

EMPRESAS LIPIGAS

Consolidated financial statements

December 31, 2013

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Ch\$ - Chilean pesos
ThCh\$ - Thousands of Chilean pesos
UF - Unidad de Fomento (a Chilean peso based inflation indexed currency unit)
US\$ - US dollars
COP - Colombian pesos
PEN - New Peruvian sols





INDEPENDENT ACCOUNTANT'S REPORT

Santiago, March 13, 2014
(October 22, 2014 for Notes 31.3 and 31.4)

To the Shareholders and Directors
Empresas Lipigas S.A.

We have audited the accompanying consolidated financial statements of Empresas Lipigas S.A. and subsidiaries which comprise the consolidated statements as of financial position as of December 31, 2013 and 2012, the re-stated consolidated statement of financial position as of January 1, 2012, and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the years ended December 31, 2013 and 2012 and the corresponding notes thereto.

Management's responsibility of for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements according to International Financial Reporting Standards. This responsibility includes the design, implementation and maintenance internal control for the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have not audited the financial statements of a subsidiary Lima Gas S.A. that is owned and controlled, whose financial statements include assets that represent 20% of total consolidated assets at December 31, 2013 and revenue that represents 16% of total consolidated revenue for the year ended on that date. These financial statements were audited by other auditors whose report has been furnished to us and our opinion, insofar as it relates to the amounts included for Lima Gas S.A., is based solely on the report of those auditors. We conducted our audit in accordance with Chilean generally accepted auditing standards. Those standards require that we plan and perform our work to obtain reasonable assurance that the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence of the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement in the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant for the preparation and fair presentation of the entity's consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express such an opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.



Santiago, March 13, 2014
(October 22, 2014 for Notes 31.3 and 31.4)
Empresas Lipigas S.A.
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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Empresas Lipigas S.A. and subsidiaries as of December 31, 2013 and 2012, and as of January 1, 2012, the results of their operations and cash flows for the year ended December 31, 2013 and 2012, in accordance with International Financial Reporting Standards.

Emphasis of matter

As mentioned in Note 2.30 to the financial statements, the financial statements for the years ended December 31, 2012 and January 1, 2012 have been restated to correct misstatements and adjustments relating to a change in accounting policy. Our opinion does not change as a result of this matter.

A handwritten signature in blue ink, appearing to read "Ariel Olguín Pisani".

Ariel Olguín Pisani
RUT.: 6.504.283-5

A handwritten signature in blue ink, appearing to read "PricewaterhouseCoopers".

EMPRESAS LIPIGAS S.A. CONSOLIDATED FINANCIAL STATEMENTS

(in thousands of Chilean pesos – ThCh\$)

As of and for the years ending December 31, 2013 and
2012

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CLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2013 and restated of December 31, 2012 and January 1, 2012

(in ThCh\$)

ASSETS	Note	12/31/2013 ThCh\$	Restated at 12/31/2012 ThCh\$	Restated at 01/01/2012 ThCh\$
CURRENT ASSETS				
Cash and cash equivalent	3	11,154,132	7,692,655	5,336,459
Other financial assets, current	5	79,079	-	51,125
Trade receivables and other receivables, current	8	25,540,493	23,863,159	20,671,968
Intercompany receivables, current	9	-	254,291	32,833
Inventories	10	12,544,717	10,348,046	11,676,746
Current tax assets	11	-	2,487,135	2,460,394
Other non-financial assets, current	7	562,690	353,761	298,504
Total Current Assets other than assets or groups of assets, classified as held for sale or held for distribution to owners		49,881,111	44,999,047	40,528,029
Non-current assets or groups of assets classified as held for sale	4	3,641,535	-	-
Total Current Assets		53,522,646	44,999,047	40,528,029
NON-CURRENT ASSETS				
Other financial assets, non-current	5	9,026,643	-	-
Investments accounted for using the equity method		293,649	197,075	-
Intangible assets other than goodwill	12	4,544,115	1,282,720	713,262
Property, plant and equipment	14	201,285,722	176,249,191	172,289,368
Goodwill	13	8,074,324	1,433,970	453,580
Deferred income tax assets	11	239,217	-	-
Other non-financial assets, non-current	7	1,352,659	766,721	772,825
Total Non-Current Assets		224,816,329	179,929,677	174,229,035
Total Assets		278,338,975	224,928,724	214,757,064

Notes 1 to 31 form an integral part of the consolidated financial statements of Empresas Lipigas S.A. and subsidiaries.

CLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2013 and restated of December 31, 2012 and January 1, 2012
(in ThCh\$)

EQUITY AND LIABILITIES	Note	12/31/2013 ThCh\$	Restated at 12/31/2012 ThCh\$	Restated at 01/01/2012 ThCh\$
CURRENT LIABILITIES				
Other financial liabilities, current	15	7,733,851	24,795,277	21,039,432
Trade payables and other accounts payable, current	16	23,970,231	22,168,805	16,442,307
Intercompany payables, current	9	-	4,163,552	3,489,962
Other provisions, current	17	521,787	-	-
Tax liabilities, current	11	216,054	-	774,082
Other non-financial liabilities, current	2.23	2,031,454	1,135,843	1,151,200
Provisions for employee benefits, current	18	1,608,100	723,212	661,072
Total Current Liabilities		36,081,477	52,986,689	43,558,055
NON-CURRENT LIABILITIES				
Other non-current financial liabilities	15	65,915,531	4,428,237	6,984,236
Other accounts payable, non-current		-	163,552	-
Deferred income tax liabilities	11	18,136,589	12,978,375	11,266,778
Other non-current non-financial liabilities	19	23,499,991	18,504,746	18,772,287
Provisions for employee benefits, non-current	18	2,687,066	2,893,041	2,577,766
Total Non-Current Liabilities		110,239,177	38,967,951	39,601,067
TOTAL LIABILITIES		146,320,654	91,954,640	83,159,122
EQUITY				
Capital	20	94,989,618	70,546,855	70,546,855
Other reserves		1,081,168	22,481	734,660
Cumulative earnings		34,252,827	53,908,950	52,858,032
Equity attributable to the owners of the controller		130,323,613	124,478,286	124,139,547
Non-controlling interests	20	1,694,708	8,495,798	7,458,395
Total Equity		132,018,321	132,974,084	131,597,942
Total Equity and Liabilities		278,338,975	224,928,724	214,757,064

Notes 1 to 31 form an integral part of the consolidated financial statements of Empresas Lipigas S.A. and subsidiaries.

