: IFRIC 4 “Determination of whether an agreement contains a lease”, “SIC 15 “Operating leases – incentives”, SIC 27 “Evaluation of the essence of transactions which adopt a legal form of a lease”. The standard started its effective application from January 1, 2019.

Lessee accounting: The IFRS 16 introduce a single lease accounting model and requires that a lessee recognize the assets and liabilities of all the leases with duration greater than 12 months, unless the underlying asset is low value. The lessee has to recognize an asset by usage right that represents its right to use the underlying lease asset and leasing liability that represents its obligation to make lease payments.

The lessee measures the assets for usage rights analogously to other non-financial assets (such as property, plant and equipment) and leasing liabilities similarly to other financial liabilities. As a result, the lessee will recognize the depreciation of the asset for usage rights and the interests of the leasing liability, and also will classify the cash reimbursements of the leasing liability in a part of the principal and a part of interest and will present them in the statement of cash flow applying IAS 7 *Statement of cash flows*.

Lessor accounting: It is not substantially modified regarding to what was established in IAS 17. The lessor will continue to classify the leases under the same principles of the current standard, such as operating or financial leases.

The main effects arising from the application of the new Standard in the Group are those related to buildings and cars leases. As a result of the change in the accounting model for lessees, the Group has recognized an increase in current and non-current liabilities for a total amount of Th\$1,713,735 as of January 1, 2019, due to the recognition of leasing liabilities, and an increase in non-current assets for the same amount, as a consequence of the recognition of the usage rights originated in such contracts.

As a result of the foregoing, during the first quarter of 2019 the Group recognized a higher financial expense associated to the new leasing liabilities by Th\$13,411 and a greater depreciation associated to the usage rights by Th\$306,801.

The standards and interpretations, as well as the improvements and amendments to IFRS, which have been issued but not entered into effect the date of issue of these financial statements, are summarized below. The Company has not applied these standards before their enforcement.



Standards and Interpretations	Date of mandatory application
Conceptual Framework	Annual periods starting or after January 1, 2020
IFRS 17, Insurance Contracts	Annual periods starting or after January 1, 2021

Improvements	Date of mandatory application
IFRS 3, Business combinations – Definition of a business	Annual periods starting or after January 1, 2020
IAS 1, Financial statements presentation and IAS 8, Investments in associated companies – Definition of material	Annual periods starting or after January 1, 2020
IFRS 10 and IAS 28, Consolidated Financial Statements – sale or contribution of assets between an investor and its associate or joint venture	Determined

The Company's Management estimate that the adoption of the Standards, Amendments and Interpretations, previously described and that could apply to Aguas Andinas S.A. and Subsidiaries, are in evaluation process and it is estimated that as of the date would not have significant impact consolidated financial statements of the Group in the period of its first application. The Management periodically is evaluating these implications.

Responsibility for the information and calculations

The information contained in these consolidated financial statements is responsibility of the Board of Directors of the Company, which states that all the principles and criteria included in the International Financial Reporting Standards (IFRS) have been applied. The Board of Directors, in a meeting held on May 29, 2019, approved these interim consolidated financial statements.

The interim consolidated financial statements of Aguas Andinas S.A. and Subsidiaries for the period 2018 were approved by their Director's Committee in the Meeting held on March 20, 2019.

The following estimations have been used in the preparation of consolidated financial statements:

- Useful life of intangible fixed assets
- Asset appraisal and purchased goodwill (goodwill or decreased investment value)
- Loss due to depreciation
- Hypotheses used in the actuarial calculation of benefits for termination of contracts of employment
- Hypotheses used in the calculation of the reasonable value of financial instruments
- Revenue from supplies to be billed
- Provisions due to third-party commitments
- Risks resulting from current disputes

Although these estimates and judgments were made subject to the best information available as of the date of issue of the current Interim Consolidated financial statements, some events may happen in the future, which may force a variation (upward or downward) in coming periods. This should be recorded prospectively upon acknowledging the variation, registering the effects of said changes in the relevant future interim consolidated financial statements.



2.2 Accounting policies

Below is a description of the main accounting policies implemented in the preparation of these interim consolidated financial statements.

A. Bases for consolidation

Interim consolidated financial statements include the financial statements of the Company and the organizations controlled by the Company (its Subsidiaries). Subsidiaries are those organizations over which the Group has the power to control important activities, has the right to review variable share yields and the capacity to use that power to have an influence on investor yield amounts. Subsidiaries merge as from the date control is transferred to the Group and are excluded from the merge the date the Group ceases to exist.

All transactions, balances, losses and earnings of the Group companies will be eliminated during the merge process.

The Company and its Subsidiaries have policies similar to those used by the Group.

The Subsidiaries included in the consolidated financial statements of Aguas Andinas S.A. are:

Tax ID	Company	Direct %	Indirect %	Total 2019 (%)	Direct %	Indirect %	Total 2018 (%)
96.809.310-K	Aguas Cordillera S.A.	99.99003	0.00000	99.99003	99.99003	0.00000	99.99003
89.221.000-4	Aguas Manquehue S.A.	0.00043	99.99957	100.00000	0.00043	99.99957	100.00000
96.967.550-1	Análisis Ambientales S.A.	99.00000	1.00000	100.00000	99.00000	1.00000	100.00000
96.945.210-3	Ecoriles S.A.	99.03846	0.96154	100.00000	99.03846	0.96154	100.00000
96.579.800-5	Empresa de Servicios Sanitarios de Los Lagos S.A.	2.50650	51.00000	53.50650	2.50650	51.00000	53.50650
96.828.120-8	Gestión y Servicios S.A.	97.84783	2.15217	100.00000	97.84783	2.15217	100.00000
96.897.320-7	Inversiones Iberaguas Ltda.	99.99998	0.00002	100.00000	99.99998	0.00002	100.00000
76.190.084-6	Aguas del Maipo S.A.	82.64996	17.35004	100.00000	82.64996	17.35004	100.00000

B. Operating Segments

IFRS 8 sets the standards for reporting Operating Segments and releasing products and services. Operating Segments are defined as components of an entity for which separate financial information is allocated and regularly reviewed by Management for making decisions on the assignment of resources to the subsidiaries and evaluating their performance.

The Group manages and measures the performance of its operations by business segment. The Operating Segments reported internally are:

- Sanitation business operations (Water).
- Non-sanitation business operations (Non-Water).



C. Intangible assets other than goodwill

The Company recognizes an intangible asset as being identifiable as long as it proves to be likely to bring about future economic benefits that will flow to the entity and its cost can be reliably valued.

i. Intangible assets acquired separately:

Intangible assets acquired separately are shown at cost subtracting accumulated amortization and impairment losses. Amortization is calculated on a straight-line basis over their estimated useful lives. Estimated useful lives and the amortization method are checked at the closing of each balance sheet, including the effect of any change in the estimate thereon.

ii. Amortization method for intangible assets:

Intangible assets with defined useful lives

The amortization method employed by the Company reflects the pattern for which the future economic benefits of the asset are expected to be used by the entity. The Company therefore uses the straight-line depreciation method.

Software

The estimated useful life of software is 4 years. For any other asset with a defined useful life, the useful life for amortization is the periods defined in the contracts or copyrights.

Intangible assets with indefinite useful lives

Intangible assets with indefinite useful lives are water rights and easements granted for an indefinite period, as established in the acquisition contracts and the rights granted by the Water Resources Department of the Ministry of Public Works.

Determination of useful life

Some of the factors that should be considered for the estimate of useful life are:

- Legal, regulatory or contractual restrictions.
- Predictable life of the business or industry.
- Economic factors (product obsolescence, changes in demand).
- Expected reactions from current or potential competitors.
- Natural or climactic factors and technological changes that affect the capacity to generate earnings.

Over time, useful life may require modifications due to changes in the estimates as a result of changes in the assumptions about the above-mentioned factors.



D. Goodwill

Goodwill (a decrease in the value of investments) generated in the merge represents the excess of acquisition cost over the Group's share in the fair value of assets and liabilities, including identifiable contingent liabilities of a Subsidiary as of the acquisition date.

The assets and liabilities acquired are temporarily appraised upon taking over the company and are then revised within one year from the acquisition date at the latest. Until the definite fair value of assets and liabilities is determined, the difference between the acquisition price and the book value of the acquired company is temporarily recorded as goodwill.

In the event the definitive goodwill is recorded in the financial statements for the year following the share acquisition, the items of the previous year shown for comparison purposes are modified to incorporate the value of the acquired assets and liabilities and the definitive goodwill from the share acquisition date.

Goodwill generated prior to the date of our transition to IFRS, i.e. January 1, 2008, is maintained at the net value registered at that date, whereas goodwill subsequently generated is registered using the acquisition method.

Goodwill is not amortized. Instead, any impairment reducing the recoverable value to below the net book cost is estimated at the end of each accounting period. In this case, an adjustment for impairment is in order, as required by IAS 36.

E. Property, plant and equipment

The Company uses the cost method for the valuation of Property, Plant and Equipment. Historical cost includes expenses that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the value of the initial asset or are considered as being a separate asset only when future economic benefits associated with fixed asset items are likely to flow to the Group and the cost of the element can be reliably determined. The value of the component substituted is deregistered. Other repairs and maintenance are included in the results for the period in which they are incurred.

Depreciation method and estimated useful life for property, plant and equipment:

The depreciation method applied by the Company reflects how the assets are expected to be used by the entity over the period in which they generate profit. The Company therefore uses the straight-line depreciation method over the technical useful life, based on technical studies prepared by independent experts (specialized external companies). The residual value and useful life of assets are checked and adjusted, if necessary, at each closing of the Balance Sheet.

When the value of an asset is higher than its estimated recoverable amount it is immediately reduced to the amount recoverable (Note 28).



Useful lives

The useful lives considered in calculating the depreciation are based on technical studies prepared by specialized external companies. They are revised as new information arises to allow considering that the useful life of any asset has been modified.

The assignment to assets of the total useful life is based on several factors, including the nature of the equipment. These factors generally include:

1. Nature of the equipment or construction materials
2. Equipment operation environment
3. Intensity of use
4. Legal, regulatory or contractual restrictions.

The range of useful life (in years) by type of asset is as follows:

Item	Useful life (years) minimum	Useful life (years) maximum
Buildings	25	80
Plant & equipment	5	50
Computer equipment	4	4
Fixed installations & accessories	5	80
Motor vehicles	7	10
Improvements to leased assets	5	5
Other property, plant & equipment	5	80

Policy for estimating the costs for dismantling, decommissioning or renovating property, plant and equipment:

Due to the nature of the assets constructed by the Company and given that there are no contractual obligations or construction requirements other than those mentioned in the IFRS, the concept of dismantling costs is not applicable as of the date of these consolidated financial statements.

Property, plant and equipment sales policy

The results of property, plant and equipment sales are calculated by comparing the revenue received with the book value and are registered in the Consolidated Statement of Comprehensive Results.

F. Impairment of tangible and intangible assets except goodwill

The Group revises the book values of its tangible and intangible assets with a defined useful life at each closing date of the Interim Consolidated Balance Sheet to see whether there is any indication of a loss due to impairment. Should this exist, the recoverable value of such assets is estimated in order to determine whether



any impairment has been sustained. When it is not possible to estimate the recoverable value of an asset in particular, the Group estimates the fair value of the Cash Generating Unit to which the asset belongs.

Intangible assets with indefinite useful lives are tested annually for impairment or when there are indications that the asset might have sustained impairment before the end of such period.

The recoverable value is the greater amount of its fair value minus sale costs and value in use. To estimate the value in use, the estimated future cash flows are discounted from its current value using a pre-tax discount rate to reflect both the current conditions of the money market over time and the specific risks associated with the asset.

When the recoverable value of an asset (or cash-generating unit) is considered to be less than its book value, the book value of that asset (or cash-generating unit) is adjusted to its recoverable value and the results immediately show a loss for impairment. When a loss for impairment is reversed, the book value of the asset (or cash-generating unit) is adjusted to the recoverable value revised estimate, provided that the adjusted book value does not exceed the book value that would have been determined if no loss for asset (or cash-generating unit) impairment had been acknowledged in previous period.

G. Leases

The Group evaluates its lease contracts in accordance to IFRS 16, that is, if the right to control the use of an identified asset is transferred for a period in exchange for a consideration. It is considered that there is control if the customer has i) the right to obtain substantially all the economic benefits derived from the use of an identified asset; and ii) the right to direct the use of the asset.

When the Group acts as a lessee, at the beginning of the lease (i.e., on the date on which the underlying asset is available for use) records in the statement of financial position an asset for usage right and leasing liability.

The Group initially recognizes the usage right asset at cost, adjusted for any new measurement of the leasing liability, less accumulated depreciation and accumulated impairment losses. The usage right asset is depreciated over lease term. To determine if the usage right asset has been impaired, the same criteria detailed in Note 2.F is applied.

The leasing liability is measured initially at current value of the lease payments, discounted at the incremental rate by the company's loans, if the interest rate implicit in the lease can not be easily determined.

After the start date, the leasing liability is increased to reflect the interest accumulation and reduced by the lease payments made. In addition, the book value of the liability is remeasured if there is a change in the terms of the lease (changes in the term, in the amount of the payments or in the evaluation of an option to purchase or change in the amounts payable). Interest expense is recognized as a financial cost in the result of the period.

Short-term leases, equal to or less than a year, or lease of low-value assets are excepted from the application of the recognition criteria described above, recording the payments associated with the lease as an expense in a straight-line over the term of the lease.



When the Group acts as a lessor, classifies at the beginning of the agreement if the lease is operating or financial, based on the essence of the transaction. Leases in which are transferred substantially all the risks and benefits inherent to ownership of the underlying asset are classified as financial leases. The rest of the leases are classified as operating leases.

H. Financial assets

The acquisitions and disposals of financial instruments are recognized on the date of trading, i.e. the date on which the Group commits to acquire or sell the asset. Investments are written down when the rights to receive cash flows from the investments have been transferred and the Group has substantially passed all the risks and benefits deriving from ownership.

Financial assets are classified in the following categories:

- Financial assets at fair value with changes in results.
- Financial assets at fair value with changes in integral results.
- Financial assets at amortized cost.

The classification depends on the nature and purpose of the financial assets and is determined at the time of their initial recognition.

Aguas Andinas S.A. and its Subsidiaries invest in low-risk instruments that meet the classification standards established in their investment policies. The mutual funds invested in must therefore have an AAfm rating / M1 (quotas with very high protection against loss associated with credit risks/quotas with the lowest sensitivity to changes in economic conditions). Term deposits and repurchase agreements are instruments classified as N-1 (instruments with the highest capacity for paying capital and interests under the agreed terms and maturities).

The institutions issuing these instruments are bank companies or bank subsidiaries with an N-1 credit rating, and their instruments have a rating of least AA (very high capacity for paying the principal and interest on the agreed terms and maturities, which would not be affected significantly by possible changes in the issuer, the industry to which it belongs or in the economy).

i. Effective interest rate method

The effective interest rate method is the method for calculating the amortized cost of a financial asset or liability and of the assignment of interest revenue or expense over the whole period. The effective interest rate is the rate that exactly discounts the estimated future cash flows receivable over the expected life of the financial asset and equals the Net Present Value (NPV) to its nominal value.

ii. Fair value with changes in other comprehensive income

For the classification of an asset with fair value with effect on other comprehensive income, the sale of financial assets for which it is expected to recover the principal amount in addition to the interest, if applicable, must be met as a principle.



iii. Financial assets at fair value with changes in results

Financial assets are shown at fair value through results when the asset is held for trading or is designated as fair value with changes in results.

Financial assets at fair value with changes in results are valued at fair value and any resulting loss or gain is recognized in the results. The net loss or gain recognized in the results includes any dividend or interest received over the financial asset.

The Company and its subsidiaries hold shares in Sociedad Eléctrica Puntilla S.A., which have been valued at their fair value at the acquisition date, as defined in IFRS 9. Their subsequent measurement will be at cost because there is no active market, as provided in the same standard.

iv. Financial assets at amortized cost

Loans and accounts receivable

Trade debtors, loans and other accounts receivable are non-derivative financial assets payable in fixed or determinable periods and are not traded on an active market and are classified as loans and accounts receivable. Loans and accounts receivable are valued at amortized cost using the effective interest rate method minus any loss for impairment, except for short-term accounts receivable, where the acknowledgement of interest would be immaterial.

Trade debtors and other accounts receivable

Trade debtors correspond to the amounts billed for water consumption, sewage services, sewage treatment and other services and the accrued revenue from consumption between the date of the last meter reading (following an established monthly routine) and the financial statement closing date. These are recorded at net value of estimated bad debt or of debt with low collection probability.

The trade debtor policy is subject to the credit policy, which sets the payment conditions and also the different scenarios for settling accounts with delinquent customers.

Policy of impairment of commercial debtors and other accounts receivable

The Company continuously evaluates impairments affecting its financial assets. The amount is recognized under bad debt provisions. The book value of an asset is reduced to the extent that the provision account is used, and the loss is acknowledged in the statement of comprehensive results under "other expenses." When an account receivable is not recoverable, it is recorded under provisions for accounts receivable, based on expected credit losses model as established in IFRS 9.

Estimates are based on the following historic situation: considering recovery statistics, which indicate that after the eighth months of an unpaid invoice, the possibility of collection is marginal; in other words, the probability of recovering of the amount billed is minimal.



In Aguas Andinas S.A. and its subsidiaries Aguas Cordillera S.A., Aguas Manquehue S.A. and Essal S.A., a 100% provision is made for customers with debts overdue more than 8 months.

For Aguas Andinas S.A. and its subsidiaries Aguas Cordillera S.A., Aguas Manquehue S.A. and Essal S.A., a provision of 100% of the agreed balance is made for consumption debt converted into payment agreements.

A 100% provision is made for overdue notes receivable.

I. Inventories

Materials, spare parts and inputs are valued at acquisition cost, which does not exceed their net sell-off value. The costing method is the weighted average cost. Semiannually, an estimate is made of deterioration of those materials that are damaged, that are partially or totally obsolete, or without rotation during the last 12 months and whose market price has fallen by more than 20%.

J. Dividend policy

The Company's dividend policy, pursuant to article 79 of Act 18,049 on Public Limited Companies, is to distribute 30% of the net earnings for each period. In case these dividends do not exist or were lower than the minimum established by Law, the relevant provision would be in order.

Additionally and after being authorized by the Ordinary Shareholders Meeting, the remaining 70% can be distributed as additional dividend, as long as the current level of capitalization is maintained and is compatible with the investment policies.

K. Foreign currency transactions

Assets and liabilities in foreign currency are shown at their respective exchange rates at the closing of each period, as per the following parities:

Currency	31-03-2019 \$	31-12-2018 \$
US Dollar	678.53	694.77
Euro	761.28	794.75

Foreign currency transactions are converted to the functional currency using the exchange rates as of the transaction date. Foreign currency gains and losses resulting from the liquidation of these transactions and their conversion at the closing exchange rates for monetary assets and liabilities denominated in foreign currency are shown in the consolidated statement of comprehensive results.

Different exchange rates are registered in the results of the period in which they have accrued.

L. Financial liabilities

Loans, bonds payable and similar documents are at first shown at their fair net value for the costs incurred in the transaction. They are then shown at amortized cost, using the effective interest rate, except for transactions for which hedging contracts have been signed, which have been valued as described in the following section.



M. Derivative financial instruments and hedge accounting

The employment of derivative financial instruments by Aguas Andinas S.A. and Subsidiaries follows the Group's financial risk management policies, which establish the guidelines for use.

The group uses derivative financial instruments as hedging instruments to mitigate the risks of inflation, interest rate and foreign currency on existing items that have been exposed by reason of their operations.

Derivatives are recorded at fair value on the balance sheet date. In the case of financial derivatives, if the value is positive, it is recorded under "Other Financial Assets" and, if negative, under "Other Financial Liabilities."

Changes in the fair value are recorded directly in the results, except when a derivative has been designated as a hedge accounting instrument and meets all of the conditions established by the IFRS to apply hedge accounting.

The treatment of hedge operations with derivative instruments is the following:

Fair value hedging. Changes in the market value of derivative financial instruments designated as hedges, as well as the items hedged, are recorded as credit or charge to the financial results in the respective result accounts.

Cash flow and foreign currency net investment hedging. Changes in the fair value of the effective part of these derivative financial instruments are directly recorded in an equity reserve called "cash flow hedge," while the ineffective part is registered in the results. The amount recognized in net equity is not transferred to the result account until the results of the operations hedged are therein recorded or until the expiration date of such operations.

In the event of hedging discontinuation, the net equity loss or gain accumulated to that date is maintained until the underlying hedging operation is executed. At that moment, the accumulated loss or gain in equity will be reversed in the result account affecting that transaction.

Financial instruments are presented at their fair value at the closing of each period. In the case of derivatives not traded in organized markets, the Group uses assumptions based on the market conditions on that date for valuation.

Effectiveness. Hedging is considered to be highly effective when the changes in fair value or cash flows of the underlying item directly attributable to the hedged risk are offset by changes in the fair value or cash flow of the hedge instrument, with effectiveness ranging from 80% to 125%.

Implicit derivative. The Group also evaluates the existence of derivatives implicit in contracts and financial instruments to determine whether their characteristics and risks are closely related to the main contract, provided that the combination is not being recorded at fair value. If they are not closely related, they are recorded separately, with the value variations being taken directly from the consolidated statement of results.



N. Provisions and contingent liabilities

The Group recognizes a provision when there is a current obligation resulting from past events, for which the Group is likely to use resources to settle the obligation and for which a fair estimate of the amount of the obligation can be made.

The provisions are quantified considering the best information available on the matter and its consequences and is reviewed at each accounting closing. The provisions made are used to cover the specific risks for which they were originally recognized, their full or partial revision being required when such risks disappear or decrease.

Contingent liabilities are possible obligations arising from past events, whose future materialization and associated equity effect is believed to be a low probability. In accordance with IFRS, the Group makes no provision for these concepts; if there were any, as is required in the same regulation, they are described in Note 15.

O. Employee benefits

The obligation of seniority benefits that are estimated to accrue to employees who retire in Aguas Andinas S.A., Aguas Cordillera S.A., Aguas Manquehue S.A. and Essal S.A., are shown at the actuarial value determined using the projected credit unit method. Actuarial gains and losses on indemnities deriving from changes in the estimates or changes in the turnover rates, mortality, wage increases, or discount rate are determined in accordance with IAS 19, in other comprehensive results, thus directly affecting the Equity, which is then reclassified into accumulated results.

Aguas Andinas S.A.

Severance payments in Aguas Andinas S.A. are governed by the Labor Code, except for the amount of the indemnity in any event accumulated to July 31, 2002 and the termination benefit of 1.45 monthly wages, excluding voluntary resignation, without any amount or age limit, for workers subject to current collective bargaining agreements and those to whom this benefit was extended via their individual contract of employment. The amount in any event accumulated to that date is adjusted quarterly in line with the changes in the consumer price index. The mentioned collective bargaining agreement also states that workers who retire from Aguas Andinas S.A. within 120 days of the date they reach the legal retirement age can have access to the benefits under the collective bargaining contract and continue to accrue this benefit after July 2002.