CONSOLIDATED STATEMENT OF INCOME BY FUNCTION

For the year ending December 31, 2013 and restated for the year ending December 31, 2012
(in ThCh\$)

CONSOLIDATED STATEMENT OF INCOME BY FUNCTION	Note	01/01/2013 to 12/31/2013 ThCh\$	Restated 01/01/2012 to 12/31/2012 ThCh\$
Revenue	21	378,088,151	330,654,760
Cost of sales	22	(283,485,495)	(250,085,042)
Gross Earnings			
Other income by function	21	501,277	260,488
Other expenses by function	22	(14,456,077)	(12,983,587)
Distribution costs	22	(20,956,081)	(17,165,228)
Administrative expenses	22	(16,388,940)	(14,523,199)
Financial costs	23	(3,696,118)	(2,253,271)
Financial income	23	427,983	1,565,342
Exchange differences	23	651,410	98,591
Other gains (losses)	23	632,394	(224,953)
Net Income before taxes		41,318,505	35,343,901
Income tax expense	11	(7,741,618)	(6,587,379)
Net income (loss)		33,576,887	28,756,522
Net Income attributable to the owners of the controller		33,702,729	28,236,255
Net Income attributable to non-controlling interests	20	(125,842)	520,267
Net Income		33,576,887	28,756,522

Notes 1 to 31 form an integral part of the consolidated financial statements of Empresas Lipigas S.A. and subsidiaries.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ending December 31, 2013 and restated for the year ending December 31, 2012
(in ThCh\$)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	01/01/2013 to 12/31/2013 ThCh\$	Restated 01/01/2012 to 12/31/2012 ThCh\$
Net Income	33,576,887	28,756,522
Components of Other Comprehensive Income, before taxes		
Translation exchange differences, actuarial gains (losses) and cash flow hedges		
Gains from translation exchange differences, before taxes	279,220	21,666
Other comprehensive income, actuarial gains (losses) from defined benefit plans	311,012	(482,521)
Gains from cash flow hedges, before taxes	143,139	-
Other comprehensive income, before taxes	733,371	(460,855)
Income tax on components of other comprehensive income	(90,830)	96,504
Total comprehensive income	34,219,428	28,392,171
Comprehensive income attributable to owners of the controller	34,413,719	27,865,404
Comprehensive income attributable to non-controlling interests	(194,291)	526,767
Total comprehensive income	34,219,428	28,392,171

Notes 1 to 31 form an integral part of the consolidated financial statements of Empresas Lipigas S.A. and subsidiaries.

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS EQUITY

(in ThCh\$)

For the year ending December 31, 2013

Consolidated statement of changes in equity	Issued capital ThCh\$	Reserves for translation exchange differences ThCh\$	Reserves for cash flow hedges ThCh\$	Reserves for gains and losses on defined benefit plans ThCh\$	Total other reserves ThCh\$	Cumulative gains (losses) ThCh\$	Equity		
							Stockholders equity attributable to the owners of the controller ThCh\$	Non-controlling interests ThCh\$	Total stockholders equity ThCh\$
Equity as of January 1, 2013, restated	70,546,855	408,498	-	(386,017)	22,481	53,908,950	124,478,286	8,495,798	132,974,084

Changes in equity

Comprehensive Income									
	Gains (losses)	-	-	-	-	33,702,729	33,702,729	(125,842)	33,576,887
	Other comprehensive income	-	347,668	114,511	248,812	710,991	710,991	(68,449)	642,541
	Total comprehensive income	-	347,668	114,511	248,812	710,991	33,702,729	34,413,720	34,219,428
Dividends	-	-	-	-	-	(53,442,769)	(53,442,769)	-	(53,442,769)
Capital stock issues	24,442,763	-	-	-	-	-	24,442,763	-	24,442,763
Increase (decrease) due to transfers and other changes		347,696	-	-	347,917	83,917	431,613	(6,606,799)	(6,175,186)
Total increase (decrease) in equity	24,442,763	695,364	114,511	248,812	1,058,687	(19,656,123)	5,845,327	(6,801,090)	(955,763)
Equity as of December 31, 2013	94,989,618	1,103,862	114,511	(137,205)	1,081,168	34,252,827	130,323,613	1,694,708	132,018,321

Notes 1 to 31 form an integral part of the consolidated financial statements of Empresas Lipigas S.A. and subsidiaries.

CONSOLIDATED STATEMENT OF CHANGES IN STOCK HOLDERS EQUITY

(in ThCh\$)

Restated for the year ending December 31, 2012

Consolidated statement of changes in stockholders equity	Issued capital ThCh\$	Reserves for translation exchange differences ThCh\$	Reserves for gains and losses on defined benefit plans ThCh\$	Total other reserves ThCh\$	Cumulative gains (losses) ThCh\$	Equity		
						Stockholders equity attributable to the owners of the controller ThCh\$	Non-controlling interest ThCh\$	Stockholders total equity ThCh\$
Equity as of January 1, 2012	70,546,855	734,660	-	734,660	25,308,704	96,590,219	6,576,590	103,166,809
Increase (decrease) due to correction of errors and changes in accounting policies	-	-	-	-	27,549,328	27,549,328	881,805	28,431,133
Opening balance, restated	70,546,855	734,660	-	734,660	52,858,032	124,139,547	7,458,395	131,597,942

Changes in stockholders equity

Comprehensive income									
	Gains (losses)	-	-	-	-	28,236,255	28,236,255	520,267	28,756,522
	Other comprehensive income	-	15,166	(386,017)	(370,851)	-	(370,851)	6,500	(364,351)
	Total comprehensive income	-	15,166	(386,017)	(370,851)	28,236,255	27,865,404	526,767	28,392,171

Dividends	-	-	-	-	(27,000,000)	(27,000,000)	-	(27,000,000)
Increase (decrease) due to transfers and other changes	-	(341,328)	-	(341,328)	(185,337)	(526,665)	510,636	16,029

Total increase (decrease) in stockholders equity	-	(326,162)	(386,017)	(712,179)	1,050,918	338,739	1,037,403	1,376,142
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Equity as of December 31, 2012	70,546,855	408,498	(386,017)	22,481	53,908,950	124,478,286	8,495,798	132,974,084
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Notes 1 to 31 form an integral part of the consolidated financial statements of Empresas Lipigas S.A. and subsidiaries.

CONSOLIDATED STATEMENT OF DIRECT CASH FLOWS

For the years ending December 31, 2013 and 2012

(in ThCh\$)

Statement of Cash Flow by the Direct Method	Note	01/01/2013 to 12/31/2013 ThCh\$	01/01/2012 to 12/31/2012 ThCh\$
Cash flow from (used in) operating activities			
Type of collection by operating activity			
Collection from goods and services		380,279,857	328,938,173
Other collections from operating activities		2,181,891	1,247,960
Type of payment			
Payments to suppliers for goods and services		(257,109,288)	(214,198,604)
Payments to and on behalf of employees		(20,246,537)	(16,641,227)
Other payments for operating activities		(48,687,360)	(44,162,618)
Income taxes paid		(5,011,261)	(5,485,661)
Other cash outlays		(2,048,962)	(2,007,608)
Net cash flow from operating activities		49,358,340	47,690,415
Cash flow from (used in) investing activities			
Cash flow used to obtain control of subsidiaries or other businesses		(16,571,850)	-
Cash flow used to purchase non-controlling interests		(5,967,523)	-
Revenue from sales of property, plant and equipment		44,582	24,037
Purchases of intangible assets		(648,477)	(883,600)
Purchases of property, plant and equipment	14.2	(19,306,980)	(17,305,422)
Revenue (payments) from other long-term assets		(9,026,643)	(1,360,771)
Cash and cash equivalent from business combinations		1,049,043	-
Net cash flow used in investing activities		(50,427,848)	(19,525,756)
Cash flows from finance activities			
Flow from the issue of shares		24,442,763	-
- Flow from long-term loans		42,597,745	883,015
- Flow from short-term loans		5,404,600	1,357,499
Net cash flow from loans		48,002,344	2,240,514
Payment of loans		(13,657,329)	(835,315)
Payment of interest		(843,077)	(205,353)
Payment of dividends	20.3	(53,442,769)	(27,000,000)
Net cash flows from (used in) finance activities		4,501,933	(25,800,154)
Net increase in cash and cash equivalent before the effect of changes in the exchange rate		3,432,425	2,364,505
Effects of exchange rate variations on cash and cash equivalent		29,053	(8,309)
Net increase in cash and cash equivalent		3,461,478	2,356,196
Cash and cash equivalent at the beginning of the period or fiscal year		7,692,655	5,336,459
Cash and cash equivalent at the end of the period or fiscal year		11,154,132	7,692,655

Notes 1 to 31 form an integral part of the consolidated financial statements of Empresas Lipigas S.A. and subsidiaries.