Aguas Cordillera S.A. and Aguas Manquehue S.A.

Seniority compensation in Aguas Cordillera S.A. and Aguas Manquehue S.A. is governed by the Labor Code, except the amount of the indemnity in any event accumulated to December 31, 2002 and the termination benefit of 1 monthly wage without any amount or age limit for workers covered by current collective bargaining agreements and for those to whom this benefit was extended via their individual contract of employment. The amount in any event accumulated to that date is adjusted quarterly in line with the changes in the consumer price index. Likewise, the above-mentioned collective bargaining agreements also state that workers who retire from Aguas Cordillera S.A. and Aguas Manquehue S.A. continue to accrue this benefit beyond December 2002.



ESSAL S.A.

Compensations to workers who take part of or have been incorporated to the current collective bargaining agreement at the date of the financial statements are calculated at their actuarial value only in the case of retirement and death. In those cases, there is a payment limit of six months. In other cases, the rules of the Labor Code are applicable.

Advances granted to staff from such funds are shown by deducting existing obligations. They shall be charged in the final settlement in a readjusted manner, in accordance with the provisions of the aforementioned agreements.

For the other subsidiaries there are no benefits of this nature.

P. Revenue tax and deferred taxes

The charge for revenue tax is the sum of revenue tax payable and variations in deferred tax assets and liabilities.

Revenue tax payable is determined on the basis of the tax result for the period. The revenue tax payable by the Group is calculated using tax rates approved or in the process, on the closing date of the balance sheet.

Deferred taxes are recognized on the basis of differences between the book values of assets and liabilities contained in the financial statements and the corresponding tax figures used in the calculation of the tax result and are recorded using the balance-sheet liability method. Deferred tax liabilities are recorded for all taxable timing differences, and deferred tax assets are recognized for all deductible timing differences as long as future tax benefits are likely to offset such differences. Deferred tax assets or liabilities are not recognized if timing differences arise from the reduced value or initial recognition (except in a combination of businesses) of other assets and liabilities in a transaction that does not affect neither the tax results nor the financial results.

The book value of deferred tax assets is revised on the closing date of each balance sheet and is reduced until sufficient tax results to allow the recovery of all or part of the asset are no longer available.

Deferred tax assets and liabilities are measured at the tax rates expected to be in effect at the time of settling the liability or realizing the asset, based on the tax rates that have been approved or are about to be approved at the closing of the balance sheet. The measurement of deferred assets and liabilities reflects the possible tax consequences of the way in which Group expects to recover or settle the book values of its assets and liabilities to the date of report.

Deferred tax assets and liabilities are offset when there is a legal right to offset tax assets against tax liabilities related to the same entity and tax authority.

Q. Current revenue

Policy for recognition of ordinary revenue

The Company determined its recognition and measurement of revenues from ordinary activities, based on the principle that revenues are recognized for an amount that reflects the consideration to which the entity expects



to be entitled in exchange for transferring goods or services to a customer. This fundamental principle must be applied based on a five-step model:

- (1) identification of the contract with the client;
- (2) identification of performance obligations of the contract;
- (3) determination of the price of the transaction;
- (4) allocation of the transaction price to performance obligations; and
- (5) recognition of income when (or as) the performance obligations are met.

Policy for recognition of ordinary revenue from sales of goods

Revenue from sales of goods is recognized once the risk and significant advantages resulting from the ownership of the goods have been transferred. The Company is no longer bound to the asset sold. The amount of revenue can be reliably measured. The company is likely to receive the economic benefits associated with the sale and the costs incurred in the transaction can also be reliably measured.

Policy for recognition of ordinary revenue from sales of services

Revenue from sales of services is measured at fair value. Billing is carried out on the basis of actual consumption or work carried out on the consideration receivable, net returns, trade discounts and rebates, so the revenue is recorded when it is transferred to the client and recovery is considered probable. In addition, the associated costs and possible discounts for erroneous billings can be reliably estimated.

The water utilities' services area is divided into billing groups that determine dates for meter readings and subsequent billing. This process is carried out in a calendar month. This means that at the end of each month there is unread consumption, and therefore, not billed.

For those billing groups that have the information about the consumption effectively read, the application of the corresponding tariff would be in order.

For those cases where the whole meter reading consumption is not available for the Company, a better estimate of those incomes pending of billing will be carried out on the basis of data from the previous month valued at the current tariff, considering for both cases (billing or estimate) the normal or overconsumption tariff.

The transfer of risks and benefits varies according to the corporate business. For Water Utilities, the provision of services and any related charge are based on the actual consumption and a monthly provision is made for unbilled consumption, based on the previous billing. For Anam S.A., EcoRiles S.A., Gestión y Servicios S.A. and Aguas del Maipo S.A., invoicing and the possible are based on the work carried out.

Method used for determining the service termination status

The provision of the sanitation services is confirmed by metering the consumption, in accordance with the relevant legislation, whereas Non-Water subsidiaries do so once the services and/or respective reports have been completed.

Revenue under agreements with property developers is recorded as ordinary revenue provided that it complies with the conditions of each contract to ensure that the related economic benefits will flow to the Company.



R. Earnings per share

Basic earnings per share are calculated as the ratio between the earnings (loss) attributable to the holders of Net Equity of the Controller and the average weighted number of common shares in circulation.

During the period ending March 31, 2019 and December 31, 2018, the Group has carried out no operation with a potential diluting effect that supposes that diluted earnings per share are any different to basic earnings per share.

S. Environmental information

Environmental assets are those constantly used in the business of the Company and subsidiaries. Their main objective is to minimize adverse environmental impacts and ensure the protection and improvement of the environment, including the reduction or elimination of any future contamination as a result of the operations conducted by Aguas Andinas S.A. and its Subsidiaries.

These assets, like any other asset, are valued at cost. The Company and its Subsidiaries amortize these items on a straight-line basis as a function of the estimated remaining years of useful lives for the different items.

T. Consolidated statement of cash flows

Cash flow statements record the cash account activity during the period, which include Value Added Tax (VAT), determined by the direct method under the following criteria:

Cash and cash equivalent: Inflows and outflows of cash and equivalent financial assets. They are understood as being easily-liquidated short-term investments with a low value variation risk (maximum unrestricted term of 3 months from investment date).

Operating activities: Common activities in a regular business operation by the Company and its Subsidiaries, as well as other activities that have not been classified as investment or financing.

Investment activities: Acquisition, disposal or use by other means of long-term assets and other investments that have not been included in cash and cash equivalent.

Financing activities: Activities that produce changes in the amount and composition of the net equity and liabilities that are not part of the ordinary activities.

U. Construction contracts

For construction contracts, the Group uses the “percentage-of-completion method” for the recognition of revenues and expenses referring to a contract being fulfilled. By this method, the revenues under the contract are compared with the related costs incurred according to the degree of progress achieved, which results in the amount of the ordinary revenue, expenses and earnings attributable to the completed portion of the contract.

Contract costs are recognized when incurred. When the result of a construction contract can be reliably estimated, and the contract is likely to be profitable, contract revenues are recognized over the term of the contract. When the contract costs are likely to exceed the total revenues, the expected loss is immediately



recognized as an expense incurred in the period. When the result of a construction contract cannot be estimated reliably enough, contract revenues are recognized only to the limit of the contract costs incurred that are likely to be recovered.

The Group shows the gross amount owed by customers for the work of all the contracts in progress as an asset for which the costs incurred plus recognized earnings (minus recognized losses) exceed the partial invoicing. Partial invoicing unpaid by customers and the withholdings are included in "Trade debtors and other accounts receivable".

The Group presents as a liability the gross amount owed by customers for the work of all contracts in progress for which the partial invoicing exceeds the costs incurred plus recognized earnings (minus recognized losses).

V. Capitalized financing costs

Policy on interest-bearing loans:

Loan costs directly attributable to the acquisition, construction or production of assets that meet the conditions for their qualification are capitalized, forming part of the cost of such assets.

Policy on interest-cost capitalization:

Interests paid or accrued on debt used to finance qualified assets are capitalized, as stipulated in IAS 23. The aforementioned IAS 23 states that when the Entity acquires debt to finance investments, the interest on that debt should be deducted from the financial expense and incorporated to the construction project being financed up to the total amount of such interests, applying the respective rate to the disbursements to the financial statement submission date.

Note 3. CASH AND CASH EQUIVALENT

The table below contains a breakdown of this item:

Cash & cash equivalents	31-03-2019 Th\$	31-12-2018 Th\$
Banks	6,605,973	3,068,513
Term deposits (see note 8.6)	-	31,776,961
Mutual Funds (see note 8.6)	22,174,979	5,135,000
Total	28,780,952	39,980,474

Cash equivalents are financial assets in deposits in-time and mutual funds with maturities under 90 days as of the date of the originating transaction.

Detail of some items of cash flow statements

- **Other charges for operating activities:** They are services connected with the business, principally agreements signed with property developers.



- **Other operating activity payments:** They are the payment of monthly taxes.
- **Other investment activity outflows:** They are mainly related to interest associated with bond issue, which have been capitalized as a result of investments in property, plant and equipment.

There are no legal restrictions hindering the immediate availability of cash balances and cash equivalents used by the Group.

3.1 Cash equivalents

The table below describes the types of financial instruments for each Company:

Company	Instruments	31-03-2019 Th\$	31-12-2018 Th\$
Aguas Andinas S.A.	Term deposit	-	29,400,000
Aguas Andinas S.A.	Mutual Funds	21,904,979	4,525,000
Essal S.A.	Term deposit	-	1,792,391
EcoRiles S.A.	Mutual Funds	270,000	220,000
Gestión y Servicios S.A.	Term deposit	-	584,570
Gestión y Servicios S.A.	Mutual Funds	-	390,000
Total		22,174,979	36,911,961

The Company and Subsidiaries make investments with portfolio limits of 40% maximum of the total by issuing institution, and limits by instruments corresponding to: mutual funds, 10% of the mutual fund's cash assets and term deposits, 10% of the equity bank cash.

Note 4. TRADE DEBTORS AND OTHER ACCOUNTS AND RIGHTS RECEIVABLE

The composition of trade debtors (currents and non-currents) as of March 31, 2019 and December 31, 2018 is the following:

Credit risk	31-03-2019 Th\$	31-12-2018 Th\$
Gross exposure per balance sheet for risks of accounts receivable, current	159,552,063	151,032,545
Gross exposure entitlements receivable, non-current	4,106,500	4,500,020
Gross exposure per estimates of risks of accounts receivable	(36,172,826)	(34,211,483)
Net exposure, risk concentration	127,485,737	121,321,082



The estimation movement of bad debt is the following:

Movement of credit risk, accounts receivable	31-03-2019 Th\$	31-12-2018 Th\$
Initial balance	(34,211,483)	(33,121,765)
Increase in existing provisions	(2,176,955)	(3,914,038)
Reductions	215,612	2,824,320
Changes, total	(1,961,343)	(1,089,718)
Closing balance	(36,172,826)	(34,211,483)

According of the Group' policies, debts for consumption transformed into payment agreements, are totally provisioned.

The table below shows the breakdown of gross debt by age:

Ageing of gross debt	31-03-2019 Th\$	31-12-2018 Th\$
Less than three months	117,814,299	110,083,882
Three to six months	4,149,276	4,678,272
Six to eight months	1,764,026	1,822,807
More than eight months	39,930,962	38,947,604
Total	163,658,563	155,532,565

As required by IFRS 7 on Financial Instruments, the table below describes the past-due gross debt by age:

Past-due gross debt	31-03-2019 Th\$	31-12-2018 Th\$
Less than three months	12,888,642	11,485,973
Three to six months	2,455,020	1,987,895
Six to eight months	1,057,723	948,253
Total	16,401,385	14,422,121

Past-due debt comprises all those sums in which the counterparty has failed to make a payment when it should have by contract. Customers with ageing less than 9 months, according to Company policies, are not provisioned.

Note 5. DISCLOSURE OF INFORMATION ABOUT RELATED ENTITIES

Balances and transactions with related entities

Transactions between the Company and its Subsidiaries are in line with market conditions. These transactions have been deleted in the consolidation process and are not broken down in this note.



Accounts receivable from related entities

Accounts receivable from related entities are originated in Chile. The transaction currency is Chilean Pesos and the maturity dates are 30 days.

Tax ID related party	Name of related party	Relationship	Nature of transaction with related parties	Period	Guarantee	31-03-2019 Th\$	31-12-2018 Th\$
76.078.231-9	Empresa Depuradora de Aguas Servidas Mapocho El Trebal Ltda.	Related to the controller	Laboratory analysis and sampling services	30 days	Without guarantee	6,555	4,232
77.274.820-5	Inversiones Aguas Metropolitanas S.A.	Controller	Lease of offices	30 days	Without guarantee	405	404
65.113.732-2	Corporación Chilena de Investigación del Agua SpA.	Related to the controller	Laboratory analysis and sampling services	30 days	Without guarantee	-	414
65.113.732-2	Corporación Chilena de Investigación del Agua SpA.	Related to the controller	Leases	30 days	Without guarantee	-	1,393
77.441.870-9	Suez Medioambiente Chile S.A.	Related to the controller	Laboratory analysis and sampling services	30 days	Without guarantee	7,797	26,766
77.441.870-9	Suez Medioambiente Chile S.A.	Related to the controller	Liquid waste in treatment plant	30 days	Without guarantee	328	-
No ID	Aqua Development Network S.A.	Related to the controller	Integrated talent management contract	30 days	Without guarantee	-	32,010
76.080.553-K	Suez Advanced Solutions Chile Ltda.	Related to the controller	Sale of materials	30 days	Without guarantee	43,777	25,964
Total						58,862	91,183



Accounts payable to related entities

Accounts payable to related entities are originated in Chile and the transaction currency is Chilean Pesos.

Tax ID related party	Name of related party	Relationship	Nature of transaction with related parties	Period	Guarantee	31-03-2019 Th\$	31-12-2018 Th\$
77.441.870-9	Suez Medioambiente Chile S.A.	Related to the controller	Operational Control Center Update Project OCC 2.0	30 days	Bid bond of Th\$30,899	-	1,453,134
77.441.870-9	Suez Medioambiente Chile S.A.	Related to the controller	SCADA Platform	30 days	Without guarantee	24,386	28,462
77.441.870-9	Suez Medioambiente Chile S.A.	Related to the controller	Arsenic Plant San Antonio	30 days	Bid bond of Th\$24,264.05	1,230,939	1,230,939
77.441.870-9	Suez Medioambiente Chile S.A.	Related to the controller	Chamisero plant	30 days	Bid bond of UF 66,809.74	2,289,135	4,534,306
77.441.870-9	Suez Medioambiente Chile S.A.	Related to the controller	Talagante Plant Expansion	30 days	Without guarantee	963,463	1,173,221
76.746.454-1	Suez Biofactoria Andina Spa.	Related to the controller	Biofactory adaptation plan for La Farfana treatment plant	30 days	Bid bond of UF 1,048,050	10,197,254	9,029,874
76.746.454-1	Suez Biofactoria Andina Spa.	Related to the controller	Nitrogen removal and biofactory adaptation plan for Mapocho-Trebal treatment plant	30 days	Bid bond of UF 1,048,050	5,247,320	4,199,865
65.113.732-2	Corporación Chilena de Investigación del Agua SpA.	Related to the controller	Consultancies	30 days	Without guarantee	61,709	97,322
76.080.553-K	Suez Advanced Solutions Chile Ltda.	Related to the controller	Virtual platform, Siebel	30 days	Without guarantee	25,440	78,265
76.080.553-K	Suez Advanced Solutions Chile Ltda.	Related to the controller	Purchase of materials	60 days	Contract performance bond of Th\$279,298	35,719	8,182
76.080.553-K	Suez Advanced Solutions Chile Ltda.	Related to the controller	Evolutionary maintenance consulting service	30 days	Without guarantee	564,282	368,916
76.080.553-K	Suez Advanced Solutions Chile Ltda.	Related to the controller	Process re-engineering service contract and implementation of new customer service information systems	30 days	Contract performance bond of Th\$845,149	165,075	102,855
76.078.231-9	Empresa Depuradora de Aguas Servidas Mapocho El Trebal Ltda.	Related to the controller	Services of operation, maintenance and rehabilitation of Mapocho-Trebal Wastewater Treatment Plant Digesters	90 days	Contract performance bond of UF 357,863	1,510,193	1,468,596
76.078.231-9	Empresa Depuradora de Aguas Servidas Mapocho El Trebal Ltda.	Related to the controller	Biogas plant operation services	30 days	Without guarantee	53,556	167,783
No ID	Aqua Development Network S.A.	Related to the controller	Integrated talent management contract	30 days	Without guarantee	92,605	426,413
No ID	Aqua Development Network S.A.	Related to the controller	Consultancies	30 days	Without guarantee	49,549	41,712
77.274.820-5	Inversiones Aguas Metropolitanas S.A.	Controller	Dividends payable	30 days	Without guarantee	-	21,656,113
96.817.230-1	EPSA Electrica Puntilla S.A.	Common board member	Water purchase	30 days	Without guarantee	-	5,657
70.009.410-3	Asociación canalistas sociedad del canal del Maipo	Common board member	Dividends payable	30 days	Without guarantee	-	497,487
Total						22,510,625	46,569,102



Transactions with related entities

Transactions with related entities originate in Chile and the transaction currency is Chilean Pesos.

Tax ID Related party	Name of related party	Relationship	Country	Nature of transaction with related parties	Currency	Th\$		Th\$	
						31-03-2019		31-12-2018	
						Amount	Effect on results (Charge)/ Credit	Amount	Effect on results (Charge)/ Credit
No ID	Aqua Development Network	Related to the controller	CL	Integrated talent management contract	CLP	52,543	(52,543)	229,026	(229,026)
76.080.553-K	Suez Advanced Solutions Chile Ltda.	Related to the controller	CL	Purchase of materials and maintenance of virtual platform Siebel	CLP	942,694	(942,626)	479,419	(101,447)
77.441.870-9	Suez Medioambiente Chile S.A.	Related to the controller	CL	Chamisero plant		18,111	(18,111)	1,363,641	-
77.441.870-9	Suez Medioambiente Chile S.A.	Related to the controller	CL	Arsenic Plant San Antonio		-	-	1,362,902	-
77.441.870-9	Suez Medioambiente Chile S.A.	Related to the controller	CL	Operational Control Center Update Project OCC 2.0		36,768	(433,390)	530,119	(275,682)
59.066.560-6	Suez International	Related to the controller	CL	Supply of equipment, mounting and launch of second phase of Mapocho Wastewater Treatment Plant, module 4	CLP	-	-	4,930,764	-
76.078.231-9	Empresa Depuradora de Aguas Servidas Mapocho El Trebal	Related to the controller	CL	Services of operation, maintenance and rehabilitation of Mapocho-Trebal Wastewater Treatment Plant Digesters	CLP	849,928	-	2,467,364	(2,467,364)
76.746.454-1	Suez Biofactoría Andina spa.	Related to the controller	CL	Operation, maintenance and adaptation of Biofactory treatment plant.	CLP	13,051,323	(7,012,226)	8,123,472	(6,416,223)
70.009.410-3	Asociación Canalistas del Maipo	Common board member	CL	Construction and equipment	CLP	50,000	-	-	-
65.113.732-2	Cetaqua Spa	Related to the controller	CL	Study on resilient urban water infrastructure management models in relation to hydrological and geological risks, recovery of sludge	CLP	61,598	(61,598)	-	-
70.009.410-3	Asociación canalistas sociedad del canal del Maipo	Common board member	CL	Dividends paid	CLP	497,487	-	483,225	-
77.274.820-5	Inversiones Aguas Metropolitanas S.A.	Controller	CL	Dividends paid	CLP	21,656,113	-	21,035,299	-

The materiality criterion for reporting transactions with related entities is amounts over accumulated Th\$25,000.

Remuneration paid to the Board Members of Aguas Andinas S.A. and Subsidiaries, and to the Board of Directors.

	31-03-2019	31-03-2018
	Th\$	Th\$
Directors	106,717	77,181
Directors' committee	10,541	7,256
Total	117,258	84,437

Correspond only to fees associated with their functions defined and agreed upon at ordinary shareholders' meeting.

Information on related parties and transactions with related parties by Board Members and Executives

The Company's management is unaware of any transactions between related parties and Board Members and/or executives other than their fees and compensation.



Note 6. INVENTORIES

The table below shows the detail by inventory class as of March 31, 2019 and 2018:

Inventory class	31-03-2019	31-12-2018
	Th\$	Th\$
Spares & meters	2,098,467	2,143,347
Supplies for production	1,538,549	1,488,249
Others inventories	218,856	104,060
Obsolescence estimation	(99,268)	(99,268)
Total	3,756,604	3,636,388

The cost of the inventories recognized as an expense in the statement of results as of March 31, 2019 and 2018 amounts to Th\$3,017,890 and Th\$2,870,555, respectively.

Additionally, an estimate is submitted for impairment of inventories that include amounts related to obsolescence derived from low turnover, obsolescence by damage and/or its market price is greater than 20%. The account activity for the above estimate is the following:

	31-03-2019	31-12-2018
	Th\$	Th\$
Initial Balance	(99,268)	(2,883)
Provision for Price	-	(15,624)
Provision for Obsolescence	-	(52,810)
Provision for Damage	-	(30,834)
Reverse provision	-	2,883
Total Estimation due to deterioration	-99,268	-99,268

Note 7. OTHER FINANCIAL ASSETS

7.1 Current

As of March 31, 2019, and according to established in the respective contracts, it was delivered to the Paying Bank and Representative of Bondholders, an advance for an amount of Th\$8,142,752 corresponding to the available amounts to interest payment and bond amortization, what became effective on April 1, 2019.

Additionally to March 31, 2019, the Group presents the effect in the interim consolidated financial statements of the market valorization of coverage contracts by exchange rate, for an amount of Th\$30,522.



7.2 Non-current

It corresponds mainly to the acquisition of shares of Sociedad Eléctrica Puntilla S.A. (EPSA), for an amount as of March 31, 2019 and December 31, 2018 of Th\$7,835,395 (note 2.2, letter H, ii), over which the group does not have control or significant influence. Additionally in both periods are other investments of Th\$17,517.

Associated with this acquisition, an obligation is maintained with the Asociación Sociedad de Canalistas del Maipo, referring to the commitment not to move the water rights in force to the contract date in an amount of Th\$7,294,709 as of March 31, 2019 and 31 of December 2018.