EMPRESAS LIPIGAS S.A.

Notes to the consolidated financial statements

As of and for the years ending December 31, 2013 and 2012

Note 1 - General Company Information

Empresas Lipigas S.A. (hereinafter the "Parent Company," the "Company" or the "Corporation") and its subsidiaries comprise the Lipigas Group (hereinafter "Lipigas" or the "Group"). Empresas Lipigas S.A. is a privately held corporation headquartered at Las Urbinas 53, 13th floor, in the municipality of Providencia, Santiago, Republic of Chile.

Inversiones El Espino S.A., a privately held corporation, was incorporated by public deed dated August 9, 2000. The name was then changed to Empresas Lipigas S.A. by public deed dated October 31, 2000.

It engages in the business of investing, acquiring, selling, managing, operating and commercializing any type of corporeal or incorporeal real estate or chattel in any way, for its own account or for others, whether owned by it or by others; in holding interests in any type of company engaged in the business of the import, export, storage, fracking, commercialization, distribution and transport of liquefied petroleum gas (LPG). Its business was expanded by public deed dated October 14, 2002 to include the sale of liquefied petroleum gas and any type of liquid or gaseous fuel.

These consolidated financial statements for the year ending December 31, 2013 were authorized by the Board of Directors on March 13, 2014.

These consolidated financial statements for the year ending December 31, 2013 were re-issued under Board approval dated October 22, 2014 as a result of changes and new information requested by the Securities and Exchange Commission of Chile (SVS) by official letter number 23,065 issued August 28, 2014 and for their inclusion in the SVS's Securities Issuers Registry.

Note 2 - Summary of Main Accounting Policies

The main accounting policies used in preparing the consolidated financial statements are described below. These policies have been designed on the basis of the International Financial Reporting Standards prevailing as at December 31, 2013 and they have been applied uniformly to the years presented in these consolidated financial statements.

2.1 Bases for preparation of the consolidated financial statements

These consolidated financial statements for the year ending December 31, 2013 have been prepared according to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The aforesaid standards have been applied uniformly to all years presented. The IFRS include International Accounting Standards (IAS) and interpretations by the respective interpretations committees (SIC and IFRIC) of the IASB.

The preparation of the financial statements according to IFRS requires that certain estimations and accounting policies be used. It also requires Management to exercise judgment in the application of the Company's accounting policies. Note 2.29 discusses the areas where a greater degree of judgment is used or there is a greater degree of complexity and the areas where the assumptions and estimations are material.

There were no uncertainties on the date of these consolidated financial statements with regard to events or conditions that could impede the Company from continuing to operate normally as an ongoing concern.

The consolidated financial statements have been presented using the historic cost, except for certain financial instruments, which are disclosed at their fair value.

The Company has reviewed the useful lives of certain assets accounted for in Property, Plant and Equipment. That study concluded that errors had been made when estimating the useful lives of certain assets. Accordingly, the Parent Company has made changes to the cylinders and tanks and its Colombian subsidiaries to the buildings, tanks, equipment, vehicles and cylinders. The effect of these retroactive changes are disclosed in these consolidated financial statements and described in Note 2.30.

For the year ending December 31, 2012, reclassifications were made to facilitate comparison to the year ending December 31, 2013. Although these reclassifications do not change either the results or the equity for the previous year, Note 2.31 describes and discloses the most important reclassifications.

2.2 Currency of presentation and functional currency

These consolidated financial statements are presented in thousands of Chilean pesos (ThCh\$) as this is the functional currency of the main economic environment in which Empresas Lipigas S.A. operates.

Each entity in the Group has chosen its own functional currency according to IAS 21, *The Effects of Changes in Foreign Exchange Rates*, and the items included in each entity's financial statements are measured using that functional currency.

2.3 Periods covered by the financial statements

The consolidated financial statements include the classified consolidated statement of financial position, the consolidated statement of income by function, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of direct cash flows for the years ending December 31, 2013 and December 31, 2012.

2.4 New rulings, amendments, improvements and accounting interpretations (IFRS and Interpretations of the IFRIC)

Amendments, improvements and interpretations of existing standards that have been published on or before the date these consolidated financial statements were issued and entered into effect during the year ending December 31, 2013 and have been adopted by the Company. These amendments, improvements and interpretations were mandatory as of the dates indicated below:

Standards and Interpretations	Mandatory for fiscal years beginning on or after
IAS 19: Employee Benefits	January 1, 2013
IAS 27: Separate Financial Statements	January 1, 2013
IFRS 10: Consolidated Financial Statements	January 1, 2013
IFRS 11: Joint Arrangements	January 1, 2013
IFRS 12: Disclosure of Interests in Other Entities	January 1, 2013
IFRS 13: Fair Value Measurement	January 1, 2013
IFRIC 20: Stripping Costs in the Production Phase of a Surface Mine	January 1, 2013
Improvement to IAS 1: Presentation of Financial Statements	January 1, 2013
Improvement to IAS 28: Investments in Associates and Joint Ventures	January 1, 2013
Amendment to IFRS 7: Financial Instruments: Disclosures	January 1, 2013
Amendment to IFRS 1: First-Time Adoption of International Financial Reporting Standards	January 1, 2013
Improvement to IFRS 10: Consolidated Financial Statements	January 1, 2013
Improvement to IFRS 11: Joint Arrangements	January 1, 2013
Improvement to IFRS 12: Disclosure of Interests in Other Entities	January 1, 2013

The adoption of these standards as at the date when each had to be mandatorily applied had no material impact on the consolidated financial statements, except for IAS 19. Since 2013, the Company has comparatively made the actuarial calculation required by that standard. The effects are disclosed in Note 18.

- Amendments and Improvements

Standards and Interpretations	Mandatory for fiscal years beginning on or after
IAS 28: Investments in Associates and Joint Ventures	January 1, 2013
IFRS 7: Financial Instruments: Disclosures	January 1, 2013
IFRS 1: First-Time Adoption of International Financial Reporting Standards	January 1, 2013
IFRS 10: Consolidated Financial Statements, IFRS 11 Joint Arrangements, and IFRS 12 Disclosure of Interests in Other Entities	January 1, 2013
IFRS 1: First-Time Adoption of International Financial Reporting Standards. It explains how a company can apply IFRS 1 more than once under certain circumstances.	January 1, 2013
IFRS 1: First-Time Adoption of International Financial Reporting Standards. It	January 1, 2013

Standards and Interpretations	Mandatory for fiscal years beginning on or after
explains that a company can opt to adopt IAS 23, Borrowing Costs, on the transition date or as at an earlier date.	
IAS 1: Presentation of Financial Statements. It clarifies the comparative information requirements when the entity presents a third column in the balance sheet.	January 1, 2013
IFRS 1: First-Time Adoption of International Financial Reporting Standards. It clarifies that as a consequence of the above amendment to IAS 1, a company adopting IFRS for the first time can provide information on all periods presented in notes.	January 1, 2013
IAS 16: Property, Plant and Equipment. It clarifies that spare parts and servicing equipment must be classified as Property, Plant and Equipment rather than as Inventories if the definition of Property, Plant and Equipment is met.	January 1, 2013
IAS 32: Financial Instruments: Presentation. It explains the treatment of income tax in relation to distributions and transaction costs.	January 1, 2013
IAS 34: Interim Financial Reporting. It clarifies the interim reporting of segment information on assets and liabilities and ratifies the same requirements applicable to annual financial statements.	January 1, 2013

The adoption of the above standards, amendments and interpretations had no material impact on the Company's consolidated financial statements.