Note 8. INTANGIBLE ASSETS OTHER THAN GOODWILL

The table below shows the required information on the Company's intangible assets, as per IAS 38 Intangible Assets:

	31-03-2019	31-12-2018
	Th\$	Th\$
Intangible assets, net	224,385,897	224,864,424
Trademarks, net	15,933	15,933
Computer programs, net	5,242,046	5,700,799
Other intangible assets, net*	219,127,918	219,147,692
Intangible assets, gross	283,070,096	282,823,147
Trademarks, gross	15,933	15,933
Computer programs, gross	50,937,703	50,717,784
Other intangible assets, gross	232,116,460	232,089,430
Intangible assets, accumulated amortization	(58,684,199)	(57,958,723)
Computer programs, accumulated amortization	(45,695,657)	(45,016,985)
Other intangible assets, accumulated amortization	(12,988,542)	(12,941,738)

*Water rights, easements and other rights.



Account activity of intangible assets as of March 31, 2019

Intangible assets movements	Trademarks, net Th\$	Computer programs, net Th\$	Other intangible assets, net Th\$	Total Th\$
Initial balance	15,933	5,700,799	219,147,692	224,864,424
Amortization	-	(678,672)	(46,804)	(725,476)
Increases (reductions) for transfers	-	427,129	-	427,129
Increases (reductions) for other changes	-	(207,210)	27,030	(180,180)
Disposals and withdrawals from service	-	-	-	-
Changes, total	-	(458,753)	(19,774)	(478,527)
Closing balance	15,933	5,242,046	219,127,918	224,385,897

Account activity of intangible assets as of December 31, 2018

Intangible assets movements	Trademarks, net Th\$	Computer programs, net Th\$	Other intangible assets, net Th\$	Total Th\$
Initial balance	13,000	7,910,586	219,160,913	227,084,499
Amortization	-	(4,051,560)	(187,216)	(4,238,776)
Increases (reductions) for transfers	-	1,740,932	(58,904)	1,682,028
Increases (reductions) for other changes	2,933	100,841	238,494	342,268
Disposals and withdrawals from service	-	-	(5,595)	(5,595)
Changes, total	2,933	(2,209,787)	(13,221)	(2,220,075)
Closing balance	15,933	5,700,799	219,147,692	224,864,424



Detailed disclosure of information on intangible assets (gross value)

Current period 31-03-2019

Intangible assets movements	Trademarks, gross Th\$	Computer programs, gross Th\$	Other intangible assets, gross Th\$	Total Th\$
Initial balance as of 01-01-2019	15,933	50,717,784	232,089,430	282,823,147
Increases (reductions) for transfers	0	427,129	-	427,129
Increases (reductions) for other changes	0	(207,210)	27,030	(180,180)
Changes, total	0	219,919	27,030	246,949
Closing balance as of 31-03-2019	15,933	50,937,703	232,116,460	283,070,096

Previous period 31-12-2018

Intangible assets movements	Trademarks, gross Th\$	Computer programs, gross Th\$	Other intangible assets, gross Th\$	Total Th\$
Initial balance as of 01-01-2018	13,000	48,876,011	231,915,435	280,804,446
Increases (reductions) for transfers	0	1,740,932	(58,904)	1,682,028
Increases (reductions) for other changes	2,933	100,841	238,494	342,268
Disposals and withdrawals from service	0	-	(5,595)	(5,595)
Changes, total	2,933	1,841,773	173,995	2,018,701
Closing balance as of 31-12-2018	15,933	50,717,784	232,089,430	282,823,147



Detailed disclosure of information on intangible assets (accumulated amortization)

Current period 31-03-2019

Intangible assets movements	Trademarks, accumulated amortization Th\$	Computer programs, accumulated amortization Th\$	Other intangible assets, accumulated amortization Th\$	Total Th\$
Initial balance as of 01-01-2019	-	(45,016,985)	(12,941,738)	(57,958,723)
Amortization	-	(678,672)	(46,804)	(725,476)
Changes, total	-	(678,672)	(46,804)	(725,476)
Closing balance as of 31-12-2019	-	(45,695,657)	(12,988,542)	(58,684,199)

Previous period 31-12-2018

Intangible assets movements	Trademarks, accumulated amortization Th\$	Computer programs, accumulated amortization Th\$	Other intangible assets, accumulated amortization Th\$	Total Th\$
Initial balance as of 01-01-2018	-	(40,965,425)	(12,754,522)	(53,719,947)
Amortization	-	(4,051,560)	(187,216)	(4,238,776)
Changes, total	-	(4,051,560)	(187,216)	(4,238,776)
Closing balance as of 31-12-2018	-	(45,016,985)	(12,941,738)	(57,958,723)

Detail of significant individual intangible assets (other assets):

Water rights and easements are the principal intangible assets with indefinite useful lives; the table below shows a detail by company:

Company	31-03-2019			31-12-2018		
	Water rights Th\$	Easements Th\$	Others Th\$	Water rights Th\$	Easements Th\$	Others Th\$
Aguas Andinas S.A.	76,624,650	8,364,563	4,528,034	76,598,437	8,364,563	4,574,023
Aguas Cordillera S.A.	92,732,675	7,761,932	-	92,732,673	7,761,932	-
Aguas Manquehue S.A.	21,924,557	866,673	-	21,924,557	866,673	-
Essal S.A.	5,622,185	1,095,557	-	5,622,185	1,095,557	-
Aguas del Maipo S.A.	13,700	-	-	13,700	-	-
Ecoriles S.A.	13,700	-	-	13,700	-	-
Gestión y Servicios S.A.	13,700	-	-	13,700	-	-
Análisis Ambientales S.A.	13,700	-	-	13,700	-	-
Ajustes de Consolidación	(333,913)	(113,795)		(333,913)	(113,795)	-
Total	196,624,954	17,974,930	4,528,034	196,598,739	17,974,930	4,574,023



Intangible assets with indefinite useful lives

Both water rights and easements are rights of the Company for which it is not possible to establish a definite useful life, i.e. the period of economic benefits associated with these assets is indefinite. Both assets are legal rights that are neither extinguished nor affected by restrictions.

Commitments for acquiring intangible assets

The table below shows the commitments for acquisitions of intangible assets for the financial year 2019 related to water rights, easements and computer programs needed for the normal operation of the Group Companies, particularly for new works that are being developed or are in preliminary study stages, plus the expansion of concession areas, which are presented below:

Company	Th\$
Aguas Andinas S.A.	835,495
Aguas Manquehue S.A.	50,000
Essal S.A.	27,295
Ecoriles S.A.	2,967
Total	915,757

Note 9. GOODWILL

The table below shows the detail of goodwill for the different Cash Generating Units (CGUs) or CGU groups to which they have been assigned as of March 31, 2019 and December 31, 2018:

Tax ID	Company	31-03-2019 Th\$	31-12-2018 Th\$
96.809.310-k	Aguas Cordillera S.A.	33,823,049	33,823,049
96.579.800-5	Empresa de Servicios Sanitarios de Los Lagos S.	343,332	343,332
96.897.320-7	Inversiones Iberaguas Ltda.	2,066,631	2,066,631
Total		36,233,012	36,233,012



Note 10. PROPERTY, PLANT AND EQUIPMENT

Property, plant & equipment, net (amounts in thousands of \$)	Net value		Gross value		Accumulated depreciation	
	31-03-2019	31-12-2018	31-03-2019	31-12-2018	31-03-2019	31-12-2018
Land	159,512,698	159,536,229	159,512,698	159,536,229		
Buildings	79,421,376	79,624,966	113,612,669	113,252,042	(34,191,293)	(33,627,076)
Machinery	114,014,492	115,993,853	389,247,204	384,958,947	(275,232,712)	(268,965,094)
Transport vehicles	865,128	958,353	5,115,920	5,102,427	(4,250,792)	(4,144,074)
Fixed installations & accessories	1,378,874	1,407,509	6,314,779	6,291,229	(4,935,905)	(4,883,720)
Computer equipment	2,220,701	2,460,174	14,388,936	14,284,065	(12,168,235)	(11,823,891)
Improvements to leased assets	225,489	234,177	814,972	806,931	(589,483)	(572,754)
Construction in progress	237,529,105	226,774,354	237,529,105	226,774,354		
Additional works	21,867,108	21,892,366	44,683,921	44,316,092	(22,816,813)	(22,423,726)
Production facilities	175,329,003	173,754,928	331,366,628	328,291,901	(156,037,625)	(154,536,973)
Drinking water networks	196,638,040	192,291,391	521,179,600	514,892,514	(324,541,560)	(322,601,123)
Sewerage networks	248,097,489	249,193,038	536,580,886	534,440,825	(288,483,397)	(285,247,787)
Wastewater treatment plants	166,768,162	168,050,123	232,373,341	232,373,341	(65,605,179)	(64,323,218)
Other facilities	47,350,997	47,699,634	159,708,010	158,049,182	(112,357,013)	(110,349,548)
Goods out of operation	219,936	222,036	1,868,637	1,868,637	(1,648,701)	(1,646,601)
Usage rights	1,405,035	-	1,687,520	-	(282,485)	-
Total	1,452,843,633	1,440,093,131	2,755,984,826	2,725,238,716	(1,303,141,193)	(1,285,145,585)



The table below shows information on the main participations of the Group Companies.

Property, plant & equipment	31-03-2019	Aguas Andinas S.A	Aguas Cordillera S.A	Aguas Manquehue S.A	Essal S.A	Others
	Th\$	%	%	%	%	%
Land	159,512,698	75%	13%	1%	11%	0%
Buildings	79,421,376	75%	4%	2%	16%	3%
Machinery	114,014,492	74%	6%	3%	13%	3%
Transport vehicles	865,128	87%	0%	0%	11%	3%
Fixed installations & accessories	1,378,874	69%	3%	0%	9%	18%
Computer equipment	2,220,701	87%	1%	0%	10%	2%
Improvements to leased assets	225,489	79%	0%	0%	0%	21%
Construction in progress	237,529,105	71%	7%	8%	13%	0%
Additional works	21,867,108	79%	6%	3%	11%	1%
Production facilities	175,329,003	64%	14%	14%	9%	0%
Drinking water networks	196,638,040	69%	16%	2%	13%	0%
Sewerage networks	248,097,489	84%	2%	4%	11%	0%
Wastewater treatment plants	166,768,162	92%	0%	0%	6%	1%
Other facilities	47,350,997	73%	7%	6%	10%	4%
Goods out of service	219,936	30%	70%	0%	0%	0%
Usage rights	1,405,035	67%	6%	3%	0%	23%
Total	1,452,843,633	75%	8%	5%	11%	1%

As required by IAS 16, paragraph 79, letter d, the Group presents information about fair value of its main assets:

Class of assets	Cost 31-03-2019	Fair value 31-03-2019
	Th\$	Th\$
Buildings	79,600,851	113,325,941
Additional works	21,867,108	36,101,483
Production facilities	175,329,003	286,332,671
Drinking water networks	196,638,040	408,581,723
Sewerage networks	248,097,489	410,404,430
Wastewater treatment plants	166,768,162	183,917,974
Other facilities	47,350,997	49,287,804
Machines and equipment	114,014,492	129,731,762
Total	1,049,666,142	1,617,683,788

Reconciliation of changes in property, plant and equipment by class:

As required by IAS 16, paragraph 73, we provide the following information on each property, plant and equipment class owned by the Company.



Account activity of property, plant and equipment as of March 31, 2019 (net values)

Concept	Initial balance	Depreciation	Increases (reductions) for transfers from construction in progress	Other increases (decreases)	Disposals & withdrawals from service	Total changes	Closing balance
	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Land	159,536,229	-	-	(23,531)	-	(23,531)	159,512,698
Buildings	79,624,966	(564,217)	513,095	(152,468)	-	(203,590)	79,421,376
Machinery	115,993,853	(6,267,618)	5,258,136	(969,879)	-	(1,979,361)	114,014,492
Transport vehicles	958,353	(106,718)	25,206	(11,713)	-	(93,225)	865,128
Fixed installations & accessories	1,407,509	(52,185)	91,017	(67,467)	-	(28,635)	1,378,874
Computer equipment	2,460,174	(344,344)	263,061	(158,190)	-	(239,473)	2,220,701
Improvements to leased assets	234,177	(16,729)	8,752	(711)	-	(8,688)	225,489
Construction in progress	226,774,354	-	(20,106,899)	30,861,736	(86)	10,754,751	237,529,105
Additional works	21,892,366	(393,087)	1,296,831	(929,002)	-	(25,258)	21,867,108
Production facilities	173,754,928	(1,500,652)	2,767,888	306,839	-	1,574,075	175,329,003
Drinking water networks	192,291,391	(1,940,437)	5,009,922	1,277,164	-	4,346,649	196,638,040
Sewerage networks	249,193,038	(3,235,610)	1,337,934	802,127	-	(1,095,549)	248,097,489
Wastewater treatment plants	168,050,123	(1,281,961)	-	-	-	(1,281,961)	166,768,162
Other facilities	47,699,634	(2,007,465)	3,107,926	(1,449,098)	-	(348,637)	47,350,997
Goods out of service	222,036	(2,100)	-	-	-	(2,100)	219,936
Usage rights	-	(306,800)	-	1,711,835	-	1,405,035	1,405,035
Class of property, plant & equipment, net	1,440,093,131	(18,019,923)	(427,131)	31,197,642	(86)	12,750,502	1,452,843,633



Account activity of property, plant and equipment as of December 31, 2018 (net value)

Concept	Initial balance	Depreciation	Increases (reductions) for transfers from construction in progress	Other increases (decreases)	Disposals & withdrawals from service	Total changes	Closing balance
	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Land	160,461,335	-	58,903	41,948	(1,025,957)	(925,106)	159,536,229
Buildings	79,601,087	(2,245,955)	1,569,810	714,702	(14,678)	23,879	79,624,966
Machinery	120,338,507	(25,510,942)	13,145,270	8,021,019	(1)	(4,344,654)	115,993,853
Transport vehicles	1,320,419	(453,132)	129,550	72,545	(111,029)	(362,066)	958,353
Fixed installations & accessories	1,315,585	(207,553)	251,739	47,738	-	91,924	1,407,509
Computer equipment	3,659,346	(1,561,660)	215,394	147,094	-	(1,199,172)	2,460,174
Improvements to leased assets	64,266	(39,741)	64,999	144,653	-	169,911	234,177
Construction in progress	156,563,062	-	(58,984,644)	130,120,937	(925,001)	70,211,292	226,774,354
Additional works	22,349,067	(1,564,306)	768,303	343,898	(4,596)	(456,701)	21,892,366
Production facilities	167,598,083	(5,963,222)	9,510,498	2,624,481	(14,912)	6,156,845	173,754,928
Drinking water networks	174,661,097	(7,585,423)	12,978,119	12,266,887	(29,289)	17,630,294	192,291,391
Sewerage networks	246,165,604	(12,874,297)	9,496,203	6,406,072	(544)	3,027,434	249,193,038
Wastewater treatment plants	169,331,810	(5,214,662)	3,608,476	324,499	-	(1,281,687)	168,050,123
Other facilities	48,103,767	(7,999,170)	5,505,350	2,089,687	-	(404,133)	47,699,634
Goods out of service	230,781	(8,746)	-	-	1	(8,745)	222,036
Usage rights	-	-	-	-	-	-	-
Class of property, plant & equipment, net	1,351,763,816	(71,228,809)	(1,682,030)	163,366,160	(2,126,006)	88,329,315	1,440,093,131



Disclosure of information on property, plant and equipment (gross value)

Current period 31-03-2019

Concept	Initial balance	Increases (reductions) for transfers from Construction in progress	Other increases (decreases)	Disposals & withdrawals from service	Total changes	Closing balance
	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Land	159,536,229	-	(23,531)	-	(23,531)	159,512,698
Buildings	113,252,042	513,095	(152,468)	-	360,627	113,612,669
Machinery	384,958,947	5,258,136	(969,879)	-	4,288,257	389,247,204
Transport vehicles	5,102,427	25,206	(11,713)	-	13,493	5,115,920
Fixed installations & accessories	6,291,229	91,017	(67,467)	-	23,550	6,314,779
Computer equipment	14,284,065	263,061	(158,190)	-	104,871	14,388,936
Improvements to leased assets	806,931	8,752	(711)	-	8,041	814,972
Construction in progress	226,774,354	(20,106,899)	30,861,736	(86)	10,754,751	237,529,105
Additional works	44,316,092	1,296,831	(929,002)	-	367,829	44,683,921
Production facilities	328,291,901	2,767,888	306,839	-	3,074,727	331,366,628
Drinking water networks	514,892,514	5,009,922	1,277,164	-	6,287,086	521,179,600
Sewerage networks	534,440,825	1,337,934	802,127	-	2,140,061	536,580,886
Wastewater treatment plants	232,373,341	-	-	-	-	232,373,341
Other facilities	158,049,182	3,107,926	(1,449,098)	-	1,658,828	159,708,010
Goods out of service	1,868,637	-	-	-	-	1,868,637
Usage rights	-	-	1,712,008	(24,488)	1,687,520	1,687,520
Class of property, plant & equipment, gross	2,725,238,716	(427,131)	31,197,815	(24,574)	30,746,110	2,755,984,826



Previous period 31-12-2018 (gross value)

Concept	Initial balance	Increases (reductions) for transfers from Construction in progress	Other increases (decreases)	Disposals & withdrawals from service	Total changes	Closing balance
	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Land	160,461,335	58,903	41,948	(1,025,957)	(925,106)	159,536,229
Buildings	111,011,034	1,569,810	714,626	(43,428)	2,241,008	113,252,042
Machinery	363,844,849	13,145,270	8,021,019	(52,191)	21,114,098	384,958,947
Transport vehicles	5,866,755	129,550	72,545	(966,423)	(764,328)	5,102,427
Fixed installations & accessories	5,992,005	251,739	47,738	(253)	299,224	6,291,229
Computer equipment	13,921,577	215,394	147,094	-	362,488	14,284,065
Improvements to leased assets	597,279	64,999	144,653	-	209,652	806,931
Construction in progress	156,563,062	(58,984,644)	130,120,937	(925,001)	70,211,292	226,774,354
Additional works	43,248,022	768,303	343,898	(44,131)	1,068,070	44,316,092
Production facilities	316,220,864	9,510,498	2,624,481	(63,942)	12,071,037	328,291,901
Drinking water networks	492,846,317	12,978,119	12,266,887	(3,198,809)	22,046,197	514,892,514
Sewerage networks	519,580,232	9,496,203	6,406,148	(1,041,758)	14,860,593	534,440,825
Wastewater treatment plants	228,440,366	3,608,476	324,499	-	3,932,975	232,373,341
Other facilities	150,469,536	5,505,350	2,089,687	(15,391)	7,579,646	158,049,182
Goods out of service	2,023,017	-	-	(154,380)	(154,380)	1,868,637
Usage rights	-	-	-	-	-	-
Class of property, plant & equipment, gross	2,571,086,250	(1,682,030)	163,366,160	(7,531,664)	154,152,466	2,725,238,716



Detailed disclosure of information on property, plant and equipment (accumulated depreciation)

Current period 31-03-2019

Concept	Initial balance	Increases (reductions) for transfers from Construction in progress	Other increases (decreases)	Disposals & withdrawals from service	Total changes	Closing balance
	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Buildings	(33,627,076)	(564,217)	-	-	(564,217)	(34,191,293)
Machinery	(268,965,094)	(6,267,618)	-	-	(6,267,618)	(275,232,712)
Transport vehicles	(4,144,074)	(106,718)	-	-	(106,718)	(4,250,792)
Fixed installations & accessories	(4,883,720)	(52,185)	-	-	(52,185)	(4,935,905)
Computer equipment	(11,823,891)	(344,344)	-	-	(344,344)	(12,168,235)
Improvements to leased assets	(572,754)	(16,729)	-	-	(16,729)	(589,483)
Additional works	(22,423,726)	(393,087)	-	-	(393,087)	(22,816,813)
Production facilities	(154,536,973)	(1,500,652)	-	-	(1,500,652)	(156,037,625)
Drinking water networks	(322,601,123)	(1,940,437)	-	-	(1,940,437)	(324,541,560)
Sewerage networks	(285,247,787)	(3,235,610)	-	-	(3,235,610)	(288,483,397)
Wastewater treatment plants	(64,323,218)	(1,281,961)	-	-	(1,281,961)	(65,605,179)
Other facilities	(110,349,548)	(2,007,465)	-	-	(2,007,465)	(112,357,013)
Goods out of service	(1,646,601)	(2,100)	-	-	(2,100)	(1,648,701)
Usage rights	-	(306,800)	(173)	24,488	(282,485)	(282,485)
Class of property, plant & equipment, accumulated depreciation	(1,285,145,585)	(18,019,923)	(173)	24,488	(17,995,608)	(1,303,141,193)



Previous period 31-12-2018 (accumulated depreciation)

Concept	Initial balance	Increases (reductions) for transfers from Construction in progress	Other increases (decreases)	Disposals & withdrawals from service	Total changes	Closing balance
	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Buildings	(31,409,947)	(2,245,955)	76	28,750	(2,217,129)	(33,627,076)
Machinery	(243,506,342)	(25,510,942)	-	52,190	(25,458,752)	(268,965,094)
Transport vehicles	(4,546,336)	(453,132)	-	855,394	402,262	(4,144,074)
Fixed installations & accessories	(4,676,420)	(207,553)	-	253	(207,300)	(4,883,720)
Computer equipment	(10,262,231)	(1,561,660)	-	-	(1,561,660)	(11,823,891)
Improvements to leased assets	(533,013)	(39,741)	-	-	(39,741)	(572,754)
Additional works	(20,898,955)	(1,564,306)	-	39,535	(1,524,771)	(22,423,726)
Production facilities	(148,622,781)	(5,963,222)	-	49,030	(5,914,192)	(154,536,973)
Drinking water networks	(318,185,220)	(7,585,423)	-	3,169,520	(4,415,903)	(322,601,123)
Sewerage networks	(273,414,628)	(12,874,297)	(76)	1,041,214	(11,833,159)	(285,247,787)
Wastewater treatment plants	(59,108,556)	(5,214,662)	-	-	(5,214,662)	(64,323,218)
Other facilities	(102,365,769)	(7,999,170)	-	15,391	(7,983,779)	(110,349,548)
Goods out of service	(1,792,236)	(8,746)	-	154,381	145,635	(1,646,601)
Usage rights	-	-	-	-	-	-
Class of property, plant & equipment, accumulated depreciation	(1,219,322,434)	(71,228,809)	-	5,405,658	(65,823,151)	(1,285,145,585)



Commitments for the acquisition of property, plant and equipment

The detail of the future amounts committed by each consolidated group company for the acquisition of property, plant and equipment for 2019, is the following:

Company	Th\$
Aguas Andinas S.A.	79,776,816
Aguas Cordillera S.A.	7,197,958
Aguas Manquehue S.A.	2,324,349
Essal S.A.	9,804,901
Ecoriles S.A.	89,526
Gestión y Servicios S.A.	39,887
Análisis Ambientales S.A.	197,433
Total	99,430,870

Temporarily out of service property, plant and equipment as of March 31, 2019:

Company	Gross Value Th\$	Accumulated Depreciation Th\$	Net Value Th\$
Aguas Andinas S.A.	1,594,305	(1,528,353)	65,952
Aguas Cordillera S.A.	274,332	(120,348)	153,984
Total	1,868,637	(1,648,701)	219,936

Restrictions of ownership for property, plant and equipment

As of March 31, 2019 and December 31, 2018, property, plant and equipment have not affected by ownership restrictions, nor are they affected by obligations pursuant to the provisions of IAS 16 paragraph 74 (a).