- Accounting pronouncements applicable to future fiscal years:

Standards and Interpretations	Mandatory for fiscal years beginning on or after
IFRS 9: Financial Instruments	January 1, 2015
Amendment to IAS 32: Financial Instruments: Disclosure	January 1, 2014
Improvement to IAS 27: Separate Financial Statements	January 1, 2014
IFRIC 21: Levies	January 1, 2014
IAS 36: Impairment of Assets	January 1, 2014
IAS 39: Financial Instruments: Recognition and Measurement	January 1, 2014
IAS 19: Employee Benefits	January 1, 2014
IFRS 2: Share-Based Payment	January 1, 2014
IFRS 3: Business Combinations	January 1, 2014
IFRS 8: Operating Segments	January 1, 2014
IFRS 13: Fair Value Measurement	January 1, 2014
IAS 16: Property, Plant and Equipment	January 1, 2014
IAS 38: Intangible Assets	January 1, 2014
IAS 24: Related Party Disclosures	January 1, 2014
IAS 40: Investment Property	January 1, 2014

The Company has not adopted any of these standards early. The Company's Management believes that the adoption of the above standards, amendments and interpretations will have no material impact on the Company's consolidated financial statements in the first period they are applied.

2.5 Bases for consolidation

2.5.1 Subsidiaries

Subsidiaries are all entities in which the Company has the power to direct the financial and operating policies, which is generally accompanied by an interest representing more than one-half of the voting rights. The evaluation of whether the Company controls another entity studies the existence and effect of the potential voting rights currently exercisable or convertible. Subsidiaries are consolidated from the date when control is obtained and they are excluded from consolidation on the date when control ceases.

The acquisition method is used to account for the acquisition of subsidiaries. The acquisition cost is the fair value of the assets, of the equity instruments issued and of the liabilities incurred or assumed on the date of transfer. The identifiable assets acquired and identifiable liabilities and contingencies assumed in a business combination are valued initially at the fair value on the date of acquisition, regardless of the scope of minority interests. The cost in excess over the fair value of the Company's interest in identifiable net assets acquired is recognized as goodwill. If the acquisition cost is less than the fair value of the net assets in the subsidiary acquired, the difference is recognized directly in the consolidated statement of income by function.

The transactions, balances and unrealized gains in transactions between entities in the Group are eliminated on consolidation. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment loss in the asset transferred. The accounting policies of subsidiaries are amended whenever necessary to ensure uniformity with the policies adopted by the Company.

2.5.2 Non-controlling transactions and interests

The Group's policy is to consider transactions involving non-controlling interests to be transactions with the Company's shareholders and they are disclosed as equity transactions with no impact on income provided they do not entail a loss of control.

2.6 Subsidiaries

2.6.1 Directly consolidated entities

Below are the subsidiaries included in the consolidation:

Country	Company	Percentage Interest	
		12/31/2013	12/31/2012
Chile	Norgas S.A.	58.00	58.00
Chile	Inversiones Lipigas Uno Ltda.	100.00	100.00
Chile	Inversiones Lipigas Dos Ltda.	100.00	100.00

The assets, liabilities and equity of the subsidiary Norgas S.A. are as follows:

Summary Statement of Financial Position	12/31/2013 ThCh\$ Norgas S.A.
Current Assets	2,413,651
Non-current Assets	3,400,729
Total Assets	5,814,380
Current Liabilities	1,500,623
Non-current Liabilities	278,760
Equity	4,034,997
Total Liabilities and Equity	5,814,380

The income and expenses of the subsidiary Norgas S.A. are as follows:

Summary Statement of Income by Function Norgas S.A	12/31/2013 ThCh\$
Revenues	21,880,877
Expenses and cost of sales	(21,643,056)
Other income (expenses)	(24,998)
Net Income	212,823

2.6.2 Indirectly consolidated entities

The indirect subsidiaries included in the consolidation are:

Country	Company	Percentage Interest	
		12/31/2013	12/31/2012
Colombia	Chilco Distribuidora de Gas y Energía S.A.S. E.S.P.	100.00	70.00
Colombia	Chilco Metalmecánica S.A.S.	100.00	70.00
Uruguay	Plenatek S.A.	100.00	70.00
Colombia	Inversiones en Gas S.A.S.	100.00	70.00
Peru	Lima Gas S.A.	100.00	-

The assets, liabilities and equity in Chilco Distribuidora de Gas y Energía S.A.S. E.S.P., and Chilco Metalmecánica S.A.S (total for Colombia) and Lima Gas S.A (total for Peru) are shown below as at 12/31/2013:

Summary Consolidated Statements of Financial Position - Subsidiaries	12/31/2013 ThCh\$ Colombia	12/31/2013 ThCh\$ Peru
Current Assets	3,911,622	33,114,001
Non-current Assets	38,597,911	20,851,216
Total Assets	42,509,533	53,965,217
Current liabilities	5,534,836	31,943,047
Non-current liabilities	14,185,332	7,270,603
Equity	22,789,365	14,751,567
Total Liabilities and Equity	42,509,533	53,965,217

The income and expenses for Chilco Distribuidora de Gas y Energía S.A.S. E.S.P., and Chilco Metalmecánica S.A.S. (total for Colombia) and Lima Gas S.A (total for Peru) as of 12/31/2013:

Summary Consolidated Statements of Comprehensive Income Subsidiaries	12/31/2013 ThCh\$ Colombia	12/31/2013 ThCh\$ Peru
Revenue	31,096,343	27,372,536
Expenses and cost of sales	(30,139,421)	(22,003,197)
Other income (expenses)	(278,017)	(4,600,116)
Net Income	678,905	769,223

2.6.3 Changes in the perimeter of consolidation

Peru

In order to continue its internationalization in the LPG industry, the Company acquired 100% of Lima Gas S.A. on July 31, 2013.

Colombia

In October 2013, a merger began between Inversiones en Gas S.A.S. and Plenatex S.A. with Chilco Distribuidora de Gas y Energía S.A.S. E.S.P.

The merger is expected to conclude during 2014.

2.7 Foreign Currency Translation

2.7.1 Functional currency and currency of presentation

The transactions included in the consolidated financial statements of the Company and its subsidiaries are measured using the currency of the main economic environment in which the business operates (the "functional currency"). The functional currency and currency of presentation of Empresas Lipigas S.A. and its subsidiaries Norgas S.A., Inversiones Lipigas Uno Limitada and Inversiones Lipigas Dos Limitada is the Chilean peso. It is the Colombian peso for Chilco Distribuidora de Gas y Energía S.A.S. E.S.P., Chilco Metalmecánica S.A.S., Plenatek S.A. and Inversiones en Gas S.A.S., while it is the Peruvian sol for Lima Gas S.A. The Company's subsidiaries translated their financial statements to Chilean pesos for the consolidation, which is their currency of presentation.

The income and financial position of all of the Company's subsidiaries (none of which uses a currency in a hyperinflationary economy) whose functional currency is different from the currency of presentation are translated to the currency of presentation in the following way:

- The assets and liabilities in each statement of financial position are translated using the exchange rate at the close of each year or period.
- The income and expenses of each income account are translated using the cumulative average monthly exchange rates for the year (unless this average is not a fair approximation of the exchange rates on the transaction dates, in which case income and expenses are translated at the exchange rate prevailing on the transaction date).
- All translation differences are recognized as a separate component of equity through Other Comprehensive Income.