Financial lease contracts

As of March 31, 2019 is recorded in property, plant and equipment usage right asset under IFRS 16 (see note 11). As of December 31, 2018, there is no property, plant and equipment kept under financial lease contracts, according to IAS 17.



Note 11. LEASING

Showing up next a detail of usage rights asset and leasing liability according to established in IFRS 16.

Usage rights asset

The detail of usage rights assets as of March 31, 2019, corresponds to the following:

Usage rights:	Gross value Th\$	Accumulated depreciation Th\$	Net value Th\$
Buildings	220,848	-41,373	177,492
Transport equipment	1,466,672	-241,112	1,220,559
Total	1,687,520	-282,485	1,398,051

The present value of the future payments derived from that contracts are the following:

Leases liabilities	31-03-2019 Th\$
Up to one year	853,902
More than a year and no more than two years	420,117
More than two years and no more than three years	68,450
More than three years and no more than four years	39,786
More than four years and no more than five years	19,857
More than five years	5,101
Total	1,407,213

Disclosure of information on operational leasing as a lessor

Under this concept are presented the leasing of machinery and commercial agencies facilities.

Future minimum non-cancellable lease receivables, lessees	31-03-2019 Th\$	31-03-2018 Th\$
Future minimum non-cancellable lease payments up to 1 year, lessees	1,377,649	2,266,268
Future minimum non-cancellable lease payments, up to 1 less than 5 years, lessees	1,484,633	3,682,185
Future minimum non-cancellable lease payments, lessees, total	2,862,282	5,948,453
Minimum lease payments under operative leases	431,691	725,446
Lease & sub-lease installments booked in statement of results, total	431,691	725,446

(*) The consolidated statement of income for the period ended March 31, 2019 includes an expense of Th\$431,691, which is related to payments for short-term leases, which are excluded from the application of IFRS 16 (see Note 2.2 letter G). As of March 31, 2018, the amount recognized in results was Th\$725,446, from assets lease contracts classified as operating leases, according to IAS 17.



Significant operative leasing agreements:

The most significant operative leases are vehicle leasing. In these cases, contracts corresponding to periods less than 12 months as of March 31, 2019. The leasing services are paid on a monthly basis upon the submission and approval of payment statements.

Contract termination: The Company can terminate the contracts in case of serious breach of any of the conditions and obligations contained in the administrative bases and technical specifications. In this case, the company is entitled to a guarantee for its faithful, complete and timely fulfillment of the contract as compensation for damages.

Disclosure of information on operative leasing as lessors

The Company has entered into contracts of this kind acting as the lessor, mainly with regards to its operative premises, with telecommunications companies, which are renewed automatically from 1 to 5 years. However, the Company is entitled to give a termination notice 30, 60, 90 and 180 days according to the contract.

Future minimum non-cancellable lease receivables, lessors	31-03-2019 Th\$	31-03-2018 Th\$
Future minimum non-cancellable lease receivables, up to 1 year, lessors	311,649	201,325
Amount of rentals booked in statement of results	228,794	172,518
Total	540,443	373,843

Significant operative leasing agreements by the lessor

Revenues from these sources are negligible for the Company.

Note 12. REVENUE TAXES AND DEFERRED TAXES

As established in IAS 12, the following table shows the net position of deferred tax on assets and liabilities determined by Company, as in the consolidated statement of financial position, adding each position:

Statements of financial position	31-03-2019 Th\$	31-12-2018 Th\$
Deferred tax assets	22,518,644	23,499,561
Deferred tax liabilities	(35,725,200)	(35,452,801)
Net deferred tax position	(13,206,556)	(11,953,240)

The net position above originates from a variety of concepts that make up timing and permanent differences, which at the consolidated level can be shown under the following concepts:



Disclosure of deferred tax assets

Deferred tax assets	31-03-2019 Th\$	31-12-2018 Th\$
Water rights (amortization)	498,655	504,001
Provision for doubtful accounts	9,760,016	9,230,453
Provision for vacations	599,725	714,546
Litigation	812,024	807,907
Termination benefits	4,058,848	4,013,029
Other provisions	155,038	243,379
Anticipated income	0	0
Variation monetary correction & depreciation assets	68,342,783	69,908,916
Deferred income	1,969,571	1,969,571
La Dehesa dam transaction	389,057	389,058
Amortization	378,077	0
Others	1,659,748	1,625,101
Deferred tax assets	88,623,542	89,405,961

Disclosure on deferred tax liabilities

Deferred tax liabilities	31-03-2019 Th\$	31-12-2018 Th\$
Depreciation fixed assets	19,034,747	18,637,043
Amortization	522,239	645,687
Expense investment related companies	114,266	114,266
Revaluation of land	24,349,342	24,349,342
Revaluations of water rights	46,834,696	46,834,696
Fair value of assets by business combination	10,183,865	10,539,459
Usage rights IFRS 16	377,474	0
Others	413,469	238,708
Deferred tax liabilities	101,830,098	101,359,201
Net deferred tax position	-13,206,556	-11,953,240



Asset account activity on deferred taxes

Movement in deferred tax assets	31-03-2019 Th\$	31-12-2018 Th\$
Deferred tax assets, initial balance	89,405,961	84,864,153
Increases (decreases) in deferred tax assets	254,151	1,201,059
Increases (decreases) for variation in monetary correction and assets depreciation	(1,566,133)	3,046,526
Increases (decreases) for bad debt provision	529,563	294,223
Changes in deferred tax assets	(782,419)	4,541,808
Changes in deferred tax assets, total	88,623,542	89,405,961

Liability account activity on deferred taxes

Movement in deferred tax liabilities	31-03-2019 Th\$	31-12-2018 Th\$
Deferred tax liabilities, initial balance	101,359,201	102,484,409
Increases (decreases) in deferred tax liabilities	826,491	297,170
Increases (decreases) in acquisitions through combinations of businesses	(355,594)	(1,422,378)
Changes in deferred tax liabilities	470,897	(1,125,208)
Changes in deferred tax liabilities, total	101,830,098	101,359,201

Earnings' tax expense

Revenues (charge) for income taxes by current & deferred parts	31-03-2019 Th\$	31-03-2018 Th\$
Charge for current taxes	(19,318,359)	(19,601,044)
Previous year adjustment tax expense	-	(18,754)
Charge for current income tax	(19,318,359)	(19,619,798)
Deferred income (expenses) for taxes related to creation & reversal of timing differences	(1,253,316)	1,530,152
Charge for sole tax (disallowed expenses)	(43,549)	(39,798)
Earnings (charge) for other taxes	(1,296,865)	1,490,354
Charge for income tax	(20,615,224)	(18,129,444)



Numerical reconciliation of Revenue (expense) per tax and the result of multiplying the book profit by the applicable tax rate(s)

	31-03-2019 Th\$	31-03-2018 Th\$
Charge for taxes using the statutory rate	(20,590,635)	(19,183,504)
Permanent difference for monetary correction tax equity	5,305	1,209,939
Permanent difference for disallowed expenses	(43,549)	(39,798)
Permanent difference for previous years' income tax	-	(18,754)
Other permanent differences	13,655	(97,327)
Adjustments to tax charge using the statutory rate	(24,589)	1,054,060
Tax charge using the effective rate	(20,615,224)	(18,129,444)

Reconciliation of the statutory tax rate and the effective tax rate

	31-03-2019	31-03-2018
Statutory tax rate	27.00%	27.00%
Permanent difference for monetary correction tax equity	-0.01%	-1.70%
Permanent difference for tax loss benefit	0.00%	0.00%
Permanent difference for disallowed expenses	0.06%	0.06%
Permanent difference for previous years' income tax	0.00%	0.03%
Other permanent differences	-0.02%	0.13%
Effective tax rate	27.03%	25.52%

Note 13. FINANCIAL INSTRUMENTS

13.1 Capital risk management

The Group manages its capital to ensure that Group entities will continue as a going concern by maximizing the profitability for shareholders by optimizing the debt structure and the capital. The Group's general strategy has not changed since 2009. The Group's capital structure comprises debt, which includes the loans disclosed in Note 13.4, and the capital attributable to holders of equity of the controller, which includes the capital, reserves and retained earnings, as shown in Note 18.

13.2 Significant accounting policies

The significant accounting policies and methods adopted, including Acknowledgement criteria, measurement bases and the basis on which the revenues and expenses are recognized, with respect to each class of financial assets and liabilities, are described in Note 2 letter H, 2 letter L and 2 letter M of these interim consolidated financial statements.



13.3 Types of financial instruments

The summary table below shows the financial instruments as of March 31, 2019 and December 31, 2018:

Classes of financial instruments	Currency	Note	31-03-2019 Th\$	31-12-2018 Th\$
Total financial assets			143,552,785	129,265,177
Other financial assets, current			8,155,274	0
Bonds advance	CLP	7.1	8,124,752	0
Coverage	CLP	7.1	30,522	0
Total trade debtors and other accounts receivable, current			123,379,237	116,821,062
Trade debtors and other accounts receivable	CLP	4	123,364,239	116,800,398
Trade debtors and other accounts receivable	USD	4	6,573	8,424
Trade debtors and other accounts receivable	EUR	4	8,425	12,240
Information of related entities, current			58,862	91,183
Accounts receivable to related entities	CLP	5	58,862	91,183
Total financial assets, current			131,593,373	116,912,245
Rights receivable	CLP	4	4,106,500	4,500,020
Other financial assets	CLP	7.2	7,852,912	7,852,912
Total financial assets, non-current			11,959,412	12,352,932
Total financial liabilities				
Other financial liabilities, current			67,100,602	33,963,316
Bank loans	CLP	13.4	31,616,155	3,503,647
Bonds	CLP	13.4	21,131,727	15,037,330
Reimbursable financial contributions	CLP	13.4	13,498,818	15,422,339
Liability for lease	CLP	13.4	853,902	-
Trade accounts and other payable accounts, current			80,564,020	136,872,967
Trade accounts and other payable accounts	CLP	14	78,554,595	135,870,210
Trade accounts and other payable accounts	USD	14	240,277	903,099
Trade accounts and other payable accounts	EUR	14	1,769,148	99,658
Information on related entities, current			22,510,625	46,569,102
Accounts payable to related entities	CLP	5	22,510,625	46,569,102
Total financial liabilities, current			170,175,247	217,405,385
Other financial liabilities, non-current			909,570,455	912,513,179
Bank loans	CLP	13.4	92,519,209	92,519,209
Bonds	CLP	13.4	643,475,826	646,960,110
Reimbursable financial contributions	CLP	13.4	173,022,109	173,033,860
Liability for lease	CLP	13.4	553,311	-
Other payable accounts, non-current			945,673	983,335
Other payable accounts	CLP	14	945,673	983,335
Total financial liabilities, non-current			910,516,128	913,496,514



13.4 Disclosure of information on financial liabilities

Other financial liabilities

Other financial liabilities include bank loans, public obligations (bonds) and Reimbursable Financial Contributions (AFR, in its Spanish acronym) and leasing liability which are valued at amortized cost, as explained below:

Reimbursable Financial Contributions (AFR, in its Spanish acronym)

In accordance with article 42-A of Supreme Decree MINECON No. 453 of 1989, "Reimbursable Financial Contributions, for extension and capacity, constitute a financing alternative for the supplier (water utility services company) to carry out works for extending and increasing the sanitation capacity, which by law must be borne by it."

They are certain amounts of money or works that water utility companies can require from those asking to be incorporated as customers or who request service extension, which, according to current regulations, have specific reimbursement forms and terms.

The reimbursement of the amounts contributed by customers is basically through the issue of endorsable promissory notes payable within 10 or 15 years and, in some minor cases, to be reimbursed by providing sanitation services.

The following table summarizes reimbursable financial contributions as of March 31, 2019 and December 31, 2018:

Reimbursable Financial Contributions, current portion

Registration number or identification of the instrument	Currency indexation unit	Residual UF 31-03-2019	Book value		Contract real interest rate	Effective rate	Placement in Chile or abroad	Issuing company	Issuer tax ID	Type of repayment	Secured (Yes/No)
			31-03-2019 Th\$	31-12-2018 Th\$							
AFR	UF	336,985	9,533,901	10,460,816	4.17%	4.07%	Chile	Aguas Andinas S.A.	61.808.000-5	At maturity	No
AFR	UF	124,762	3,517,671	3,836,401	4.19%	4.07%	Chile	Aguas Cordillera S.A.	96.809.310-k	At maturity	No
AFR	UF	15,955	447,246	1,125,122	4.48%	4.36%	Chile	Aguas Manquehue S.A.	89.221.000-4	At maturity	No
Total		477,702	13,498,818	15,422,339							



Reimbursable Financial Contributions, non-current portion

Registration number or identification of the instrument	Currency indexation unit	Residual UF 31-03-2019	Book value		Maturity Date	Contract real interest rate	Effective rate	Issuing company	Issuer tax ID	Type of repayment	Secured (Yes/No)
			31-03-2019 Th\$	31-12-2018 Th\$							
AFR	UF	4,425,037	123,773,837	122,915,519	14-09-2033	3.21%	3.04%	Aguas Andinas S.A.	61.808.000-5	At maturity	No
AFR	UF	781,644	21,199,079	21,717,829	04-09-2033	3.12%	2.95%	Aguas Cordillera S.A.	96.809.310-k	At maturity	No
AFR	UF	645,839	18,192,409	17,950,443	20-10-2032	3.14%	3.02%	Aguas Manquehue S.A.	89.221.000-4	At maturity	No
AFR	UF	375,843	9,856,784	10,450,069	01-10-2033	3.48%	3.52%	Essal S.A	96.579.800-5	At maturity	No
Total		6,228,363	173,022,109	173,033,860							



The tables below show a detail of bank loans as of March 31, 2019 and December 31, 2018:

Total bank loan balances, current period

Debtor tax number	61.808.000-5	61.808.000-5	61.808.000-5	96.809.310-K	96.579.800-5	96.579.800-5	96.579.800-5
Debtor name	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Cordillera S.A.	Essal S.A.	Essal S.A.	Essal S.A.
Debtor country	Chile	Chile	Chile	Chile	Chile	Chile	Chile
Creditor tax ID	97.004.000-5	97.006.000-6	97.006.000-6	97.032.000-8	97.004.000-7	97.004.000-7	97.006.000-6
Bank or financial institution	Banco de Chile	Banco BCI	Banco BBVA	Banco BBVA	Banco de Chile	Banco de Chile	Banco BCI
Currency or indexation unit	CLP	CLP	CLP	CLP	CLP	CLP	CLP
Repayment method	Semi-annual	At maturity	At maturity	At maturity	At maturity	At maturity	At maturity
Effective rate	3.83%	3.65%	3.80%	3.65%	3.44%	3.16%	3.29%
Nominal rate	3.83%	3.65%	3.80%	3.65%	3.44%	3.16%	3.29%
	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Nominal value							
Up to 1 year	508,420	13,677	26,841,104	62,861	2,537,680	1,523,071	129,342
Up to 90 days	508,420	-	26,841,104	-	37,680	-	129,342
Over 90 days to 1 year	-	13,677	-	62,861	2,500,000	1,523,071	-
More than 1 up to 3 years	13,274,672	19,270,304	-	-	-	-	9,000,000
More than 1 up to 2 years	4,424,891	-	-	-	-	-	-
More than 2 up to 3 years	8,849,781	19,270,304	-	-	-	-	9,000,000
Over 3 to 5 years	17,699,562	-	-	20,000,000	-	-	-
More than 3 up to 4 years	8,849,781	-	-	-	-	-	-
More than 4 up to 5 years	8,849,781	-	-	20,000,000	-	-	-
More than 5 years	13,274,671	-	-	-	-	-	-
More than 5 years	13,274,671	-	-	-	-	-	-
Total nominal values	44,757,325	19,283,981	26,841,104	20,062,861	2,537,680	1,523,071	9,129,342
Book value							
Current public obligations	508,420	13,677	26,841,104	62,861	2,537,680	1,523,071	129,342
Up to 90 days	508,420	-	26,841,104	-	37,680	-	129,342
More than 90 days up to 1 year	0	13,677	-	62,861	2,500,000	1,523,071	-
Non-current bank loans	44,248,905	19,270,304	-	20,000,000	-	-	9,000,000
More than 1 up to 3 years	13,274,672	19,270,304	-	-	-	-	9,000,000
More than 1 up to 2 years	4,424,891	-	-	-	-	-	-
More than 2 up to 3 years	8,849,781	19,270,304	-	-	-	-	9,000,000
More than 3 up to 5 years	17,699,562	-	-	20,000,000	-	-	-
More than 3 up to 4 years	8,849,781	-	-	-	-	-	-
More than 4 up to 5 years	8,849,781	-	-	20,000,000	-	-	-
More than 5 years	13,274,671	-	-	-	-	-	-
More than 5 years	13,274,671	-	-	-	-	-	-
Total public obligations	44,757,325	19,283,981	26,841,104	20,062,861	2,537,680	1,523,071	9,129,342

Book value = principal+/- issue over/below – issue costs + accrued interest by effective interest-rate method – interests and principal paid.

Nominal value = principal + accrued interest at issue rate - principal /interest payments.

In the breakdown of bank loans, there is no variation between the nominal value and the book value, since obtaining and/or renewing loans do not incur in issuance costs.



Bank loan balances for the previous period

Debtor tax number	61.808.000-5	61.808.000-5	61.808.000-5	96.809.310-K	96.579.800-5	96.579.800-5	
Debtor name	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Cordillera S.A.	Essal S.A.	Essal S.A.	
Debtor country	Chile	Chile	Chile	Chile	Chile	Chile	
Creditor tax ID	97.004.000-5	97.006.000-6	97.006.000-6	97.032.000-8	97.004.000-5	97.006.000-6	
Bank or financial institution	Banco de Chile	Banco BCI	Banco Scotiabank	Banco Scotiabank	Banco de Chile	Banco BCI	
Currency or indexation unit	CLP	CLP	CLP	CLP	CLP	CLP	
Repayment method	Semi-annual	At maturity	At maturity	At maturity	At maturity	At maturity	
Effective rate	3.83%	3.22%	3.51%	3.20%	3.44%	3.29%	
Nominal rate	3.83%	3.22%	3.51%	3.20%	3.44%	3.29%	
Nominal value	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Up to 1 year	71,002	217,177	439,245	222,223	2,512,182	41,818	3,503,647
Up to 90 days	-	217,177	300	222,223	12,182	-	451,882
Over 90 days to 1 year	71,002	-	438,945	-	2,500,000	41,818	3,051,765
More than 1 up to 3 years	13,274,672	19,270,304	-	-	-	9,000,000	41,544,976
More than 1 up to 2 years	4,424,891	19,270,304	-	-	-	-	23,695,195
More than 2 up to 3 years	8,849,781	-	-	-	-	9,000,000	17,849,781
Over 3 to 5 years	17,699,562	-	-	20,000,000	-	-	37,699,562
More than 3 up to 4 years	8,849,781	-	-	-	-	-	8,849,781
More than 4 up to 5 years	8,849,781	-	-	20,000,000	-	-	28,849,781
More than 5 years	13,274,671	-	-	-	-	-	13,274,671
More than 5 years	13,274,671	-	-	-	-	-	13,274,671
Total nominal values	44,319,907	19,487,481	439,245	20,222,223	2,512,182	9,041,818	96,022,856
Book value	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Current public obligations	71,002	217,177	439,245	222,223	2,512,182	41,818	3,503,647
Up to 90 days	-	217,177	300	222,223	12,182	-	451,882
More than 90 days up to 1 year	71,002	-	438,945	-	2,500,000	41,818	3,051,765
Non-current bank loans	44,248,905	19,270,304	-	20,000,000	-	9,000,000	92,519,209
More than 1 up to 3 years	13,274,672	19,270,304	-	-	-	9,000,000	41,544,976
More than 1 up to 2 years	4,424,891	19,270,304	-	-	-	-	23,695,195
More than 2 up to 3 years	8,849,781	-	-	-	-	9,000,000	17,849,781
More than 3 up to 5 years	17,699,562	-	-	20,000,000	-	-	37,699,562
More than 3 up to 4 years	8,849,781	-	-	-	-	-	8,849,781
More than 4 up to 5 years	8,849,781	-	-	20,000,000	-	-	28,849,781
More than 5 years	13,274,671	-	-	-	-	-	13,274,671
More than 5 years	13,274,671	-	-	-	-	-	13,274,671
Total public obligations	44,319,907	19,487,481	439,245	20,222,223	2,512,182	9,041,818	96,022,856

Book value = principal +/- issue over/below – issue costs + accrued interest by effective interest-rate method – interests and principal paid.

Nominal value = principal + accrued interest at issue rate - principal / interest payments.

In the breakdown of bank loans, there is no variation between the nominal value and the book value, since obtaining and/or renewing loans do not incur in issuance costs.