2.7.2 Transactions and balances

Foreign currency transactions are translated to the functional currency using the exchange rates prevailing on the dates of the respective transactions. Foreign currency losses and gains resulting from the settlement of these transactions and from the translation of foreign currency-denominated monetary assets and liabilities at the closing exchange rates are recognized as exchange differences in the consolidated statement of income by function, unless they originate in cash and cash equivalent balances designated as foreign currency cash flow hedges, which are allocated to Other Comprehensive Income.

Note 26 discusses the foreign currency balances as of December 31, 2013 and December 31, 2012.

2.7.3 Exchange rates

Assets and liabilities in a foreign currency and in “Unidades de Fomento” are shown at the following exchange rates and closing values, respectively:

Date	CLP / USD	CLP / UF	CLP / COP	CLP / PEN
12/31/2013	524.61	23,309.56	0.27	187.49
12/31/2012	479.96	22,840.75	0.27	188.15

CLP : Chilean peso

UF : Unidad de Fomento (a Chilean peso based inflation-indexed currency unit)

USD : U.S. dollar

COP : Colombian peso

PEN : New Peruvian sol

2.8 Financial information by operating segment

The information by segment is presented according to IFRS 8 *Operating Segments*, consistent with the internal reports regularly reviewed by the Company’s management to make decisions on allocating resources and evaluating the performance of each of the operating segments.

According to IFRS 8, an operating segment is a component of an entity that meets the following 3 requirements:

- It conducts an activity that generates income and incurs costs.
- There is discrete financial information on the segment.
- The segment’s performance is evaluated regularly by the chief operating decision-maker.

The Company discloses financial information by segment based on the countries where the Company operates: Chile, Colombia and Peru.

Note 25 of the consolidated financial statements provides detailed information.

2.9 Property, plant and equipment

2.9.1 Valuation

The items in property, plant and equipment held for use in operations or for administrative purposes are presented at cost, net of the corresponding cumulative depreciation and impairment losses, when relevant, including expenses directly attributable to their acquisition.

On the date of transition to IFRS, the Company chose to present certain items in property, plant and equipment at fair value, which became their cost on the transition date pursuant to IFRS 1.

Work in progress is transferred to operating assets at the end of the test period once they are available for use. Depreciation begins at that moment.

Subsequent costs (replacement of components, improvements, extensions, growth, etc.) are included as an increase in the value of the initial asset or recognized as a separate asset only if it is likely that the future economic benefits associated with the fixed asset will flow to the Company and the cost of the element can be reliably determined. The value of any substituted component is expensed. Remaining repairs and maintenance are debited to income in the year or period they are performed.

2.9.2 Depreciation method

Depreciation is calculated using the straight-line method based on the estimated useful life of the asset, taking into account the residual value. The average per category is:

Classification of Property, Plant and Equipment	Useful Life
	(Years)
Buildings - Constructions and buildings	25/45
Storage tanks	30/50
Property, plant and equipment in third-party facilities - Piping systems - Meters - Household tanks	16/50
Plant and Equipment - Machinery and equipment - Cylinders - Pallets	10/30
Information Technology Equipment	4/5
Motor Vehicles	5/10
Other property, plant and equipment - Freight trucks - Furniture and office equipment	10/20

The residual value and useful life of assets are reviewed and revised, if necessary, at each financial statement closing date so that the remaining useful life is consistent with the economic use of the assets.

The Company has reviewed the useful lives of certain assets accounted for in Property, Plant and Equipment. That study concluded that errors had been made when estimating the useful lives of certain assets. Accordingly, the Parent Company has made changes to the useful live cylinders and tanks and its Colombian subsidiaries to the buildings, tanks, equipment, vehicles and cylinders. The effect of these retroactive changes are disclosed in these consolidated financial statements and described in Note 2.30.

When the value of an asset exceeds its estimated recoverable amount, that value is immediately reduced to the recoverable amount by establishing impairment provisions.

Losses and gains on the sale of items of property, plant and equipment are calculated by comparing the sales proceeds to the carrying value and the resulting gain or loss is included in the consolidated statement of income by function.

Interest expense incurred in building any asset that necessarily takes a long time to be ready for its intended use is capitalized during the period required to complete it and prepare the asset for its intended use. Other interest expense is recorded in income (as a financial cost).

2.10 Intangible assets other than goodwill

2.10.1 Computer software

Computer software licenses are capitalized using the cost incurred in acquiring the software and preparing it for its specific use. These costs are amortized during the estimated useful life of the software.

The expenses related to developing or maintaining computer software are recognized as an expense. The costs directly related to producing unique and identifiable computer software controlled by the Company that is likely to generate economic benefits in excess of costs over more than one year are recognized as intangible assets. Direct costs include the expenses of personnel developing the computer software and an appropriate percentage of overhead.

2.10.2 Acquisition of commercial assets

Commercial assets acquired to capture customer loyalty are capitalized at the acquisition cost established in sub-distributors contracts.

The amount is amortized over the period in which the investment to capture customer loyalty is expected to be recovered.

2.10.3 Customer-related intangible assets

Pursuant to IFRS 3, a Company that acquires another company must recognize the identifiable assets acquired in a business combination separate from goodwill. An intangible asset will be distinguishable from goodwill if the standard of either separability or contractual legality is met.

The Company has recognized assets acquired in business combinations as customer-related intangible assets. The value of the contracts with customers included in the combination has been calculated at the time of the combination and their fair value has been estimated based on forecasted sales and margins on those sales. A finite useful life has been assigned based on the duration of the business relationship with those customers. Amortization is calculated on a straight-line basis according to the useful life.

The Company acquired 100% of Lima Gas S.A., a Peruvian company, in 2013. The Company identified customer-related intangible assets in that acquisition, as described in Note 13. As stated in IFRS 3, the Company has one year from the acquisition date to determine the goodwill acquired and to make any adjustments that it deems necessary.

One of the Colombian subsidiaries concluded the allocation of goodwill earned from the acquisition of the Progas operation in the year ending December 31, 2012 during the year ending December 31, 2013 in identifiable intangible assets following the method in IFRS 3. Accordingly, the value allocable to trademark-related intangible assets and customer-related intangible assets involved in that acquisition was calculated during that year.

These transactions are discussed in further detail in Note 12.

2.10.4 Trademarks

Trademarks acquired in a business combination are valued at their fair value on the acquisition date.

The royalty savings method was used to calculate the value of the trademarks acquired in the purchase of Progas and Giragas by Chilco Distribuidora de Gas y Energía S.A.S. E.S.P. The underlying premise of that method is that the intangible asset has a fair value equal to the actual savings on royalties attributable to that trademark (generated by savings earned by possessing the asset because no royalties have to be paid to a third party for use of a similar asset).

The useful life of trademarks is based on the Company's intention to use them. They will not be amortized if those trademarks will be used indefinitely.

2.11 Goodwill

Goodwill is the excess acquisition cost on the date of acquisition above the fair value of the interest held by the Company in the identifiable net assets of the subsidiary acquired. Goodwill in relation to subsidiary acquisitions is an intangible asset and it is accounted for in intangible assets.

Goodwill relating to the acquisition of associates is included in investments in associates accounted for by the equity method and it is tested for impairment together with the total balance for the associate. The goodwill recognized separately is tested for impairment annually and valued at its cost, less cumulative impairment losses.