The table below shows the detail of bonds outstanding as of March 31, 2019 and December 31, 2018:

Total public obligations for the current period

Debtor tax number	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	96.579.800-5	96.579.800-5
Debtor name	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Essal S.A.	Essal S.A.
Debtor country	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile
Registration number	630	655	655	712	713	713	778	778	806	777	806	887	886	284	870
Series	BAGUA-M	BAGUA-P	BAGUA-Q	BAGUA-R	BAGUA-S	BAGUA-U	BAGUA-V	BAGUA-W	BAGUA-X	BAGUA-Z	BAGUA-AA	BAGUA-AD	BAGUA-AC	Besal-B	Besal-C
Final maturity	01-04-2031	01-10-2033	01-06-2032	01-04-2019	01-04-2035	01-04-2036	01-04-2037	01-06-2037	01-02-2038	15-01-2023	15-01-2040	15-03-2043	15-03-2025	01-06-2028	01-12-2040
Currency or indexation unit	UF	UF	UF	UF	UF	UF	UF	UF	UF	UF	UF	UF	UF	UF	UF
Repayment period	At maturity	At maturity	At maturity	Semi-annual	At maturity	At maturity	At maturity	At maturity	At maturity	Semi-annual	Semi-annual	Semi-annual	Semi-annual	Semi-annual	Semi-annual
Effective rate	4.16%	3.82%	4.05%	3.44%	3.92%	3.81%	3.50%	3.18%	3.15%	2.34%	3.33%	2.87%	1.96%	6.63%	2.93%
Nominal rate	4.20%	3.86%	4.00%	3.30%	3.90%	3.80%	3.50%	3.30%	3.00%	2.40%	3.20%	2.80%	1.80%	6.00%	2.80%
Nominal value	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Up to 1 year	1,002,622	790,462	600,504	3,112,983	1,224,468	1,037,741	956,477	691,750	218,894	7,031,056	369,511	32,932	68,133	599,235	351,309
Up to 90 days	1,002,622	790,462	600,504	3,112,983	1,224,468	1,037,741	956,477	691,750	-	-	-	-	-	599,235	351,309
More than 90 up to 1 year	-	-	-	-	-	-	-	-	218,894	7,031,056	369,511	32,932	68,133	-	-
More than 1 up to 3 years	-	-	-	-	-	-	-	-	-	13,782,880	-	-	10,337,160	6,383,648	-
More than 1 up to 2 years	-	-	-	-	-	-	-	-	-	6,891,440	-	-	-	3,191,824	-
More than 2 up to 3 years	-	-	-	-	-	-	-	-	-	6,891,440	-	-	10,337,160	3,191,824	-
More than 3 up to 5 years	48,240,080	41,348,640	45,483,504	0	63,401,248	55,131,520	55,131,520	63,401,248	44,105,216	6,891,440	55,131,520	55,131,520	31,011,480	23,530,372	27,565,760
More than 3 up to 4 years	-	-	-	-	-	-	-	-	-	6,891,440	-	-	10,337,160	3,191,824	-
More than 4 up to 5 years	-	-	-	-	-	-	-	-	-	-	-	-	10,337,160	3,191,824	-
More than 5 years	48,240,080	41,348,640	45,483,504	-	63,401,248	55,131,520	55,131,520	63,401,248	44,105,216	-	55,131,520	55,131,520	10,337,160	17,146,724	27,565,760
Total nominal values	49,242,702	42,139,102	46,084,008	3,112,983	64,625,716	56,169,261	56,087,997	64,092,998	44,324,110	27,705,376	55,501,031	55,164,452	41,416,773	30,513,255	27,917,069
Book value	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Current public obligations	1,014,873	798,559	613,993	3,112,983	1,217,669	1,034,285	956,477	734,362	183,258	7,042,021	333,318	13,798	15,723	3,709,099	351,309
Up to 90 days	1,014,873	798,559	613,993	3,112,983	1,217,669	1,034,285	956,477	734,362	-	-	-	-	-	-	351,309
More than 90 up to 1 year	-	-	-	-	-	-	-	-	183,258	7,042,021	333,318	13,798	15,723	3,709,099	-
Non-current bank loans	48,422,390	41,499,504	45,706,259	0	63,264,902	55,051,901	55,131,520	64,317,767	43,212,239	20,694,304	54,126,366	54,517,387	41,133,636	29,538,978	26,858,673
More than 1 up to 3 years	-	-	-	-	-	-	-	-	-	13,792,872	-	-	10,283,409	6,221,734	-
More than 1 up to 2 years	-	-	-	-	-	-	-	-	-	6,896,436	-	-	-	3,110,867	-
More than 2 up to 3 years	-	-	-	-	-	-	-	-	-	6,896,436	-	-	10,283,409	3,110,867	-
More than 3 up to 5 years	48,422,390	41,499,504	45,706,259	-	63,264,902	55,051,901	55,131,520	64,317,767	43,212,239	6,901,432	54,126,366	54,517,387	30,850,227	23,317,244	26,858,673
More than 3 up to 4 years	-	-	-	-	-	-	-	-	-	6,896,436	-	-	10,283,409	3,110,867	-
More than 4 up to 5 years	-	-	-	-	-	-	-	-	-	4,996	-	-	10,283,409	3,110,867	-
More than 5 years	48,422,390	41,499,504	45,706,259	-	63,264,902	55,051,901	55,131,520	64,317,767	43,212,239	-	54,126,366	54,517,387	10,283,409	17,095,510	26,858,673
Total public obligations	49,437,263	42,298,063	46,320,252	3,112,983	64,482,571	56,086,186	56,087,997	65,052,129	43,395,497	27,736,325	54,459,684	54,531,185	41,149,359	33,248,077	27,209,982



Total public obligations for the previous period

Debtor tax number	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	61.808.000-5	96.579.800-5	96.579.800-5
Debtor name	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Aguas Andinas S.A.	Essal S.A.	Essal S.A.
Debtor country	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile	Chile
Registration number	630	655	655	712	713	713	778	778	806	777	806	887	886	284	870
Series	BAGUA-M	BAGUA-P	BAGUA-Q	BAGUA-R	BAGUA-S	BAGUA-U	BAGUA-V	BAGUA-W	BAGUA-X	BAGUA-Z	BAGUA-AA	BAGUA-AD	BAGUA-AC	Besal-B	Besal-C
Final maturity	01-04-2031	01-10-2033	01-06-2032	01-04-2019	01-04-2035	01-04-2036	01-04-2037	01-06-2037	01-02-2038	15-01-2023	15-01-2040	15-03-2043	15-03-2025	01-06-2028	01-12-2040
Currency or indexation unit	UF	UF	UF	UF	UF	UF	UF	UF	UF	UF	UF	UF	UF	UF	UF
Repayment period	At maturity	At maturity	At maturity	Semi-annual	At maturity	At maturity	At maturity	At maturity	At maturity	Semi-annual	Semi-annual	Semi-annual	Semi-annual	Semi-annual	Semi-annual
Effective rate	4.16%	3.82%	4.05%	3.44%	3.92%	3.81%	3.50%	3.18%	3.15%	2.34%	3.33%	2.87%	1.96%	6.63%	2.93%
Nominal rate	4.20%	3.86%	4.00%	3.30%	3.90%	3.80%	3.50%	3.30%	3.00%	2.40%	3.20%	2.80%	1.80%	6.00%	2.80%
Nominal value	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Up to 1 year	501,311	395,231	150,126	3,087,924	612,235	518,871	478,239	172,938	547,236	3,748,693	806,326	219,393	451,380	2,649,403	-
Up to 90 days	-	-	-	-	-	-	-	-	547,236	3,748,693	806,326	219,393	451,380	2,649,403	-
More than 90 up to 1 year	501,311	395,231	150,126	3,087,924	612,235	518,871	478,239	172,938	-	-	-	-	-	-	-
More than 1 up to 3 years	-	-	-	-	-	-	-	-	-	13,782,896	-	-	5,168,586	6,383,654	-
More than 1 up to 2 years	-	-	-	-	-	-	-	-	-	6,891,448	-	-	-	3,191,827	-
More than 2 up to 3 years	-	-	-	-	-	-	-	-	-	6,891,448	-	-	5,168,586	3,191,827	-
More than 3 up to 5 years	48,240,133	41,348,685	45,483,554	-	63,401,317	55,131,580	55,131,580	63,401,317	44,105,264	10,337,172	55,131,580	55,131,580	36,180,099	23,606,307	27,565,790
More than 3 up to 4 years	-	-	-	-	-	-	-	-	-	6,891,448	-	-	10,337,171	3,191,827	-
More than 4 up to 5 years	-	-	-	-	-	-	-	-	-	3,445,724	-	-	10,337,171	3,191,827	-
More than 5 years	48,240,133	41,348,685	45,483,554	-	63,401,317	55,131,580	55,131,580	63,401,317	44,105,264	-	55,131,580	55,131,580	15,505,757	17,222,653	27,565,790
Total nominal values	48,741,444	41,743,916	45,633,680	3,087,924	64,013,552	55,650,451	55,609,819	63,574,255	44,652,500	27,868,761	55,937,906	55,350,973	41,800,065	32,639,364	663,870,400
Book value	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$	Th\$
Current public obligations	514,006	403,555	163,916	3,088,985	605,265	515,342	478,239	216,304	510,665	3,762,546	769,268	199,950	390,405	3,259,198	15,037,330
Up to 90 days	-	-	-	-	-	-	-	-	510,665	3,762,546	769,268	199,950	390,405	-	-
More than 90 up to 1 year	514,006	403,555	163,916	3,088,985	605,265	515,342	478,239	216,304	-	-	-	-	-	3,259,198	15,037,330
Non-current bank loans	48,424,970	41,501,290	45,709,303	-	63,263,490	55,051,193	55,131,580	64,327,541	43,204,473	24,139,660	54,118,401	54,513,068	41,129,323	29,601,126	26,844,692
More than 1 up to 3 years	-	-	-	-	-	-	-	-	-	13,792,692	-	-	5,113,745	6,218,496	-
More than 1 up to 2 years	-	-	-	-	-	-	-	-	-	6,896,346	-	-	-	3,109,248	-
More than 2 up to 3 years	-	-	-	-	-	-	-	-	-	6,896,346	-	-	5,113,745	3,109,248	-
More than 3 up to 5 years	48,424,970	41,501,290	45,709,303	-	63,263,490	55,051,193	55,131,580	64,327,541	43,204,473	10,346,968	54,118,401	54,513,068	36,015,578	23,382,630	26,844,692
More than 3 up to 4 years	-	-	-	-	-	-	-	-	-	6,896,346	-	-	10,282,331	3,109,248	-
More than 4 up to 5 years	-	-	-	-	-	-	-	-	-	3,450,622	-	-	10,282,331	3,109,248	-
More than 5 years	48,424,970	41,501,290	45,709,303	-	63,263,490	55,051,193	55,131,580	64,327,541	43,204,473	-	54,118,401	54,513,068	15,450,916	17,164,134	26,844,692
Total public obligations	48,938,976	41,904,845	45,873,219	3,088,985	63,868,755	55,566,535	55,609,819	64,543,845	43,715,138	27,902,206	54,887,669	54,713,018	41,519,728	32,860,324	661,997,440



Leasing liability

Corresponds to the obligation for lease payments according to IFRS 16 by Th\$853,902 (current) and Th\$553,311 (non-current), see Note 11.

Reconciliation of financial liabilities

The following is a reconciliation between initial and final balances of other financial liabilities as of March 31, 2019 and December 31, 2018:

Current period

Other financial liabilities, current	Initial balance 31-12-2018 Th\$	Additions Th\$	Payments Th\$	Transfers Th\$	Closing balance 31-03-2019 Th\$
Bank loans	3,503,647	34,492,932	(6,454,681)	74,257	31,616,155
Bonds	15,037,330	2,193,806	(1,552,281)	5,452,872	21,131,727
Reimbursable financial contributions	15,422,339	2,014,481	(2,014,641)	(1,923,361)	13,498,818
Leasing liabilities		1,002,421	(325,409)	176,890	853,902
Total	33,963,316	39,703,640	(10,347,012)	3,780,658	67,100,602
Other financial liabilities, non-current	Initial balance 31-12-2018 Th\$	Additions Th\$	Payments Th\$	Transfers Th\$	Closing balance 31-03-2019 Th\$
Bank loans	92,519,209	19,270,304	(19,270,304)	-	92,519,209
Bonds	646,960,110	68,843	(106,763)	(3,446,364)	643,475,826
Reimbursable financial contributions	173,033,860	3,946,181	(7,344,571)	3,386,639	173,022,109
Leasing liabilities	-	730,200		(176,889)	553,311
Total	912,513,179	23,285,328	(26,721,638)	(59,725)	909,570,455

Previous period

Other financial liabilities, current	Initial balance 31-12-2017 Th\$	Additions Th\$	Payments Th\$	Transfers Th\$	Closing balance 31-03-2019 Th\$
Bank loans	7,436,617	24,492,934	(24,436,123)	(3,989,781)	3,503,647
Bonds	40,406,918	3,191,827	(30,543,587)	1,982,172	15,037,330
Reimbursable financial contributions	15,201,817	3,036,088	(2,623,884)	(191,682)	15,422,339
Leasing liabilities	-	730,200		(176,889)	553,311
Total	63,045,352	31,451,049	(57,603,594)	(2,376,180)	34,516,627
Other financial liabilities, current	Initial balance 31-12-2017 Th\$	Additions Th\$	Payments Th\$	Transfers Th\$	Closing balance 31-12-2018 Th\$
Bank loans	88,735,865	64,248,905	(44,248,905)	(16,216,656)	92,519,209
Bonds	545,691,060	113,369,845	(7,515,955)	(4,584,840)	646,960,110
AFR	168,551,242	13,265,467	(13,089,756)	4,306,907	173,033,860
Total	802,978,167	190,884,217	(64,854,616)	(16,494,589)	912,513,179



13.5 Risk management

The main objectives of financial risk management are to ensure the availability of funds to meet financial commitments and to protect the value of the Group's economic flows, assets and liabilities.

Risk management begins with the identification of risks, the determination of tolerance to each risk, the hedging of such financial risks and the control of hedge transactions. To achieve the objectives, financial risk management is based on hedging all significant exposures, provided that there are suitable instruments and they are reasonably priced.

i. Credit risk

Credit risk is the possibility of financial loss arising from the default of its obligations by our counterparties (customers).

Aguas Andinas and its Subsidiaries have a fragmented market which implies that the risk of a customer credit in particular is not significant.

The Company's objective is to maintain minimum levels of bad debts. There is a credit policy which sets the conditions and types of payment and also conditions for reaching payment agreements with overdue customers. The management processes are to control, estimate and evaluate bad debts in order to take corrective actions to achieve the objectives. One of the principal actions and measures for maintaining low levels of bad debts is to cut the service.

The method for analysis is based on credit losses model expected according to IFRS 9 (see Note 2.2 letter H).

ii. Liquidity risk

Liquidity risk is the possibility that the Group has difficulties to fulfill its obligations associated with financial liabilities liquidated by the delivery of cash or any other financial asset without being able to finance its commitments undertaken, such as long-term investments and working capital needs at reasonable market prices.

Management monitors the Group's liquidity reserve as a function of expected cash flows.

Preventive measures taken to manage liquidity risk include the following:

- Diversification of financing sources and instruments.
- Agreeing upon maturity dates with creditors in order to avoid the concentration of large repayments in one period.



Maturity structure (non-discounted flows)

Maturity structure	Up to 90 days		91 days to 1 year		13 months to 3 years		3 to 5 years		More than 5 years	
	Th\$	Contract interest rate	Th\$	Contract interest rate	Th\$	Contract interest rate	Th\$	Contract interest rate	Th\$	Contract interest rate
Bank loans	2,748,525	3.22%	11,551,207	3.67%	31,198,424	3.57%	55,605,075	3.94%	118,198,423	2.91%
Bonds	31,878,564	3.78%	2,280,733	3.77%	47,546,964	3.64%	40,658,768	3.74%	13,783,091	3.83%
Reimbursable financial contributions	13,772,233	4.45%	19,795,783	3.87%	69,511,202	2.72%	71,738,315	2.38%	800,886,939	3.67%
Leasing liabilities	309,904	3.96%	543,998	3.96%	488,567	3.96%	59,643	3.96%	5,101	3.96%
Trade accounts and other payable accounts	66,054,815	-	14,509,205	-	339,907	-	157,623	-	448,143	-
Total	114,764,040		48,680,925		149,085,064		168,219,424		933,321,697	

Liquidity risk is controlled on a periodical basis in order to acknowledge, detect and correct deviations for mitigating any possible effect on the results.

iii. Interest rate risk

The Company has a variable and fixed interest-rate structure, as shown in the following table:

Debt instruments	Rate	%
Bank loans	Variable	12.71%
Bonds	Fixed	68.05%
Reimbursable financial contributions	Fixed	19.10%
Leasing liabilities	Fixed	0.14%
Total		100.00%

Interest rate sensitivity analysis

A rate analysis is compared to the BAR (Banking Asset Rate), assuming that all other variables remain constant. The method consists in measuring the positive or negative variation in nominal BAR as of the report submission date compared to the average BAR for the latest loan setting.

The analysis is based on historical data on the average daily market price of 180-day BAR over the past 3 years until the report submission date, with a confidence level of 95%.

Company	Nominal amount of debt (Th\$)	Variable rate	Points (+/-)	Impact on result Th\$ (+/-)
Aguas Andinas Consolidated	124,135,364	180-day TAB	3	40,288



13.6 Fair value of financial instruments

Fair value of financial instruments recorded at amortized cost.

The following table summarizes the fair values of the principal financial assets and liabilities, including those that have not been recorded at fair value in the consolidated Balance Sheet:

	31-03-2019	
	Amortized cost Th\$	Fair value Th\$
Cash equivalents		
Investments booked at fair value	22,174,979	22,174,979
Mutual funds, level 1	22,174,979	22,174,979
Other financial liabilities		
Financial liabilities booked at amortized cost	975,263,844	1,083,588,026
Bank debt, level 2	124,135,364	124,863,146
Bonds, level 1	664,607,552	772,203,952
AFR, level 3	186,520,929	186,520,929

Methodology and assumptions used in the calculation of fair value

The fair value of financial assets and liabilities was determined using the following methodology:

- The amortized cost of time deposits and mutual funds is a good approximation of fair value as they are short-term operations.
- The amortized cost of AFR liabilities is a good approximation of fair value as they are not very liquid in the market, but their issue rate is determined in line with the regulation (Decree Law No. 70).
- The fair value of bonds was determined upon market price references as these instruments are traded on the market under normal conditions and with a high level of liquidity.
- The fair value of bank debt was determined by updating the cash flows of each loan (principal and interest disbursements) to a swap curve interpolated rate for the remaining term. This term corresponds to the number of days between the financial statement closing date and the cash disbursement date.

Acknowledgement of a hierarchy in the fair value measurements contained in the Consolidated Financial Information Statements

- Level 1 includes fair-value measurement methodologies by market quotes (without adjustments) in active markets and considering the same assets and liabilities valued.



- Level 2 includes fair-value measurement methodologies based on market quotation data not included in Level 1, observable for the assets and liabilities valued, either directly (prices) or indirectly (derivative of the prices).
- Level 3 includes fair-value measurement methodologies based on valuation techniques which include data on the assets and liabilities valued, which are not based on observable market data.

Note 14. TRADE ACCOUNTS AND OTHER ACCOUNTS PAYABLE

The composition of trade accounts and other current and non-current accounts receivable as of March 31, 2019 and December 31, 2018, is the following:

Trade creditors & other accounts payable, current	Currency	31-03-2019 Th\$	31-12-2018 Th\$
Subcontractors	CLP	29,057,572	39,997,433
Dividends	CLP	121,206	22,849,266
Suppliers	CLP	23,392,814	48,205,090
Suppliers	USD	240,277	903,099
Suppliers	EUR	1,769,148	99,658
Accrued products and services	CLP	19,678,456	17,545,125
Personnel	CLP	3,178,330	4,221,514
Payable documents	CLP	2,494,541	2,640,953
Others	CLP	631,676	410,829
Sub-total current		80,564,020	136,872,967
Payable documents	CLP	712,593	730,021
Suppliers	CLP	162,685	182,919
Various creditors	CLP	70,395	70,395
Sub total non-current		945,673	983,335
Total current & non-current		81,509,693	137,856,302



The tables below show information regarding the trade accounts by maturity date:

14.1 Trade Accounts

Current period

Current trade accounts according to term	31-03-2019			
	Goods	Services	Other	Total
	Th\$	Th\$	Th\$	Th\$
Up to 30 days	4,506,484	12,392,080	94,400	16,992,964
Between 31 and 60 days	468,380	707,570	2,944	1,178,894
Between 61 and 90 days	-	144,044	-	144,044
Between 121 and 365 days	1,821,254	20,233	-	1,841,487
Total	6,796,118	13,263,927	97,344	20,157,389

Overdue trade accounts according to term	31-03-2019			
	Goods	Services	Other	Total
	Th\$	Th\$	Th\$	Th\$
Up to 30 days	43	224,684	3,930	228,657
Between 31 and 60 days	3,142,603	226,742	67,574	3,436,919
Between 61 and 90 days	912,475	526,471	32,605	1,471,551
Between 91 and 120 days	73,476	11,352	663	85,491
Between 121 and 365 days	458	16,571	2,545	19,574
More than 365 days	347	1,736	575	2,658
Total	4,129,402	1,007,556	107,892	5,244,850



Previous period

Current trade accounts according to term	31-12-2018			
	Goods	Services	Other	Total
	Th\$	Th\$	Th\$	Th\$
Up to 30 days	11,577,843	22,520,176	229,274	34,327,293
Between 31 and 60 days	3,237,666	6,521,436	30,993	9,790,095
Between 61 and 90 days	-	435,541	-	435,541
Between 91 and 120 days	-	26,793	-	26,793
Between 121 and 365 days	-	228,113	-	228,113
Total	14,815,509	29,732,059	260,267	44,807,835

Overdue trade accounts according to term	31-12-2018			
	Goods	Services	Other	Total
	Th\$	Th\$	Th\$	Th\$
Up to 30 days	0	458,332	4,979	463,311
Between 31 and 60 days	2,582,452	60,118	198,854	2,841,424
Between 61 and 90 days	663,178	24,747	45,366	733,291
Between 91 and 120 days	312,414	20,577	388	333,379
Between 121 and 365 days	1,581	22,696	1,451	25,728
More than 365 days	171	2,618	90	2,879
Total	3,559,796	589,088	251,128	4,400,012



Note 15. OTHER PROVISIONS AND CONTINGENT LIABILITIES

A. Other provisions

Below is a breakdown of the heading as of March 31, 2019 and December 31, 2018:

Classes of provisions	31-03-2019 Th\$	31-12-2018 Th\$
Provisions for legal claims	3,007,495	2,992,246
Other provisions, current	3,007,495	2,992,246
Other provisions, non-current	1,341,231	1,341,233
Provisions, non-current	1,341,231	1,341,233

* According to the policy established by Company subsidiaries regarding the treatment of collateral documents associated with the projects awarded to the group's companies, a charge to results was made in those cases in which guarantees are expected to be executed by Company clients.

The account activity of the period's current provisions is the following:

Legal claims	31-03-2019 Th\$	31-12-2018 Th\$
Initial balance provisions	2,992,246	2,603,819
Increase in existing provisions	265,168	891,679
Provision used	(215,394)	(549,895)
Other increases (decreases)	(34,525)	46,643
Changes in provisions, total	15,249	388,427
Total	3,007,495	2,992,246

The provisions under this item are as follows:

1.- Legal claims

The Company registers the provision corresponding to lawsuits derived from its operations, originated mainly by sanction processes carried out by auditing entities. Additionally, Aguas Andinas and its subsidiaries are parties to civil and labor lawsuits whose sentences are pending in the corresponding courts of justice.

The provisions associated to pending lawsuits filed against the Company are reflected under the item "Provisions", as established by IAS 37. In those cases where Management considers them unlikely to prosper and to not represent a clear likelihood of material loss, they have not been so provisioned.



What follows is a description of legal claims that are likely to affect the Company:

The Superintendence for Sanitation Services (SISS), has levied fines against Aguas Andinas S.A. and Subsidiaries, mainly for not complying with instructions and breaching the continuity and quality of the service provided by the Company. The total number of complaints filed as of March 2019 amount to UTA 3.331, which were paid out prior to initiating the claim processes of each case. The final sentences are pending.

Additionally, Aguas Andinas S.A. was notified of the initiation of sanction procedures by the Superintendence of Sanitary Services. The foregoing corresponds to alleged breaches in the delivery of the service. Currently, there are judicial complaints and lawsuits pending to be resolved, consequently, it is yet premature to estimate an outcome. The Company considers that it did not incur such infringements, therefore, it expects that such complaint and lawsuit procedures will be admitted.

The **Secretaría Regional Ministerial de Salud RM**, (Ministry of Health's metropolitan region's office) has pending sanctioning processes against Aguas Andinas, initiated via a resolution for alleged infringements in the service provided. Judicial complaints and claims are currently in process. Fines range from 1 to 2000 UTM.

Labor lawsuits: Aguas Andinas was directly or alternatively sued, regarding labor demands whose matter corresponds mainly to unjustified dismissals. The total amount of such lawsuits amounts to Th\$267,155. The judicial proceedings are pending in the respective courts or administrative bodies concerned.

2.- Other non-current provisions

It is basically the transaction dated July 10, 2007, signed before the Notary of Mrs. María Gloria Acharan Toledo, between Aguas Cordillera S.A. and property developers by which, should Aguas Cordillera S.A. abandon and sell the land transferred to it in the future, it should pay at least CLF 52,273.29. This amount will be set off against the debt receivable from the developers.

B.- Contingent liabilities

1.- Aguas Andinas S. A was sued for damages allegedly suffered by a mining company, by the installation of company infrastructure on land where the claimant would have mining appurtenances, causing to it an alleged damage by preventing the extraction of minerals. The amount claimed totaled Th\$1,093,564. A sentence was issued, and the counterclaim was fully rejected, thus condemning Aguas Andinas to pay the sum of Th\$185,538. An appeal for annulment was filed that was admitted and deemed incorporated in the plaintiff's appeal.

2.- On June 9, 2016, as a result of a potable water main break that affected the commune of Providencia, Aguas Andinas S.A. had to compensate the damage to third parties. In consideration of said emergency, the Company is being audited by the Superintendence of Sanitation Services. The Company submitted its reply to such charges; which are now pending to be resolved by the authority.



3.- The Company was sued by the National Consumer Service due to service shutoffs in February and April 2017. The lawsuit objective is to make the courts establish fines and compensations for each of the users affected by the water shutoffs.

4.- Aguas Andinas was sued by the Municipality of Providencia for the damages caused by the Potable Water Main break on June 9, 2016. The lawsuit, filed in the 22nd Civil Court of Santiago, contemplates the payment of municipal rights for the execution of works to repair the streets damaged by the flood for an amount of Th\$557,965. In February 27, 2018 judgment was rendered against Aguas Andinas. The Company presented an appeal due to the amount claimed results disproportionate. Currently the court cited to a conciliation hearing between both parties, situation that to date is pending to resolve.

5.- Aguas Cordillera was sued via an ordinary suit filed before Santiago's 11th Civil Court on grounds of the establishment of easements. The amount claimed was Th\$3,689,946. The lawsuit is at its probationary stage.

The Company and Subsidiaries are party to other small claim offence proceedings. They are considered to have no adverse material impact in the financial statements of the respective Companies.

Note 16. EMPLOYEE BENEFITS

The Company, at the consolidated level, has a workforce of 2,120 employees, of which 77 are Managers and senior executives. Employees included in collective bargaining agreements and those with individual employment contracts containing special indemnity clauses total 1,771 and 18, respectively, whereas 331 workers are under the provisions of the Labor Code.

During the month of January 2018, the subsidiary Aguas Andinas S.A. culminated the anticipated collective bargaining with the unions of employees, operators and professions No. 1, 2 and 3. The agreement was signed on January 29, 2018, taking effect for 3 years.

The current collective bargaining agreements of Aguas Cordillera S.A., and personnel of Aguas Manquehue S.A., were signed on December 1, 2014 and December 23, 2014, with Unions No. 1 and 2 and with the Workers and Supervisors Union, respectively; all of them with a 4-year term.

The current collective bargaining agreements of Anam S.A. and EcoRiles S.A., were signed on December 2015 and April 2017, respectively; both for a 3-year term. The personnel of those Subsidiaries are governed by the provisions contained in articles 159, 160 and 161 of the Labor Code, for which no severance pay provisions have been made.

The current collective bargaining agreement with Unions of subsidiary Essal S.A. were signed on December 31, 2016 and expires on December 31, 2019.

Policies about defined benefit plans

Workers who are not party to the collective bargaining agreements of Aguas Andinas S.A. and its subsidiaries are governed by the provisions contained in articles 159, 160 and 161 of the Labor Code, for which no severance pay provision have been made.



The actuarial calculation is applied to workers with indemnities at present value until 2002 (including indemnities in any event recognized to that date), as well as for advances granted against such indemnities.

For workers who are party to or were incorporated into collective bargaining agreements in force at the date of the interim consolidated financial statements, the actuarial valuation calculation is applied by seniority.

Accounting policies regarding the acknowledgment of actuarial gains and losses of specific benefits plans.

The obligation of providing termination benefits by seniority, which it is estimated to accrue for workers who retire from Aguas Andinas S.A., Aguas Cordillera S.A., Aguas Manquehue S.A. and Essal S.A., is booked at its actuarial value, determined using the projected credit-unit method.

Actuarial gains and losses on indemnities deriving from changes in estimates or in turnover, mortality, wage increases, or discount rates are booked directly as other comprehensive results in accordance with the revised IAS 19, directly affecting Equity, which are later reclassified as Accumulated Results. The application of this procedure began in 2013 following the effective date of revised IAS 19. Up until 2012, all variations in estimates and parameters used determined a direct effect on results for the year.

Actuarial assumptions

Seniority: In Aguas Andinas S.A., Aguas Cordillera S.A., Aguas Manquehue S.A. and Essal S.A. it is assumed that workers will remain with those Companies until reaching the legal retirement age (60 years of age for women and 65 for men). In subsidiary Essal S.A. there is a 6-month indemnity limit payable to persons who retire or die.

Participants in each plan: These benefits cover all workers who participate in a union agreement (indicated above) and workers with individual contracts including an indemnity clause in any event. Workers included in the calculation of the actuarial indemnity by company: Aguas Andinas S.A.: 935; Aguas Cordillera S.A.: 115; Aguas Manquehue S.A.: 14; Essal S.A.: 340 and Gestión y Services S.A.: 1.

Mortality: The RV-2014 mortality tables of the Financial Market Commission are used.

Employee turnover and disability rates and early retirements: Based on the Group's statistical experience, the turnover rate used for target workers during period 2019 is the following: 7.10%; Aguas Cordillera S.A.: 4.8%; Aguas Manquehue S.A.: 0.00% and Essal S.A.: 6.2%. Disabled workers and early retirements have not been considered due to their infrequent occurrence.

Discount rate: For period 2019 the Company applied a discount rate 5.0%, which corresponds to a risk-free rate and long-term inflation projections.

Inflation rate: For making long-term estimates, in period 2019 the Company applied an inflation rate of 3.0%, as reported by the Central Bank of Chile.



Salary increase rates: The salary increase rates applied for period 2019 are as follows: Aguas Andinas S.A.: 3.30%; Aguas Cordillera S.A.: 2.70%; Aguas Manquehue S.A.: 2.40% and Essal S.A.: 3.07%.

General description of defined benefit plans

The following benefits are in addition to those indicated in Note 2.2, letter O:

In the event of the death of a worker, an indemnity will be paid to his/her immediate family in accordance with article 60 of the Labor Code.

In case an employee retires from the Company in accordance with paragraphs 2, 4 or 5 of article 159, number 1, letter a) or number 6 of article 160 of the Labor Code, the employee will be paid an indemnity consisting in the accumulated amount for this concept as of July 31, 2002 in Aguas Andinas S.A., and December 31, 2002 in Aguas Cordillera S.A., readjusted quarterly for changes in the Consumer Price Index, provided that such variation is positive.

Workers of Aguas Andinas S.A. and its Subsidiaries who are not a party to their collective bargaining agreements are covered by their individual employment contracts. On the other hand, for non-utility companies; namely, Gestión y Servicios S.A., EcoRiles S.A., Anam S.A. and Aguas del Maipo S.A., the provisions of the Labor Code are applicable, except when individual employment contracts indicate otherwise. The indemnity provision is calculated by deducting employee advances.

The following table shows the account activity in actuarial provisions as of March 31, 2019 and December 31, 2018, which include provision account activity:

Provisions for employee benefits	31-03-2019 Th\$	31-12-2018 Th\$
Movement in actuarial provision		
Initial balance	18,133,927	16,245,576
Cost of services	290,172	1,260,866
Interest cost	384,647	1,645,624
Actuarial (gains) or losses	-	1,534,815
Benefits paid	(465,472)	(3,100,569)
Provision termination benefits	32,633	547,615
Sub-total	18,375,907	18,133,927
Profit sharing & bonuses	1,085,550	4,700,384
Total	19,461,457	22,834,311



The Balance Sheet includes the following balances:

Provisions for employee benefits	31-03-2019 Th\$	31-12-2018 Th\$
Provisions for employee benefits, current	1,285,796	5,496,070
Provisions for employee benefits, non-current	18,175,661	17,338,241
Total	19,461,457	22,834,311

Expected payment flows

Clause 17 of the collective bargaining Agreement of Aguas Andinas S.A. indicates that workers who resign voluntarily shall have 120 days from the date they reach the legal retirement age to make their resignation effective and be entitled to retirement.

The collective bargaining Agreements of Aguas Cordillera S.A. and Aguas Manquehue S.A. indicate that a termination benefit will be paid to workers who resign voluntarily upon reaching the legal retirement age.

During period 2018 the Company, together with the Aguas Andinas' union workers and in the spirit of recognized the track record of personnel having serious health problems who, in turn, have a duly accredited a disabling disease that affects their performance or that does not allow them to resume the normal conditions of their duties or that are close to their legal age of retirement (in the understanding that this applies to women workers, with an indefinite-term work contract in force who turn 57 years of age and to men workers with an indefinite work contract in force, that turn 62 years of age) the option of accepting a Voluntary Retirement Plan. Also eligible to opt for this plan will be those workers that have already met their established retirement age, as required by article 3 of Decree Law No 3,500, in order to obtain their old-age pension, i.e. over 60 years of age for women and over 65 years of age for men (actual age).

According to the above-described benefit plans, the table below shows the flows for the current period:

Company	Number of employees	Expected payment flow Th\$	Year
A.Andinas S.A.	16	820,106	2019
Aguas Cordillera S.A.	4	161,565	2019
ESSAL S.A.	1	3,352	2019
		985,023	



Liabilities projected for December 31, 2019

In calculating the projected liabilities for indemnities at their actuarial value as of December 2019, as established in IAS 19, we have used the actuarial assumptions as of March 31, 2019, as already reported in this Note. The only amount that increased is the legal bonus, as a result of the increase in the minimum legal wage established in January of the present year.

The following table summarizes this situation by company:

Company	Number of employees	Cost of services Th\$	Interest costs Th\$
A.Andinas S.A.	906	810,777	681,147
A.Cordillera S.A.	90	108,805	91,715
A Manquehue S.A.	14	8,752	7,455
ESSAL S.A.	330	31,998	35,373
Gestión y Servicios S.A.	1	2,354	205
	1,341	962,686	815,895

Sensitivity of assumptions

The sensitivity of the main assumptions is based on the actuarial calculation as of March 31, 2019. The following impacts have been determined:

Discount rate	Basis	More than 0.5% Th\$	Less than 0.5% Th\$
A.Andinas S.A.	5.0%	(567,417)	608,757
A.Cordillera S.A.	5.0%	(89,029)	94,723
A Manquehue S.A.	5.0%	(21,400)	22,846
ESSAL S.A.	5.0%	(40,208)	44,210
Total		(718,054)	770,536

Turnover rate	Basis	More than 0.5% Th\$	Less than 0.5% Th\$
A.Andinas S.A.	7.1%	(635,293)	680,387
A.Cordillera S.A.	4.8%	(97,440)	103,218
A Manquehue S.A.	0.0%	(22,363)	-
ESSAL S.A.	6.2%	(44,727)	49,197
Total		(799,823)	832,802



Wage increase rate	Basis	More than 0.5% Th\$	Less than 0.5% Th\$
A.Andinas S.A.	3.3%	616,052	(579,136)
A.Cordillera S.A.	2.7%	96,428	(91,392)
A Manquehue S.A.	2.4%	23,328	(22,029)
ESSAL S.A.	3.1%	44,851	(41,115)
Gestión y Servicios S.A.			
Total		780,659	(733,672)

Disclosures of benefits on termination of the contractual relationship

The indemnity upon the termination of a labor relationship is governed by the provisions of the Labor Code, except for those special clauses in the respective collective bargaining agreements or individual contracts.

Profit sharing and bonuses

The Company has an obligation with its personnel with respect to profit-sharing bonuses payable the following year in February and March. The accrued participation payable to personnel, as stipulated in current contracts, is settled in February on the basis of the statement of financial position for the immediately-preceding period. As of March 31, 2019 and December 31, 2018, these amounts total Th\$1,085,550 y Th\$4,700,834, respectively. In addition, advances are made against this bonus in the months of March, June, September and December of each calendar year.

The annual amount will depend on the earnings of each Group Company.

Personnel expenses

Personnel expenses as of March 31, 2019 and 2018 are:

Personnel expenses	31-03-2019 Th\$	31-03-2018 Th\$
Wages & salaries	8,878,753	8,580,626
Defined benefits	4,015,560	4,054,239
Termination benefits	861,234	1,027,534
Other personnel expenses	604,909	729,334
Total	14,360,456	14,391,733



Note 17. OTHER NON-FINANCIAL LIABILITIES

The breakdown of this current and non-current item as of March 31, 2019 and December 31, 2018 is the following:

Other non-financial liabilities	31-03-2019 Th\$	31-12-2018 Th\$
Value Added Tax	12,038,353	8,884,571
Monthly Provisional Payments	4,752,614	4,452,524
Other taxes	551,452	337,573
Agreement for real estate developments	1,275,484	1,164,189
Works requested by third parties	1,573,013	1,404,208
Total current	20,190,916	16,243,065
Asociación Sociedad de Canalistas del Maipo	7,294,709	7,294,709
Agreement for real estate developments	1,686,144	1,818,680
Total non-current	8,980,853	9,113,389

Note 18. EQUITY ATTRIBUTABLE TO CONTROLLER'S PROPERTY OWNERS

The corporate capital is divided into 6,118,965,160 registered shares without par value, completely subscribed and paid as of March 31, 2019, of which 94.97% corresponds to series A and 5.03% to series B.

Series B shares have a veto preference, contained in Article 5 of the Company's bylaws, requiring special quorum at Extraordinary Shareholder Meetings to decide about acts and contracts related to Aguas Andinas' water rights and sanitation concessions.

Each series comprises the following:

Currency	31-03-2019	31-12-2018
Shares A series	5,811,031,417	5,811,031,417
Shares B series	307,933,743	307,933,743

The capital as of March 31, 2019 and December 31, 2018 amounts to Th\$155,567,354. There are no company treasury shares nor preferred shares in portfolio.

The Company manages its capital to ensure permanent and expedite access to the financial markets to allow achieving its objectives in terms of growth, solvency and profitability.

The capital management objectives or policies have not changed over the period reported.

As of March 31, 2019, no dividend payment was agreed.

The following dividend payment was agreed and made during the period ended December 31, 2018:



- The Board of Directors Meeting of December 12, 2018 unanimously agreed to distribute the amount of Th\$43,223,758 as an interim dividend deductible from the earnings in period 2018. Consequently, the interim dividend No. 67 of the Company amounted to \$7.0639 per share. This payment was payable as from January 18, 2019.
- At the shareholders' meeting held on April 24, 2018, the distribution of the net earnings obtained by the company in the year 2017 were agreed, which amounted to Th\$139,620,280, excluding the line item "Results other earnings" of the Financial Statements, net of taxes, thus the amount to be distributed totaled Th\$137,677,083. Considering the distribution of the provisional dividend paid out on January 2018, the dividend to be distributed amounted to Th\$95,692,416 corresponding to a dividend of \$15.6386 per share, which was paid on May 24, 2018.
- **Provision for minimum dividend**

In accordance with the policy described in Note 2.2. Letter J, the Company has not entered a minimum dividend provision as of March 31, 2019 and December 31, 2018.

- **Accumulated earnings**

The amounts recorded for revaluation of land and intangible assets and other adjustments upon the first adoption of the IFRS are included as accumulated earnings and are subject to distribution restrictions, as they first have to be recognized as realized, through their use or sale, as established in IFRS 1, IAS 16 and Circular No. 456 of June 20, 2008 of the Superintendence of Securities and Insurance. Also included is the amount corresponding to the actuarial gains and losses determined since 2009, as a result of variations in the obligations for defined benefit plans. The total balance of accumulated earnings as of March 31, 2019 and December 31, 2018 amounted to Th\$379,524,075 and Th\$324,954,813, respectively.

Additionally, as of December 31, 2018, modifications were introduced in the calculation parameters of actuarial earnings and losses of indemnifications, which generated an entry in accumulated results for Th\$1,150,464. (See note 2.2.O).

- **Bond issue premiums**

The amount recorded for bond issue premiums is the markup on the sale of shares in 1999 due to the capital increase. The balance as of March 31, 2019 and December 31, 2018 amounted to Th\$164,064,038 for each period.

- **Other equity shareholdings**

The amounts included in Other shareholdings refer to the monetary correction of the capital paid in 2008, the year of transition to IFRS, in accordance with Circular No. 456 of the Superintendence of Securities and Insurance, and the effects of businesses combinations of companies under common control made in period 2007 and 2008. The balances as of March 31, 2019 and December 31, 2018 totaled Th\$-5,965,550.



Note 19. EQUITY ATTRIBUTABLE TO NON-CONTROLLING SHAREHOLDERS

The following table, broken down by Company, shows the effects of third-party shareholding in the equity and results as of March 31, 2019 and December 31, 2018:

Company	% Participation		Non-controller participations			
	31-03-2019	31-12-2018	Equity		Result	
	%	%	31-03-2019 Th\$	31-12-2018 Th\$	31-03-2019 Th\$	31-03-2018 Th\$
Aguas Cordillera S.A.	0.00997%	0.00997%	21,038	20,223	815	791
Essal S.A. (1)	46.49350%	46.49350%	49,426,827	48,350,519	1,076,308	862,388
Total			49,447,865	48,370,742	1,077,123	863,179

(1) It includes third-party shareholding by assigning a market value to the assets and liabilities arising from the purchase of Inversiones Iberaguas Ltda. and Essal S.A. upon merging the businesses.

The dividends paid to non-controlling shareholders of the subsidiary Essal S.A as of March 31, 2019 and 2018 amounted to Th\$1,657,901 and Th\$1,880,131 respectively.

Note 20. ORDINARY REVENUE

The table below shows the Current revenue generated by the Group's Companies:

Classes of ordinary revenue	31-03-2019 Th\$	31-12-2018 Th\$
Ordinary revenue		
Sales of goods	2,389,431	1,671,472
Provision of services	154,473,878	150,691,188
Insurance repayment	-	116,718
Total	156,863,309	152,479,378



Note 21. OTHER EXPENSES BY NATURE

Information concerning other expenses by nature:

Other expenses by nature	31-03-2019	31-03-2018
	Th\$	Th\$
Treatment plant operation	(7,021,927)	(6,416,223)
Services	(5,535,394)	(5,194,288)
Maintenance and repair of networks	(3,637,691)	(3,593,141)
Commercial services	(3,247,555)	(3,385,665)
Costs for work requested by third parties	(2,167,896)	(2,476,812)
Maintenance of equipment and enclosures	(1,987,612)	(1,607,047)
Leases	(431,691)	(725,446)
Waste and sludge removal	(1,445,991)	(1,616,350)
Insurance, taxation, licenses & permits	(1,290,973)	(1,401,494)
General expenses	(1,464,253)	(1,461,888)
Others	(2,574,007)	(2,219,244)
Total	(30,804,990)	(30,097,598)



Note 22. OTHER REVENUES AND EXPENSES

The table below shows additional disclosure of information as provided in IAS 1, referring to other non-operating revenues and expenses:

Non-operating revenue & expenses	31-03-2019 Th\$	31-03-2018 Th\$
Gain (loss) on sale of non-current assets, not held for sale	(6,177)	1,836,965
Restructuration program*	(193,435)	-
Losses for property, plant and equipment replacements	(86)	-
Discarded projects and performance bond **	(171,390)	(13,365)
Other earnings (losses)	293,030	191,015
Other (losses) earnings	(78,058)	2,014,615
Bank loans	(1,059,037)	(900,908)
AFR interest expenses	(1,511,837)	(1,525,809)
Bond interest expense	(4,717,123)	(4,291,501)
Other interest costs	(122,052)	(159,635)
Liability for lease	(13,411)	-
Amortization of loan agreement complementary costs	(43,159)	(105,240)
Financial costs	(7,466,619)	(6,983,093)
Interest income	993,690	1,131,660
Gain on redemption & extinction of debt	349,771	255,651
Financial income	1,343,461	1,387,311

* Corresponds to the indemnity paid as a result of the restructuring plan carried out by the company, which consist of two parts: the redesign of the organization looking for a greater efficiency, which entails eliminating certain positions and a voluntary retirement plan.

* * Mainly corresponds to the earnings (losses) product of performance bond and discarded projects (see note 15).



Note 23. EFFECT OF DIFFERENCE IN THE EXCHANGE RATE

The detail produced by exchange differences as of March 31, 2019 and 2018 is the following:

Concept	Currency	31-03-2019 Th\$	31-03-2018 Th\$
Trade debtors and other accounts receivable	EUR	-	(39,175)
Trade debtors and other accounts receivable	USD	122	(195)
Total variation assets		122	(39,370)
Trade accounts payable and other accounts payable	EUR	1,924	16,974
Trade accounts payable and other accounts payable	USD	(15,175)	209
Accounts payable to related entities	EUR	-	(6,735)
Total variation liabilities		(13,251)	10,448
Gain (loss) from exchange differences		(13,129)	(28,922)

Note 24. RESULTS BY INDEXED UNITS

The composition of the results by indexed units for periods ended March 31, 2019 and 2018, is the following:

Concept	31-03-2019	31-03-2018
Accounts payable to related entities	(2)	1,074
Current tax assets	(2,372)	266,583
Trade debtors and other accounts receivable	413,627	21,776
Total variation assets	411,253	289,433
Other financial liabilities	105,178	(4,807,545)
Trade accounts payable and other accounts payable	(487,561)	(90,186)
Accounts payable to related entities	-	(62)
Other non-financial liabilities	-	24,043
Total variation liabilities	(382,383)	(4,873,750)
Gain (loss) from exchange differences	28,870	(4,584,317)



Note 25. BUSINESS SEGMENTS

The Group discloses information by segment in accordance with IFRS No. 8, "Operating Segments", which sets the reporting standards for Operating Segments and related disclosures for products and services. Operating Segments are defined as components of an entity on which separate financial information exists and is regularly used by Management for making decisions, allocating resources and evaluating performance.

The Group manages and measures the performance of its operations by business segment. The Operating Segments reported internally are:

- Water utility business operations.
- Non-Water business operations.

Description of types of products and services that provide regular Revenue from each segment reported

The Water Segment consists only of sanitation services that permit the provision of products and production services, water distribution and sewage collection and treatment. This segment includes the subsidiaries Aguas Andinas S.A. and its subsidiaries Aguas Cordillera S.A., Aguas Manquehue S.A., and Essal S.A. through Iberaguas Ltda.