The transaction cost includes the carrying value of the goodwill of an entity sold, recorded in the gains and losses on the sale of that entity.

Goodwill purchased is allocated to cash-generating units to conduct impairment testing. The distribution is made among the cash-generating units or groups of cash-generating units that are expected to benefit from the business combination that included goodwill.

Negative goodwill in the acquisition of an investment or business combination is credited directly to the consolidated statement of income by function.

2.12 Impairment of non-current assets

Assets that have an undefined useful life, such as land, are not depreciated or amortized and are tested annually for impairment losses. Depreciable or amortizable assets are tested for impairment provided an event or change in circumstances indicates that the carrying value might not be recoverable or annually in the case of goodwill. The impairment loss is recognized to be the excess carrying value of the asset as compared to its recoverable amount. The recoverable amount is the fair value of an asset less costs of sale or value in use, whichever is higher. Assets are grouped at the lowest level at which there are identifiable discrete cash flows (cash-generating units) in order to evaluate impairment losses.

The goodwill recorded in the acquisition of the investments in Colombia and Peru is evaluated annually to determine whether there is any loss in value of this asset. If there is evidence of a loss in value, an impairment provision is made that is shown in income for the corresponding year.

2.13 Financial instruments

The Company recognizes financial assets and financial liabilities at the time that it assumes the obligations or acquires their contractual rights.

2.13.1 Financial assets

a) Cash and cash equivalent

Cash and cash equivalent include cash on hand and other short-term highly liquid investments originally expiring in three months or less.

b) Trade receivables and other receivables

Trade receivables are recognized at their nominal value since their average period for collection is short (generally no longer than 30 days) and there is no material difference in their fair value, except any impairment loss provision. An impairment loss provision is created for trade receivables when there is objective evidence that the company will be unable to collect the amounts due according to the original terms of the receivable.

When a receivable is considered uncollectable and collection efforts have been exhausted, the receivable is written off against the respective uncollectable provision. The subsequent recovery of previously written off amounts is recognized as a credit in the consolidated statement of income by function.

There is no implicit interest allocated to trade receivables and other accounts receivables because the accounts expire in less than 90 days.

Loans and accounts receivable that include balances owed by distributors and other business customers are non-derivative financial assets for which there are fixed or determinable payments that are not traded on an active market. They are included in current assets unless the expiration date is longer than 12 months from the closing date of the consolidated financial statements, in which case they are classified as non-current assets.

c) Other current financial assets

These are financial derivatives that are valued at all times at their fair value. Changes are accounted for according to the following classifications:

(a) Derivatives not qualifying for hedge accounting: When the derivatives do not qualify for hedge accounting, they are recognized at their fair value through profit or loss.

(b) Derivatives qualifying for hedge accounting: Certain derivatives do qualify for hedge accounting and they are shown at the fair value in the consolidated statement of financial situation. Changes in fair value are recognized in other comprehensive income in the consolidated statement of comprehensive income and are accumulated in the cash flow hedge reserve account in equity until the hedge risk materializes. At that time, they are reclassified to income or to the cost of the asset whose acquisition has been hedged, as the case may be.

Financial derivatives are contracted to hedge exchange rate risk under a cash flow hedging strategy according to IAS 39.

The profit or loss realized in hedge accounting is reclassified as other comprehensive income, to the hedged items that underlie the hedge (property, plant and equipment and other non-current non-financial assets). Unrealized profits or losses are kept in the cash flow hedge reserve account.

In this case “realize” means that the risk of the hedged item has occurred, i.e., the hedged asset is received, the advance and/or account payable in the hedged foreign currency are paid.

The Company documents the relationship between the hedging instruments and hedged items at the start of the transaction, together with the risk management objectives and the strategy to manage several hedge transactions. The company also continuously documents, from the start, its evaluation of whether the derivatives used in the hedged transactions are highly effective in compensating for changes in the fair value or in the cash flows of the hedged items.

d) Impairment of financial assets

The Company evaluates whether there is objective evidence on the closing date of the consolidated financial statements that a financial asset or group of financial assets may have suffered impairment losses.

2.13.2 Financial liabilities

a) Other current and non-current financial liabilities

Loans and similar financial liabilities are initially recognized at the fair value, net of any costs incurred in the transaction. They are thereafter valued at their amortized cost while any difference between the funds received (net of the cost required to receive it) and the repayment amount is recognized in the consolidated statement of income by function during the life of the debt, using the effective interest rate method.

b) Trade payables and other accounts payable

Trade payables and other accounts payable are shown at their nominal value since the average term for payment is short and there is no significant difference compared to their fair value.

2.14 Non-current assets classified as held for sale

The Company values non-current assets classified as held for sale at the lower of the carrying value and fair value less costs of sale, as indicated in IFRS 5.

2.15 Inventories

Inventories are valued at their cost or net realizable value, whichever is lower. The cost is calculated using the average weighted price (AWP).

2.16 Issued capital

Capital stock is represented by common shares in one single class and recorded at the value of the contributions made by the company's owners.

2.17 Income tax and deferred income taxes

Income tax expense for the year or period includes the current income tax and deferred income tax. Income tax is shown in the consolidated statement of income by function unless the items are recognized directly in equity in the consolidated statement of comprehensive income or result from a business combination.

The current income tax charge is calculated on the basis of current tax laws on the date of the consolidated financial statements.

Deferred income taxes are calculated, according to the balance sheet method, as the differences between the tax bases of assets and liabilities and their carrying value in the consolidated financial statements. However, no record is made if deferred income taxes arise from the initial recognition of a liability or asset in a transaction other than a business combination but there is no impact, at the time of the transaction, on either the carrying profit or loss or the financial profit or loss. Deferred income tax is calculated according to regulations and the tax rates approved or about to be approved on the closing date of the consolidated financial statements that are expected to apply when the corresponding deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are shown when it is likely that there will be future tax benefits available that can be used to offset those differences.

2.18 Employee benefit provisions, current

The Company recognizes the expense of employee vacations using the accrual method. This benefit is granted to all employees and is a fixed sum in each employee's contract. This benefit is recorded at its nominal value.

2.19 Employee benefit provisions, non-current

The Parent Company has liabilities for severance indemnities under collective bargaining agreements and individual employment contracts.

Defined benefit plans stipulate the payment to be received by an employee at the estimated time of enjoyment of the benefit, which usually depends on one or more factors such as the employee's age, turnover, years of employment and compensation.

The liability shown in the consolidated statement of financial position is the present value of the defined benefit obligation. The present value of the defined benefit obligation is calculated by discounting the estimated outgoing cash flows using a market interest rate denominated in the same currency as the currency in which the benefits will be paid. The term approximates the term of the severance indemnity obligation until maturity.

The costs of past services are recognized immediately in income. Actuarial gains and losses are recognized immediately in the statement of financial position as a debit or credit to other comprehensive income in the period in which they occur.

The present value of severance indemnity obligations is calculated by discounting estimated future flows using adjustable interest rates in UF on premium corporate bonds (or government bonds) denominated in the currency in which the benefits will be paid, and according to the dates these obligations mature.

The rates used in the valuation of those obligations was 3.56% for the year ending December 31, 2013 and 3.5% for the year ending December 31, 2012.

2.20 Provisions

The Company has not had to establish provisions for environmental restoration, the retirement of assets, restructuring costs or onerous contracts. In the opinion of legal counsel, provisions have been established for contingent litigation qualified as probable according to IAS 37.

2.21 Cylinder and tank guarantees

During the sale and distribution of LPG, the Company and two of its subsidiaries receive cash deposits to guarantee the return of LPG cylinders and tanks provided to their customers.