The Non-Water segment consists of environmental analysis, liquid waste treatment (Riles) and comprehensive engineering services, plus the sale of sanitation service and energy project products. The subsidiaries included are EcoRiles S.A., Anam S.A., Gestión y Servicios S.A. and Aguas del Maipo S.A.



General information on result totals, assets, liabilities and equity.

General information on results	31-03-2019		31-03-2018	
	Water Th\$	Non-Water Th\$	Water Th\$	Non-Water Th\$
Revenues from ordinary activities with external customers	149,902,927	6,960,382	146,319,945	6,159,433
Revenues from ordinary activities between segments	238,240	983,819	299,330	1,036,768
Raw materials and consumables used	(7,347,093)	(3,168,188)	(7,555,424)	(2,385,840)
Employee benefit expenses	(12,440,472)	(1,971,618)	(12,505,369)	(1,908,516)
Operating expenses	(29,984,132)	(1,907,812)	(29,729,836)	(1,630,232)
Depreciation & amortization	(18,363,145)	(462,248)	(18,683,150)	(179,617)
Other revenue & expenses	(40,685)	(30,144)	1,905,887	115,656
Financial income	1,374,774	3,680	1,414,374	14,087
Financial costs	(7,456,167)	(46,362)	(6,990,785)	(33,458)
Result of indexation & exchange differences	37,512	(21,770)	(4,603,824)	(9,416)
Income tax charge	(20,514,791)	(100,322)	(17,837,089)	(292,356)
Earnings by segment	55,406,968	239,417	52,034,059	886,509
Earnings by segment attributable to owners of the controller	54,329,845	239,417	51,170,880	886,509
Earnings (losses) by segment attributable to non-controller participations	1,077,123	-	863,179	-
		0		

Total assets, liabilities & equity	31-03-2019		31-12-2018	
	Water Th\$	Non-Water Th\$	Water Th\$	Non-Water Th\$
Current assets	159,927,937	15,609,089	160,097,263	15,288,956
Non-current assets	1,729,570,833	20,440,036	1,718,816,310	20,176,274
Total assets	1,889,498,770	36,049,125	1,878,913,573	35,465,230
Current liabilities	193,947,246	14,195,665	236,740,971	13,904,256
Non-current liabilities	974,615,047	152,154	976,643,094	99,085
Equity attributable to owners of the controller	671,488,611	21,701,306	617,158,766	21,461,889
Non-controller participations	49,447,866	-	48,370,742	-
Total equity & liabilities	1,889,498,770	36,049,125	1,878,913,573	35,465,230

Significant line items of revenues and expenses by segment

Water and Non-Water Segments

The significant items of current revenues and expenses are mainly related to the business of the segment. There are also relevant sums in relation to expenses for depreciation, personnel and other assorted expenses, including relevant expenditures from outsourced services.

Revenue

The Company's Revenue is generated mainly by the regulated services relating to the production and distribution of water as well as the collection, treatment and disposal of sewage, and other regulated services (including Revenue from cutting and restoring supply, monitoring liquid waste discharges and fixed charges).



Detail of significant revenue line items

Water Segment

The significant items of ordinary revenues are mainly related to the potable water and sewage water business, that is, Revenue from the sale of water, overconsumption, variable charge, fixed charge, sewage service, sewer use and wastewater treatment.

Tariffs

The most important factor determining the results of the Company's operations and financial position are the tariffs set for its regulated sales and services. As regulated companies, Aguas Andinas and its water utility subsidiaries are regulated by the SISS and their tariffs are set in accordance with the D.F.L. No. 70 of 1988 on Sanitation Service Tariffs.

The tariff levels are reviewed every five years and, during that period, are subject to additional polynomial indexation adjustments, if the accumulated variation after the previous adjustment is 3.0% or more, according to calculations based on different inflation indexes.

Specifically, the adjustments are applied as a function of a formula that includes the Consumer Price Index, the Wholesale Price Index for Imported Industrial Goods and the Wholesale Price Index for National Industrial Goods, published by the Chilean National Institute of Statistics. Tariffs are also subject to adjustment to reflect additional services previously authorized by the SISS.

In 2015 the tariff negotiation processes for the 2015-2020 period ended. The decrees fixing the tariffs during the referenced five-year period for Aguas Andinas S.A., Aguas Cordillera S.A and Aguas Manquehue S.A, are numbers 152-2015; 83-2015; and 139 2015, respectively.

Whereas for subsidiary Essal S.A., the current tariffs for 2016-2021 period were approved by Decree No. 143 on August 25, 2016 and published in the Official Gazette on January 21, 2017.

Non-Water Segment

The significant items of ordinary revenues are mainly related to the segment's business and are closely related to the main business of each subsidiary, involving the sale of materials to third parties, the operation of liquid-waste treatment plants, the provision of drinking water and sewage services and analyses and the sale of biogas.

Detail of significant expense items

Water Segment

The significant expense items are mainly the payment of wages, electric power, Wastewater Treatment Plant Operation, depreciation of movable and immovable property, financial interest expenses, and Corporate Revenue Tax.



Non-Water Segment

The significant expense items are mainly the payment of wages, the cost of materials for sale and Corporate Revenue tax Payments.

Detailed explanation on the measurement of results, assets, liabilities and equity of each segment

These segments were measured by grouping the subsidiaries directly related to the segment. The accounting criteria used was booking economic events giving rise to rights and obligations, in the same way that these arise in economic relations with third parties. These records will generate committed balances in an asset and liability account according to the nature of the transaction in each related company according to the segment in which it operates. These accounts, called accounts receivable or payable from/to related companies, are netted in the consolidation of the financial statements in accordance with the rules of consolidation explained in IAS 27.

There are no differences in the nature of the measurement of results, since the standard dictates that there are no accounting policies showing different criteria for assigning costs or similar items.

There are no differences in the nature of the measurement of assets and liabilities, since the standard dictates that there are no accounting policies showing different allocation criteria

Reconciliation of revenues from ordinary activities	31-03-2019 Th\$	31-03-2018 Th\$
Revenues from ordinary activities of the segments	158,085,368	153,815,476
Elimination of ordinary activity revenues between segments	-1,222,059	-1,336,098
Revenues from ordinary activities	156,863,309	152,479,378

Reconciliation of earnings	31-03-2019 M	31-03-2018 Th\$
Total consolidated earnings (loss) of segments	55,646,385	52,920,568
Consolidation of elimination of earnings (loss) between segments	-1,077,123	-863,179
Consolidation of earnings (loss)	54,569,262	52,057,389

Reconciliations of segment assets, liabilities & equity of segments	31-03-2019 Th\$	31-12-2018 Th\$
Reconciliation of assets		
Consolidation total assets of segments	1,925,547,895	1,914,378,803
Elimination of accounts between segments	-8,916,580	-8,326,704
Total assets	1,916,631,315	1,906,052,099
Reconciliation of liabilities		
Consolidation total liabilities of segments	1,182,910,112	1,227,387,406
Elimination of accounts between segments	-8,916,579	-8,326,704
Total liabilities	1,173,993,533	1,219,060,702
Reconciliation of equity		
Consolidation total equities of segments	693,189,917	638,620,655
Equity attributable to owners of the controller	693,189,917	638,620,655



Information about main customers

Main customers of the water utility segment:

- | | |
|--|---|
| - <i>I. Municipalidad de Puente Alto</i> | - <i>Universidad de Chile</i> |
| - <i>I. Municipalidad de Santiago</i> | - <i>Ministerio de Obras Públicas</i> |
| - <i>I. Municipalidad de La Florida</i> | - <i>Administración Centro Comunitario Alto Las</i> |
| - <i>Condes S.A</i> | |
| - <i>Centro de Detención Preventiva Santiago 1</i> | - <i>Embotelladoras Chilenas Unidas S.A.</i> |
| - <i>I. Municipalidad de Peñalolen</i> | - <i>Cervecera CCU Chile Ltda.</i> |

Main customers of the non-water utility segment:

- | | |
|---|--|
| - <i>Papeles Cordillera S.A.</i> | - <i>Soprole S.A.</i> |
| - <i>EME Services Generales Ltda.</i> | - <i>Cervecera CCU Chile Ltda.</i> |
| - <i>Inmobiliaria Constructora Nueva Pacífico</i> | - <i>Constructora Pérez y Gómez Ltda.</i> |
| - <i>Cartulinas CMPC S.A.</i> | - <i>Metrogas S.A.</i> |
| - <i>Watt's S.A.</i> | - <i>Cooperativa Agrícola y Lechera La Unión</i> |

Types of products in the Water and Non-water utility segments:

Water utility segment

The types of products and services for the water utility segment are:

- Potable water production and distribution.
- Sewage water collection and treatment.

This segment includes Aguas Andinas S.A., Aguas Cordillera S.A., Aguas Manquehue S.A., Essal S.A. and Iberaguas Ltda.

Non-water utility segment

The types of products and services for the non-water utility segment are:

- Outsourcing service for operations in industrial waste and excess organic load treatment plants (Ecoriles S.A. subsidiary).
- Physical, chemical and biological analysis of water, air and solids (subsidiary Anam S.A.).
- Comprehensive Engineering Services and sale of products including pipes, valves, taps and other related items (subsidiary Gestión y Servicios S.A.).
- Energy projects (subsidiary Aguas del Maipo S.A.).



Note 26. EARNINGS PER SHARE

The basic earnings per share is calculated as the quotient between the earnings (loss) attributable to holders of Net Equity instruments of the Controller divided by the weighted average number of common shares in circulation during that period.

Earnings per share		31-03-2019	31-03-2018
Earnings attributable to shareholders in net equity of the controller	Th\$	54,569,262	52,057,389
Results available to common shareholders, basic	Th\$	54,569,262	52,057,389
Weighted average number of shares, basic		6,118,965,160	6,118,965,160
Earnings per share	\$	8.918	8.508

Disclosure of information on diluted earnings (losses) per share

The Company has not carried out any transaction with a potential diluting effect entailing diluted earnings per share other than the basic earnings per share.

Note 27. FINANCIAL STATEMENTS OF SUBSIDIARIES

The tables below summarize the information on the Balance Sheet and statement of comprehensive results of each subsidiary included in the interim consolidated financial statements:

Summarized financial information by Subsidiary (Balance Sheet) as of March 31, 2019

31-03-2019	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity
Subsidiary	Th\$	Th\$	Th\$	Th\$	Th\$
Aguas Cordillera S.A.	15,822,468	271,449,730	29,605,357	46,656,965	211,009,876
Aguas Manquehue S.A.	5,662,436	92,383,431	15,866,714	25,947,073	56,232,080
Inversiones Iberaguas Ltda.	38,912	66,891,943	34,796	-	66,896,059
Essal S.A.	20,075,088	171,719,813	21,095,036	91,924,904	78,774,961
EcoRiles S.A.	5,490,941	683,131	2,623,529	25,881	3,524,662
Gestión y Servicios S.A.	6,094,650	893,454	3,584,410	74,595	3,329,099
Análisis Ambientales S.A.	3,027,247	5,379,810	2,600,757	17,564	5,788,736
Aguas del Maipo S.A.	1,240,933	13,483,642	5,631,653	34,114	9,058,808



Summarized financial information by Subsidiary (Statement of Comprehensive Results) as of March 31, 2019

31-03-2019	Result for the period	Ordinary revenue	Operating expenses (-)	Other net expenses (-) / revenue (+)
Subsidiary	Th\$	Th\$	Th\$	Th\$
Aguas Cordillera S.A.	8,170,575	17,933,174	(9,525,176)	(237,423)
Aguas Manquehue S.A.	2,241,176	5,680,869	(2,419,875)	(1,019,818)
Inversiones Iberaguas Ltda.	1,669,279	-	(1,641)	1,670,920
Essal S.A.	3,276,388	15,649,903	(10,420,564)	(1,952,951)
EcoRiles S.A.	104,589	3,330,771	(3,186,904)	(39,278)
Gestión y Servicios S.A.	84,007	2,860,876	(2,686,851)	(90,018)
Análisis Ambientales S.A.	123,554	2,043,220	(1,861,993)	(57,673)
Aguas del Maipo S.A.	(72,733)	239,984	(304,768)	(7,949)

Summarized financial information by Subsidiary (Balance Sheet) as of December 31, 2018

31-12-2018	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity
Subsidiary	Th\$	Th\$	Th\$	Th\$	Th\$
Aguas Cordillera S.A.	14,572,541	269,504,225	34,360,042	46,877,423	202,839,301
Aguas Manquehue S.A.	4,874,182	92,481,886	17,732,100	25,633,064	53,990,904
Inversiones Iberaguas Ltda.	1,820,982	65,220,985	33,186	-	67,008,781
Essal S.A.	22,086,592	167,386,351	21,913,688	92,060,682	75,498,573
EcoRiles S.A.	5,438,938	531,601	2,550,466	-	3,420,073
Gestión y Servicios S.A.	5,898,957	770,995	3,379,347	45,513	3,245,092
Análisis Ambientales S.A.	2,975,903	5,178,956	2,489,677	-	5,665,182
Aguas del Maipo S.A.	1,251,161	13,694,722	5,760,770	53,572	9,131,541



Summarized financial information by Subsidiary (Statement of Comprehensive Results) as of March 31, 2018

31-03-2018	Result for the period	Ordinary revenue	Operating expenses (-)	Other net expenses (-) / revenue (+)
Subsidiary	Th\$	Th\$	Th\$	Th\$
Aguas Cordillera S.A.	7,929,196	17,597,784	(9,567,360)	(101,228)
Aguas Manquehue S.A.	1,954,611	5,327,205	(2,601,894)	(770,700)
Inversiones Iberaguas Ltda.	1,432,426	-	(1,543)	1,433,969
Essal S.A.	2,816,283	14,601,416	(9,592,537)	(2,192,596)
EcoRiles S.A.	454,622	3,175,802	(2,558,533)	(162,647)
Gestión y Servicios S.A.	182,650	2,157,271	(2,039,852)	65,231
Análisis Ambientales S.A.	199,288	2,093,905	(1,818,974)	(75,643)
Aguas del Maipo S.A.	49,949	228,388	(146,011)	(32,428)

Detail of Significant Subsidiaries

The definition of Significant Subsidiaries is based on their percentage participation in the operating results and their participation in fixed assets and results for the period with respect to the Interim Consolidated Financial Statements. The following entities are considered to be significant subsidiaries:

Name of significant subsidiary	Aguas Cordillera S.A.	Aguas Manquehue S.A.	Essal S.A.
Country	Chile	Chile	Chile
Functional currency	Chilean pesos	Chilean pesos	Chilean pesos
Percentage share in significant subsidiary	99.99003%	100.00000%	53.50650%
Percentage voting rights in significant subsidiary	99.99003%	100.00000%	53.50650%
Percentage of consolidated values as of 31-12-2019			
Contribution margin	10.20%	3.96%	4.65%
Property, plant and equipment	7.69%	4.68%	11.34%
Net income for the period	15.14%	5.74%	3.16%

The subsidiary Aguas Andinas in case that present arrears or delay in the payment of any installment of one of the current loans, will has prohibition to distribute dividends, except the mandatory minimum.



Note 28. IMPAIRMENT OF ASSET VALUE

Disclosure of information on asset impairment by cash generating unit

Each company as a whole is defined as a Cash Generating Unit (CGU), as each one is individually capable of generating future economic benefits and represents the smallest group of assets that generate independent cash flows. Pursuant to the regulations, the Company will evaluate, at the closing of each financial position statement, whether there is any sign of impairment of value of any asset. If there is, the Company will estimate the amount recoverable for the asset. Assets with an indefinite useful life and goodwill will be subject to the impairment test, at the latest, at the closing of the period or upon detecting any sign.

Intangible assets with indefinite useful life, e.g. water rights, will be subject to a study to determine the market price values, which are compared to the values assigned to them as costs as of the date of adopting the IFRS rules.

Lesser values are subject to calculation of their useful value, considering the different Companies as CGUs, using recent estimates from budgets over the medium term, determining the different parameters based on models widely used in the market. The parameters are set based on the current information for benchmark risk-free rates in the market, the useful life for each company and growth rates for the Companies' regular revenue, including growth in the population and changes in consumption through the years.

The Company and subsidiaries make annual impairment tests on their intangible indefinite useful life assets and lesser investment value.

As of December 31, 2018, the respective deterioration tests were carried out, based on estimates and projections provided by the Group. These estimates indicated that the benefits attributable to the shares with lower associated values exceed individually the consolidated book value of the same in all cases, as well as the intangible assets with indefinite useful life were assessed to be of a higher value than that registered in books.

As of March 31, 2019 there is no record of asset impairment nor are there indications of asset impairment.

Note 29. GUARANTEES AND RESTRICTIONS

a) Direct guarantees

Policies and performance bonds have been granted to several institutions, especially to the Superintendence of Sanitation Services, to guarantee the conditions for the provision of services and development programs in the Company's concession areas; to SERVIU Metropolitano, to guarantee the replacement of paving; and to other institutions, for Th\$44,433,848 and Th\$45,873,654 as of March 31, 2019 and December 31, 2018, respectively.



The table below summarizes the main performance bonds exceeding Th\$ 10,000:

Creditor of the guarantee	Debtor	Type of guarantee	31-03-2019 Th\$	31-12-2018 Th\$
S.I.S.S.	A. Andinas S.A.	Performance bond	8,019,105	8,269,329
SERVIU METROPOLITANO	A. Andinas S.A.	Performance bond	7,927,328	8,030,960
ASOCIACION DE CANALISTAS DEL MAIPO	A. Andinas S.A.	Performance bond	7,848,767	7,870,828
MIN DE OBR PUBLI	A. Andinas S.A.	Performance bond	3,372,533	3,372,537
DIRECCION OBRAS HIDRAULICAS	A. Andinas S.A.	Performance bond	916,492	1,112,280
MUNICIPALIDAD LA FLORIDA	A. Andinas S.A.	Performance bond	490,347	490,348
COMITE INNOVA CHILE	A. Andinas S.A.	Performance bond	230,083	292,061
CONSTRUCTORA SAN FRANCISCO	A. Andinas S.A.	Performance bond	154,644	159,055
DIRECCION VIALIDAD	A. Andinas S.A.	Performance bond	122,915	185,351
GOB REG METROP	A. Andinas S.A.	Performance bond	120,605	79,973
MUNICIPALIDAD PEÑALOEN	A. Andinas S.A.	Performance bond	89,524	44,762
MUNICIPALIDAD DE LA REINA	A. Andinas S.A.	Performance bond	68,914	68,914
MUNICIPALIDAD PROVIDENCIA	A. Andinas S.A.	Performance bond	56,565	56,730
INMOB MACUL S.A.	A. Andinas S.A.	Performance bond	55,132	55,132
SOC CONC AUT CEN	A. Andinas S.A.	Performance bond	55,132	55,132
CGE DISTRIBUCION	A. Andinas S.A.	Performance bond	53,349	53,349
SOC CONCE MELIPI	A. Andinas S.A.	Performance bond	41,349	41,349
MUNICIPALIDAD DE SANTIAGO	A. Andinas S.A.	Performance bond	27,636	30,636
I MUN PAINE	A. Andinas S.A.	Performance bond	19,837	19,837
I MUN SAN BERNAR	A. Andinas S.A.	Performance bond	17,419	17,419
DGAC	A. Andinas S.A.	Performance bond	11,026	22,053
S.I.S.S.	A. Cordillera S.A.	Performance bond	1,263,670	1,263,671
ASOCIACION DE CANALISTAS DEL MAIPO	A. Cordillera S.A.	Performance bond	951,833	951,834
MINISTERIO OOPP DIR. DE AGUAS	A. Cordillera S.A.	Performance bond	410,234	410,234
SENCORP S.A.	A. Cordillera S.A.	Performance bond	313,974	313,974
MUNICIPALIDAD LAS CONDES	A. Cordillera S.A.	Performance bond	171,000	156,000
SERVIU METROPOLITANO	A. Cordillera S.A.	Performance bond	159,881	450,866
MUNICIPALIDAD VITACURA	A. Cordillera S.A.	Performance bond	55,132	55,132
MUNICIPALIDAD DE LO BARNECHEA	A. Cordillera S.A.	Performance bond	13,783	13,783
ASOCIACION DE CANALISTAS DEL MAIPO	A. Manquehue S.A.	Performance bond	1,459,091	1,459,092
S.I.S.S.	A. Manquehue S.A.	Performance bond	1,072,501	1,226,237
IL MUN DE LO BAR	A. Manquehue S.A.	Performance bond	88,514	88,514
SUPERINT SERV SA	A. Manquehue S.A.	Performance bond	73,518	73,518
MUNICIPALIDAD VITACURA	A. Manquehue S.A.	Performance bond	11,026	11,026
DIRECTEMAR	Anam S.A.	Performance bond	115,226	115,226
GOBIERNO REGIONAL V REGION VALPARAISO	Anam S.A.	Performance bond	24,862	24,862
SUPERINTENDENCIA DEL MEDIO AMBIENTE	Anam S.A.	Performance bond	21,283	35,066
ENAP REFINERIAS	Anam S.A.	Performance bond	18,439	18,439
CODELCO	Anam S.A.	Performance bond	17,904	17,904
SERVIU METROPOLITANO	Gest. y Serv. S.A.	Performance bond	2,880,457	2,990,428
Superintendencia de Servicios Sanitarios	Essal S.A	Performance bond	3,101,403	3,053,444
Director de Obras Hidráulicas	Essal S.A	Performance bond	1,583,966	1,678,920
Serviu	Essal S.A	Insurance policy	268,833	157,191
Gobierno Regional de la Región de Los Ríos	Essal S.A	Performance bond	72,366	49,475
Director de Vialidad	Essal S.A	Performance bond	38,592	21,722
Municipalidad de Paillaco	Essal S.A	Performance bond	31,094	31,094
Total			43,917,284	44,995,687



b) Bond issue restrictions

i) Aguas Andinas S.A.

The Company must adhere to the following restrictions and obligations upon issuing bonds in the national market:

1. Sending to bondholder representatives a copy of its Interim Consolidated Financial Statements, and those of its Subsidiary Corporations registered in the Financial Market Commission, both the quarterly as well as the annual audited statements, on the same deadline as they are to be delivered to the Financial Market Commission, plus any other public information which it provides to the Commission.
2. Registering in its accounting books the provisions arising from adverse contingencies that, in the opinion of the Company's management, should be reflected in its financial statements and/or those of its Subsidiaries.
3. Maintaining insurance to reasonably protect its assets, including its corporate offices, buildings, plants, furniture and office equipment and vehicles, in line with the usual practices for industries such as the Company.
4. The Company is obligated to ensure that transactions with its subsidiaries or other related parties are made on equitable conditions similar to those normally prevailing in the market.
5. Maintaining, at the end of each quarter in the Issuer's Financial Statements, a debt ratio not exceeding 1.5 times. Nonetheless, the above limit is adjusted according to the quotient of the Consumer Price Index for the month in which the Debt Ratio is calculated and the Consumer Price Index as of December 2009. For all, the aforementioned limit will be adjusted up to a maximum of 2 times. As of March 31, 2019 the variation of the limit of debt ratio amounted to 2.0 times, being 33.1% the accumulated inflation.

For these purposes, the Debt Ratio is defined as the ratio of Liabilities and Total Equity. Liabilities are defined as the sum of the Total Current Liabilities and Total Non-Current Liabilities in the Issuer's Interim Consolidated Financial Statements.

As of March 31, 2019, the abovementioned accounts are (Th\$):

Total current liabilities	199,254,460
Total non-current liabilities	974,739,073
Total IFRS liabilities	1,173,993,533
Third party guarantees (*)	1,003,663
Total liabilities	1,174,997,196
Total assets	1,916,631,315
Total current liabilities	(199,254,460)
Total non-current liabilities	(974,739,073)
Total net equity	742,637,782



To determine the aforementioned index, Liabilities include the amount of all joint or several guarantees, simple or joint bonds, joint assumption of debt or other personal or real guarantees, which the Issuer or its subsidiaries have granted to secure third-party obligations, except: (i) those granted by the Issuer or its subsidiaries for obligations of other Subsidiaries of the Issuer, (ii) those granted by subsidiaries for obligations of the Issuer, and (iii) those granted to public institutions to ensure compliance with public sanitation legislation and execution of works in public spaces.

For these purposes, the Total Net Equity is the difference between Total Assets and the sum of Total Current Liabilities and Total Non-Current Liabilities in the Issuer's Interim Consolidated Financial Statements.

* The amount of all joint debtors, simple or joint bonds, joint assumption of debt or other personal or real guarantees that the Issuer or its subsidiaries have granted to secure third-party obligations, except: (i) those granted by the Issuer or its Subsidiaries for obligations undertaken by other Subsidiaries of the Issuer, (ii) those granted by Subsidiaries for obligations of the Issuer, and (iii) those granted to public institutions to ensure compliance with public sanitation legislation and execution of works in public spaces.

6.- Not to sell, assign or transfer essential assets (public-utility concession granted by the S.I.S.S. for Greater Santiago), except for contributions or transfers of essential assets to Subsidiary Companies.

The Company complies with all the covenants established in the bond indentures as of March 31, 2019 and December 31, 2018.

ii) Empresa de Servicios Sanitarios de los Lagos S.A. (Essal S.A.)

The Company must adhere to the following restrictions and obligations upon issuing bonds in the national market:

1. Sending to bondholder representatives a copy of its Interim Consolidated Financial Statements, both the quarterly as well as the annual audited statements, on the same deadline as they are to be delivered to the Financial Market Commission, plus any other public information which it provides to the Commission.
2. Registering in its accounting books the provisions arising from adverse contingencies that, in the opinion of the Company's management, should be reflected in its financial statements.
3. Maintaining insurance to reasonably protect its assets, in line with the usual practices for industries such as the Company.
4. The Company is obligated to ensure that transactions with its subsidiaries or other related parties are made on equitable conditions similar to those normally prevailing in the market.
5. Maintaining a debt ratio not exceeding 1.29 times, measured on the basis of balance figures, defined as the Liability/Equity ratio.



As of 2010, the above limit was adjusted according to the quotient of the Consumer Price Index for the month in which the Debt Ratio is calculated and the Consumer Price Index as of December 2009. This limit will be adjusted up to a maximum of 2 times (Debt = Liabilities/Total net equity). As of March 31, 2019, the debt ratio was 1.43 times for the BESSALC and BESSALB series.

6. Maintaining an Ebitda /Financial Expenses ratio of no less than 3.5 times. As of March 31, 2019, the ratio was 7.5 times.
7. Not to sell, assign or transfer essential assets.

The Company complies with all obligations the established in the bond indentures as of March 31, 2019 and December 31, 2018.

c) Bank loan restrictions

i) Aguas Andinas S.A.

The Company has the following obligations and restrictions for obtaining loan agreements from several national banks:

1. Maintaining a debt ratio no higher than 1.5 times, measured on the basis of the figures in its consolidated balances. Nonetheless, the above limit is adjusted according to the quotient of the consumer price index for the month in which the debt ratio is calculated and the consumer price index as at December 2009. Nonetheless, the above limit will be adjusted to a maximum ratio of 2 times. For the financial year ended March 31, 2019, the debt ratio variation is 2.0 times. To this end, the debt ratio level shall be defined as the liability/total net equity ratio. As of March 31, 2019, the debt ratio is 1.58 times.
2. A prohibition on the disposal of or losing holder's rights on essential assets, except for contributions or transfers of essential assets to Subsidiary Companies.
3. Send to the various banks with which the company maintains loans, copies of the individual and Interim Consolidated financial statements, both quarterly and annual audited, within a period not exceeding 5 days of their submission to the Financial Market Commission.
4. Recording in its accounting books the provisions arising from adverse contingencies which, in the opinion of the Company's management, should be reflected in its financial statements.
5. Maintaining insurance to reasonably protect its assets, including its corporate offices, buildings, plants, furniture and office equipment and vehicles, in line with the usual practices for industries of a nature similar to that of the Company.
6. Submitting a certificate signed by the Company's General Manager declaring compliance with the loan agreement obligations.
7. A prohibition to distribute dividends, except for the obligatory minimum if there is a situation of default or delay in the payment of any loan installment.



8. Maintaining a financial hedging ratio equal to or over 3 times, measured on the basis of the figures contained in its consolidated individual balances, defined as the ratio between operating Revenue plus depreciation during the financial year and the amortization of intangible assets divided by financial expenses. As of March 31, 2019, the Company's financial hedging ratio is 10.32 times.
9. A prohibition on liquidating or dissolving the Company, liquidating its operations or businesses that constitute its business, or entering into any act or contract of merger or consolidation, except for mergers with its present Subsidiaries.
10. The Company undertakes to ensuring that transactions with its subsidiaries or other related parties are made on equitable conditions similar to those normally prevailing in the market.

ii) Aguas Cordillera S.A.

The Company has the following obligations and restrictions for obtaining loan agreements with a national bank:

1. Maintaining a debt ratio no higher than 1.5 times, measured on the basis of the figures in its Interim Consolidated balances. Nonetheless, the above limit is adjusted according to the quotient of the consumer price index for the month in which the debt ratio is calculated and the consumer price index as at December 2009. Nonetheless, the above limit will be adjusted to a maximum ratio of 2 times. To this end, the debt ratio shall be defined as the liability/total net equity ratio. As of March 31, 2019, the debt ratio is 0.55 times.
2. Maintaining a financial hedging ratio equal to or over 3 times, measured on the basis of the figures contained in its consolidated individual balances, defined as the ratio between operating Revenue plus depreciation during the financial year and the amortization of intangible assets divided by financial expenses. As of March 31, 2019, the Company's financial hedging ratio is 14.55 times.
3. Sending a copy of both the quarterly and the audited individual Interim Consolidated financial statements to the different banks the Company has asked for loans, within five days of their submission to the Financial Market Commission.
4. Submitting a certificate issued by the Company's General Manager stating compliance with the loan agreement obligations.
5. Maintaining all rights, licenses, permits, trademarks, franchises, concessions or relevant parts thereof in full force.
6. Maintaining insurance to reasonably protect its assets, including its corporate offices, buildings, plants, furniture and office equipment and vehicles, in line with the usual practices of industries of a nature similar to that of the Company.
7. Ensuring that transactions with its subsidiaries or other related parties are made on equitable conditions similar to those normally prevailing in the market.



iii) Essal S.A.

The Subsidiary has obligations arising from obtaining loans from a national bank without compromised financial indexes or associated restrictions.

As of March 31, 2019 the Company and its Subsidiary Utilities comply with all requirements established in the loan agreements with accrediting Banks, as well as with all the provisions of DFL. No. 382 of the General Sanitation Services Act of 1988, and its Regulations (D.S. MOP No. 1199/2004, published in November 2005).



d) Third party guarantees

As of March 31, 2019 and December 31, 2018, the Company has received documents in guarantee for Th\$43,335,353 and Th\$42,150,481, respectively, arising mainly from work contracts with construction companies to guarantee due performance. Additionally, there are also other guarantees for services contracts and for the acquisition of materials toward ensuring their timely delivery.

A detail of more important received bank guarantees as of March 31, 2019, are summarized below:

Contractor or supplier	Name	31-03-2019 Th\$	Final maturity
EMP.DEPURADORA DE A.S. MAPOCHO EL T	A. Andinas S.A.	14,302,331	31-12-2019
BROTEC CONSTRUCCIÓN LTDA.	A. Andinas S.A.	2,454,841	31-01-2020
CONSTRUCTORA VALKO S A	A. Andinas S.A.	2,454,841	30-01-2020
ECHEVERRIA IZQUIERDO ING. Y CONSTRU	A. Andinas S.A.	1,075,065	15-05-2019
SUEZ MEDIOAMBIENTE CHILE S.A.	A. Andinas S.A.	851,497	30-05-2022
MOTOROLA CHILE S.A.	A. Andinas S.A.	762,469	01-12-2025
EL PENON SPA	A. Andinas S.A.	509,967	30-06-2019
EMPRESA NACIONAL DE ENERGIA ENEX S.	A. Andinas S.A.	468,000	29-12-2019
C. DE PETROLEOS DE CHILE COPEC S.A.	A. Andinas S.A.	463,514	16-03-2020
INGENIERIA Y CONSTRUCCION MST LTDA.	A. Andinas S.A.	412,577	05-07-2019
INMOB. Y COMERCIAL QUILICURA LTDA.	A. Andinas S.A.	385,921	28-10-2020
ING. Y CONSTRUCCION MST LTDA.	A. Andinas S.A.	377,860	28-06-2019
SUEZ MEDIOAMBIENTE CHILE S.A.	A. Andinas S.A.	377,860	27-06-2019
DALCO INGENIERIA LTDA.	A. Andinas S.A.	369,464	30-01-2020
CONSORCIO BAPA GRAMATEC SPA	A. Andinas S.A.	363,781	28-12-2019
INGENIERIA Y CONSTRUCCION MST LTDA.	A. Andinas S.A.	337,598	06-08-2020
VAPOR INDUSTRIAL SPA	A. Andinas S.A.	287,200	30-04-2019
INGENIERIA Y CONSTRUCCION MST LTDA.	A. Andinas S.A.	279,467	22-05-2019
AES GENER S.A.	A. Andinas S.A.	275,658	01-04-2022
DALCO INGENIERIA LTDA.	A. Andinas S.A.	268,380	30-10-2019
BAPA S.A.	A. Andinas S.A.	261,259	31-07-2019
EIFFAGE ENERGIA CHILE LTDA	A. Andinas S.A.	261,259	30-06-2019
EMPRESA NACIONAL DE ENERGIA ENEX S.	A. Andinas S.A.	254,800	29-12-2019
CONSTRUCTORA PEREZ Y GOMEZ LTDA	A. Andinas S.A.	247,177	31-08-2019
A DENHAM Y CIA LTDA	A. Andinas S.A.	231,470	31-12-2021
DALCO INGENIERIA LTDA.	A. Andinas S.A.	227,693	30-08-2019
INMOBILIARIA MONTE ACONCAGUA S.A.	A. Andinas S.A.	220,526	16-11-2019
ECHEVERRIA IZQUIERDO ING. Y CONSTRU	A. Andinas S.A.	209,570	24-06-2019
CONSTRUCTORA OLBERTZ LTDA.	A. Andinas S.A.	204,083	30-11-2019
CRILLON S.A.	A. Andinas S.A.	203,380	15-09-2020
ECHEVERRIA IZQUIERDO ING. Y CONSTRU	A. Andinas S.A.	199,107	15-05-2019
CONSTRUCTORA OLBERTZ LTDA.	A. Andinas S.A.	189,483	30-11-2019
CONSTRUCTORA OLBERTZ LTDA.	A. Andinas S.A.	155,597	30-11-2019
CONSTRUCTORA CARRAN S.A.	A. Andinas S.A.	154,368	28-05-2019
GYO INGENIERIA LTDA.	A. Andinas S.A.	147,680	18-06-2019
INGENIERIA Y CONSTRUCCION MST LTDA.	A. Andinas S.A.	140,692	16-05-2019
TELEFONICA EMPRESAS CHILE S.A.	A. Andinas S.A.	136,147	30-12-2022
CONSTRUCTORA PEREZ Y GOMEZ LTDA	A. Andinas S.A.	130,024	01-08-2019
BAPA S.A.	A. Andinas S.A.	125,079	13-08-2019
CONSTRUCTORA PEREZ Y GOMEZ LTDA	A. Andinas S.A.	116,028	31-08-2019
INGENIERIA Y CONSTRUCCION MST LTDA.	A. Andinas S.A.	110,357	31-07-2019
CONSORCIO NAC. DE DIST. Y LOG. S.A.	A. Andinas S.A.	110,263	03-06-2020
EL PENON SPA	A. Andinas S.A.	110,263	28-02-2020
EMPRESA CONST. COTA MIL LTDA.	A. Andinas S.A.	110,263	01-07-2020
INM. Y CONST NVA. PACIFI. SUR LTDA.	A. Andinas S.A.	110,263	18-11-2019
BRENNTAG CHILE LTDA.	A. Andinas S.A.	110,035	05-12-2019
INLAC S.A.	A. Andinas S.A.	105,639	31-01-2020
AMEC CADE ING. Y DES PROJ. LTDA	A. Andinas S.A.	104,154	12-08-2019
SOC. DE TERCERIZACION DE SERV. PROV	A. Andinas S.A.	103,761	01-01-2020
LEVEL 3 CHILE S.A.	A. Andinas S.A.	103,234	30-11-2019
CONSTRUCTORA PEREZ Y GOMEZ LTDA	A. Andinas S.A.	102,859	31-08-2019
SUEZ MEDIOAMBIENTE CHILE S.A.	A. Andinas S.A.	100,031	28-12-2020
SUEZ MEDIOAMBIENTE CHILE S.A.	A. Cordillera S.A.	674,478	03-05-2019
I C M S.A.	A. Cordillera S.A.	158,305	30-10-2019
OBRASCON HUARTE LAIN,S.A.	A. Cordillera S.A.	137,829	30-10-2019
SACYR CHILE S.A.	A. Cordillera S.A.	137,829	30-10-2019
SUEZ MEDIOAMBIENTE CHILE S.A.	A. Manquehue S.A.	1,857,138	30-05-2019
INMOBILIARIA DG CUATRO LIMITADA	A. Manquehue S.A.	161,177	28-02-2020
INMOBILIARIA DG CUATRO LIMITADA	A. Manquehue S.A.	161,177	31-08-2019
ARTBASE ING. CONST. Y SERVICIOS LTDA.	Essal S.A.	130,766	16-04-2019
SOC. CONST. SCHWERTER Y ASOCIADOS LTDA.	Essal S.A.	102,040	28-12-2019
		35,695,574	



Note 30. CAPITALIZED FINANCING COSTS

The table below summarizes the capitalized financing costs as of March 31, 2019 and December 31, 2018:

Disclosure of capitalized interest costs

Capitalized interest costs, property, plant & equipment		31-03-2019	31-12-2018
Rate of capitalization of capitalized interest costs, property, plant & equipment	%	6.25	6.42
Amount of capitalized interest, property, plant & equipment	Th\$	845,627	3,215,456

Note 31. ENVIRONMENT

Disclosure of information on environment-related investments.

The following information on environment-related investments is disclosed in compliance with Circular No. 1901 of October 30, 2008, of the Financial Market Commission.

The table below summarizes the environment-related investments:

Aguas Andinas S.A.

Project Name	31-03-2019 Th\$	31-12-2018 Th\$
Expansion & improvements Buin Maipo WWTP	1,560,837	1,596,552
Expansion & improvements Curacaví WWTP	4,195	501,322
Expansion & improvements El Monte WWTP	1,036,410	1,097,243
Expansion & improvement San José de Maipo WWTP	61	46,471
Expansion & improvement Talagante WWTP	700,372	3,623,144
Expansion & improvements Other Districts WWTP	3,917	5,948
Improvement & renewal equipment & purification facilities	179,474	1,047,679
La Farfana Plant	1,045,815	4,518,641
Mapocho - Trebal Plant	3,601,065	16,212,808
External platform handling and disposal sludge El Rutal	4,463	6,755
Total	8,136,609	28,656,563



Aguas Manquehue S.A.

Project Name	31-03-2019 Th\$	31-12-2018 Th\$
Improvement & renewal equipment & purification facilities	11,746	26,590
Total	11,746	26,590

Aguas del Maipo S.A.

Project Name	31-03-2019 Th\$	31-12-2018 Th\$
Biogas Purifying Plant	0	0
Total	0	0

Essal S.A.

Project Name	31-03-2019 Th\$	31-12-2018 Th\$
Improvement in disposal infrastructure	2,434	23,781
Improvement of EDAR system	161,340	673,808
Renewal of treatment & disposal equipment	27,124	101,253
Total	190,898	798,842

Environmental investments projected for the period 2019:

Company	Th\$
Aguas Andinas S.A.	16,231,953
Aguas Manquehue S.A.	110,929
Essal S.A.	895,090
Total	17,237,972

Indication of whether the disbursement is part of the cost of an asset or is reflected as an expense, disbursements in the period

All of the projects above are part of the cost for the respective construction works.

Fixed or estimated date for future disbursements, disbursements in the period

The projected disbursements are expected to be made in 2019.



The Company and its Subsidiaries are affected by environment-related disbursements, i.e. compliance with regulations, laws relating to industrial processes and installations, and any other issue that could directly or indirectly affect protection of the environment.

Note 32. EVENTS OCCURRING AFTER THE CLOSING OF THE BALANCE SHEET

Aguas Andinas S.A.:

On April 11, 2019, the Company placed the second Green and Social bond (AE Series) issued in the local market, for an amount of CLF 2.0 million structured to a term of 25 years with a grace period of 23 years and a 2.5% coupon rate. The use of proceeds will be investment projects that have a positive impact on the environmental and social area of the country and the refinancing of liabilities generated also to finance Green and Social projects.

As of April 17, 2019 Narciso Berberana Sáenz presented his resignation before the Company's Board. In the same opportunity, the Board named Marta Colet Gonzalo as new General Manager, who assumed her functions from this date.

In Ordinary Shareholders' Meeting held in April 23, 2019, were treated subjects inherent of it, between them, the renewal of the Board, being elected the following people:

Regular Directors

1. Guillermo Pickering de la Fuente
2. Loreto Silva Rojas
3. Giorgianna Cuneo Queirolo
4. Claudio Muñoz Zúñiga
5. Narciso Berberana Sáenz
6. Rodrigo Manubens Moltedo
7. Luis Mayol Bouchon

Alternate Directors

Jorge Manent Codina
Sonia Tschorne Berestesky
Tomás Uauy Cuneo
Cosme Sagnier Guimón
Fernando Samaniego Sangroniz
Gonzalo Rojas Vildósola
Mauricio Rojas Mullor

It is noted that the directors, Mr. Rodrigo Manubens Moltedo and Luis Mayol Bouchon and their respective alternates, Mr. Gonzalo Rojas Vildósola and Mr. Mauricio Rojas Mullor, were elected as independent directors.

Then, the Board of the Company met, session in which it was agreed unanimously by its present members to appoint Mr. Guillermo Pickering de la Fuente as Chairman of the same and of the Company.

It was also agreed that the Directors Committee will be composed of Rodrigo Manubens Moltedo, Luis Mayol Bouchon and Narciso Berberana Sáenz, and their respective alternates.

At the same Ordinary Shareholders' Meeting, it was agreed to distribute the net profits obtained by the Company in the year 2018, which amounted to Th Ch\$136,056,517, excluding the result from sales of assets for the year, net of taxes. Therefore, the amount to be distributed is Th Ch\$ 132,850,909. Taking into consideration the interim dividend aid in January 2019, which amounted to Th Ch\$43,223,758, the distributable profit amounted to Th Ch\$89,626,930 corresponding to a dividend of



Ch\$14.6474 per share, which will be due as of May 23, 2019. It is recorded that the remaining Th Ch\$ 221 corresponding to the difference in the distribution of dividends will be allocated to accumulated earnings account.

Aguas Cordillera S.A.:

On April 23, held the Ordinary Shareholders Meeting of the Company, in which agreed the total renewal of the Board, choosing for a full statutory period, as regular directors, the following persons:

1. Marta Colet Gonzalo
2. Camilo Larraín Sánchez
3. José Sáez Albornoz
4. Iván Yarur Sairafi
5. Javier Ybarra Moreno

Then, the Board of the Company met and was agreed to appoint Ms. Marta Colet Gonzalo as Chairman of the same and of the Company.

In the same meeting, Mr. Narciso Berberana Saénz presented his resignation to the position of General Manager, agreeing with the Board to appoint in this quality to Mr. Eugenio Rodríguez Mingo, from this date.

At the same Ordinary Shareholders' Meeting it was agreed to distribute 100% of the profits for the 2018 fiscal year amounting to Th Ch\$18,308,227, which meant a dividend of Ch\$365,236.84370 per share, which was paid on May 17, 2019.

Aguas Manquehue S.A.:

On April 23, held the Ordinary Shareholders Meeting of the Company, in which agreed the total renewal of the Board, choosing for a full statutory period, as regular directors, the following persons:

1. Marta Colet Gonzalo
2. Camilo Larraín Sánchez
3. José Sáez Albornoz
4. Iván Yarur Sairafi
5. Javier Ybarra Moreno

Then, the Board of the Company met and was agreed to appoint Ms. Marta Colet Gonzalo as Chairman of the same and of the Company.

In the same meeting, Mr. Narciso Berberana Saénz presented his resignation to the position of General Manager, agreeing with the Board to appoint in this quality to Mr. Eugenio Rodríguez Mingo, from this date.



At the same Ordinary Shareholders' Meeting it was agreed to distribute 100% of the profits for the 2018 fiscal year amounting to Th Ch\$3,569,484, which meant a dividend of Ch\$15,303.3188 per share, which was paid on May 17, 2019.

Essal S.A.:

On April 16, 2019, the twenty-eighth Ordinary Shareholders' Meeting was held, at which the distribution of 100% of the profits for the year was agreed, amounting to Th Ch\$10,857,446. It was noted that, in accordance with the agreement of the Board of Directors in due course, in January of this year a provisional dividend was distributed with a charge to the profits of the previous year. In consideration of the foregoing, the profits to be distributed amount to Th Ch\$7,291,569, which means a definitive dividend of Ch\$7.60917 per share, which will be due from May 16, 2019.

On May 27, 2019, in the ordinary session of the Company's Board of Directors, Mr. Hernán König presented his resignation as General Manager. In the aforementioned session, the board of directors unanimously agreed to designate Mr. Gustavo Gómez Jiménez as such.

As of the date of issue of these interim consolidated financial statements, the Management of the Company's and its Subsidiaries are not aware of any subsequent events that could affect their financial position as of March 31, 2019.

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