In Chile, those deposits are acknowledged to the customer in a certificate that requires the Company to reimburse 100% of the nominal value of the guarantee, adjusted by the Consumer Price Index (CPI). This obligation is shown at the present value of the disbursements that are expected to settle that liability, discounted at the market interest rate and denominated in the same currency in which the obligation will be paid over a term that approximates to the term of the obligation. The estimated maximum period of reimbursement of the guarantee is 30 years.

In the Colombia operation, Chilco Distribuidora de Gas y Energia S.A.S.E.S.P. accounted for this liability at its nominal value during 2012. The error in valuing this liability was corrected this year using a model similar to that used by the Parent Company, taking into account the Colombian regulations. Note 2.30 describes the correction of this error.

The operation in Peru uses a model similar to that of the Parent Company, adapted to the characteristics inherent to the regulations and market in Peru.

The government bonds from each country with maturities equivalent to those of the obligations to be discounted are used to calculate the discount rate and a spread is added according to the risk rating of each entity.

The discount rates for 2013 and 2013 were, respectively: 6.56% and 6.50% for Chile; 7.32% for Colombia for both periods; and 6.30% for Peru for 2013.

2.22 Classification of balances as current and non-current

Balances are classified in the consolidated statement of financial position by maturity. Balances expiring in 12 months or less from the closing date of the consolidated financial statements are classified as current and those exceeding that period are classified as non-current.

Any obligations expiring in less than 12 months but whose long-term refinancing is insured are reclassified as non-current at the Company's discretion.

2.23 Revenue recognition

Revenue includes the fair value of the amounts received or receivable for the sale of goods and services in the ordinary course of the Company's business. Revenue is shown net of sales tax, reimbursements, refunds and discounts.

The Company recognizes revenue when it can be valued reliably, it is likely that the future economic benefits will flow to the entity, and the specific conditions are met for each of the Company's activities as described below.

The Company recognizes prepaid revenue from coupon sales (a document delivered to the customer in support of the right to request a future delivery of gas in a cylinder) in the Other current non-financial liabilities as although the economic benefit has flowed to the Company, ownership of the asset is not transferred until the beneficiary makes use of the coupon, at which time the revenue is recognized.

The sale of goods is recognized when the Company has delivered the products to the customer and there is no pending obligation that might affect the acceptance of the products by the customer. Delivery does not take place until the products have been sent, the risks of obsolescence and loss have been transferred to the customer, and the customer has accepted the products under the sales contract, the period of acceptance has ended or the Company has objective evidence that the conditions required for acceptance have been met.

Sales are shown at the price in the sales contract, net of volume discounts and returns estimated on the date of sale. Volume discounts are calculated using forecast annual sales to the customer. It is assumed that there is no implicit financing component since the sales are made with a short average collection period.

Interest income is recognized according to the effective interest rate method.

2.24 Leases

Financial leases

The Company leases certain property, plant and equipment. When the Company assumes substantially all the risks and benefits inherent to the property, the leases are classified as financial leases. Financial leases are capitalized at the start of the lease at the fair value of the property or asset leased or at the present value of the minimum payments under the lease, whichever is lower.

Each lease payment is distributed between liabilities and finance charges to obtain a constant interest rate on the outstanding balance of the debt. Lease debt net of finance charges is included in other financial liabilities. The interest element in the financial cost is charged to the consolidated statement of income by function during the lease so that there is a constant periodic interest rate on the remaining balance of the liability for each year or period. An asset acquired under a financial lease is depreciated over its useful life, or the duration of the lease if the Company does not expect to acquire it.

2.25 Distribution of dividends

Dividends payable to the Company's shareholders are recorded as a liability in the consolidated financial statements in the year or period when they are declared and approved by the Board (in the case of interim dividends) or by the Company's shareholders, or when there is an obligation under governing law or distribution policies approved at a Shareholders Meeting.

2.26 Current prepayments

The Company records operating insurance premiums as prepayments.

2.27 Current tax receivables

The Company records the net income tax balances in its favor and tax deductions as current tax receivables.

2.28 Intercompany receivables and payables

Trade accounts are recorded by the Company as intercompany receivables or payables while the sale of goods or services provided or received by the Company are accounted for as related entity transactions.

2.29 Management estimates, judgments and critical policies

The Company makes estimates and judgments that have a direct impact on these consolidated financial statements. As a result, changes in assumptions and estimates may cause significant changes to those consolidated financial statements.

These estimates and judgments are continuously evaluated and are based on historical experience and other factors, including the expectation of future events believed to be reasonable under the circumstances and information available at the time the consolidated financial statements are prepared. The most important are described below:

2.29.1 Allowance for impaired receivables

A provision is made for trade receivables impairment losses when there is objective evidence that the parent company and its subsidiaries will be unable to collect the amounts due according to the original terms of the receivables. Some indicators of a potential receivable's impairment are debtors in financial difficulties, the probability that the debtor will begin bankruptcy proceedings or a financial reorganization, and default or non-payment, in addition to the experience regarding the behavior and characteristics of the collective portfolio.

2.29.2 Depreciation, amortization associated useful lives

The Parent Company and its subsidiaries determine on technical grounds the estimated useful lives and the corresponding charges for depreciation and amortization for property, plant and equipment and intangible assets. This estimate is based on the forecasted life cycles of the assets allocated to operation and income-generation associated with the Company's business. Management reviews the estimated useful lives of property, plant, equipment and intangibles at the close of each period.

The Company has reviewed the useful lives of property, plant and equipment based on a technical study and the future financial benefits that these assets will contribute to the Parent Company and its subsidiaries. That study concluded that errors had been made by the Parent Company when estimating the useful lives of cylinders and tanks and its Colombian subsidiary when estimating the useful lives of buildings, tanks, equipment, vehicles and cylinders. The implications of these changes are disclosed in Note 2.30.

2.29.3 Non-current employee benefit provisions

The Company has agreed to pay indemnities to certain employees when they leave, which are detailed in Note 2.19.

2.29.4 Cylinder and tank guarantees

The historical trend in cylinder reimbursements in the period 2002 to 2013 was analyzed to determine the present value of the cylinder and tank guarantees owed by the Company. This analysis is described in Note 2.21.

2.29.5 Impairment of goodwill

The Group evaluates each year or at any time, if there is evidence that goodwill has experienced an impairment, in accordance with the accounting policy described in Note 2.11. The recoverable amounts of cash-generating units have been determined on the basis of their values in use.

These evaluations have not revealed any impairment in goodwill.

2.29.6 Intangible assets identified in a business combination

The Company evaluated the value of intangible assets identified in business combinations, according to the requirements in IFRS 3, as discussed in Note 2.10.3.

2.30 Correction of errors and changes in accounting policies

As at December 31, 2013, the Company reviewed the useful lives of certain assets accounted for in Property, Plant and Equipment. That study concluded that errors had been made in when estimating the useful lives of assets by the Parent Company as at the date of transition to IFRS (January 1, 2009). Errors had also been made by its Colombian subsidiaries in estimating the useful lives assigned to buildings, tanks, equipment, vehicles and cylinders.

The Company reviewed the calculation of the liability recorded for guarantees by Chilco Distribuidora de Gas y Energia S.A.S.E.S.P. as at December 31, 2013. It had recorded this liability at its face value, so a model similar to that used by the Parent Company was applied and the error was corrected retroactively.

From 2013, the Company must also use an actuarial analysis to value its liabilities for non-current employee benefit provisions, pursuant to the changes to IAS 19. This also constitutes a change in the accounting policy that was used for the comparison with 2012.

The assets and liabilities affected by the aforesaid corrections of errors and changes in accounting policies and the impact on cumulative gains and losses as at January 1, 2012 and December 31, 2012 are as follows:

As at January 1, 2012:

Assets (Liabilities)	1/1/2012 ThCh\$	Correction of error and change in 2011 accounting policies ThCh\$	Restated 1/1/2012 ThCh\$
Property, plant and equipment	140,359,202	31,930,166	172,289,368
Deferred income tax liability	(3,413,331)	(7,853,447)	(11,266,778)
Other non-financial liabilities, non-current	(23,126,701)	4,354,414	(18,772,287)
Total impact on cumulative gains (losses) at 1/1/2012		28,431,133	

Equity	1/1/2012 ThCh\$	Correction of error and change in 2011 accounting policies ThCh\$	Restated 1/1/2012 ThCh\$
Cumulative gains (losses)	25,308,704	27,549,328	52,858,032
Non-controlling interests	6,576,590	881,805	7,458,395
Total impact on cumulative gains (losses) at 1/1/2012		28,431,133	

As at December 31, 2012:

Assets (Liabilities)	12/31/2012 ThCh\$	Correction of error and change in 2011 accounting policies ThCh\$	First Restatement 12/31/2012 ThCh\$	Correction of error and change in 2011 accounting policies ThCh\$	Final Restatement 12/31/2012 ThCh\$
Property, plant and equipment	141,845,990	31,930,166	173,776,156	2,473,035	176,249,191
Deferred tax income liability	(4,452,486)	(7,853,447)	(12,305,933)	(672,442)	(12,978,375)
Other non-financial liabilities, non-current	(22,819,846)	4,354,414	(18,465,432)	(39,314)	(18,504,746)
Total impact on cumulative gains (losses) at 12/31/2012		28,431,133		1,761,279	

Equity	12/31/2012 ThCh\$	Correction of error and change in 2011 accounting policies ThCh\$	First Restatement 12/31/2012 ThCh\$	Correction of error and change in 2011 accounting policies ThCh\$	Final Restatement 12/31/2012 ThCh\$
Other reserves	408,498	-	408,498	(386,016)	22,482
Cumulative gains (losses)	24,552,213	27,549,328	52,101,541	1,807,409	53,908,950
Non-controlling interests	7,274,107	881,805	8,155,912	339,886	8,495,798
Total impact on cumulative gains (losses) at 12/31/2012		28,431,133		1,761,279	

2.31 Reclassifications

Some expense items were reclassified in the consolidated statement of income by function for the year ending December 31, 2012 in order to uniformly disclose expenses by function:

Expense	12/31/2012 before reclassification ThCh\$	Reclassifications	12/31/2012 after reclassification ThCh\$
Selling costs	233,891,071	16,193,971	250,085,042
Marketing costs	6,830,438	6,153,149	12,983,587
Operating costs	17,987,578	(17,987,578)	-
Administrative expenses	8,069,957	6,453,242	14,523,199
Other miscellaneous operating expenses	27,978,012	(27,978,012)	-
Distribution costs	-	17,165,228	17,165,228

Note 3 – Cash and cash equivalent

Cash and cash equivalents as at December 31, 2013 and December 31, 2012 were as follows:

Cash and Cash Equivalents	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Cash on hand	210,920	264,622
Bank balances	7,979,361	4,835,453
Mutual funds	2,346,417	2,021,274
Other cash and cash equivalents	617,434	571,306
Total	11,154,132	7,692,655

Cash and cash equivalents by currency as at December 31, 2013 and December 31, 2012 were as follows:

Currency	12/31/2013 ThCh\$	12/31/2012 ThCh\$
CLP	8,277,141	6,435,206
USD	1,099,711	17,583
COP	539,945	1,239,866
PEN	1,237,335	-
Total	11,154,132	7,692,655

Note 4 – Non-current assets or groups of assets classified as held for sale

As at December 31, 2013 and December 31, 2012 these were as follows:

Item	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Land	3,641,535	-
Total	3,641,535	-

The amount indicated as at December 31, 2013 corresponds to land owned by Lima Gas S.A. That land was sold in the first half of January 2014.

Note 5 – Financial instruments

5.1 Financial assets

The current value and fair value of financial assets are as follows:

Financial Assets	Note	12/31/2013		12/31/2012	
		Fair Value ThCh\$	Carrying Value ThCh\$	Fair Value ThCh\$	Carrying Value ThCh\$
Cash and cash equivalent	3	11,154,132	11,154,132	7,692,655	7,692,655
Trade receivables and other accounts receivable	8	25,540,493	25,540,493	23,863,159	23,863,159
Other current financial assets	5	79,079	79,079	-	-
Intercompany receivables	9	-	-	254,291	254,291
Other receivables (Oxiqum S.A.)	5	9,026,643	9,026,643	-	-
Total financial assets		45,800,347	45,800,347	31,810,105	21,810,105

The book value of current receivables, cash and cash equivalents and other financial assets is the same as the fair value, given the nature of the classification of these instruments in current assets (short-term horizon). It is also the fair value for trade receivables and other receivables because any loss due to the receivable not being collectable is already accounted for in the impairment loss provisions discussed in Note 8.

Loans, receivables and trading balances are included in financial assets according to IAS 39, except for those designated as cash flow hedges.

The company accounts for mutual funds within trading balances. All other assets recorded in financial assets are loans and accounts receivable.

Mutual fund balances within cash and cash equivalents and cash flow hedge forwards are valued at fair value and are rated level 1, according to IFRS 7.

As at December 31, 2013, the Company had receivables of ThCh\$9,026,643 under agreements with Oxiquim S.A. for the construction of facilities for the receiving, storage and dispatching of LPG at the maritime terminal located in Quintero Bay.

The Company signed a lease and a service contract for the unloading, storage and dispatching of LPG for a period of 25 years at the receiving, storage and dispatching facilities to be built by Oxiquim S.A. The company also signed a credit facility related to these contracts under which it granted loans to Oxiquim S.A. to finance part of the design, procurement and construction of the facilities.

The advances made to Oxiquim recorded in non-current other financial assets are accruing interest at a rate based on the value of the Unidad de Fomento. These advances will be repaid by Oxiquim S.A. as the Company pays the monthly installments under the lease and service contract for unloading, storage and dispatching LPG over a period of 25 years.

5.2 Financial liabilities

The Group's financial liabilities currently consist of instruments with contractual repayments, subject to either a fixed or variable interest rate.

The carrying values and fair values of the financial liabilities are shown below:

Financial liabilities	Note	12/31/2013		12/31/2012	
		Fair Value ThCh\$	Carrying Value ThCh\$	Fair Value ThCh\$	Carrying Value ThCh\$
Trade payables and other accounts payable	16	23,970,231	23,970,231	22,168,805	22,168,805
Other financial liabilities (loans and leases)	15	73,634,649	73,649,382	29,230,679	29,223,514
Intercompany payables	9	-	-	4,163,552	4,163,552
Total financial liabilities		97,604,880	97,619,613	55,563,036	55,555,871

The Group classifies all of its financial liabilities according to IAS 39, except for those designated as hedge instruments, loans and accounts payable.

5.3 Derivatives

5.3.1 Description of current other financial assets

In accordance with its risk management policy, the Company has signed derivatives contracts (forwards) to hedge against the variations in the U.S. dollar exchange rate of expected cash flows. Some of those derivatives have been designated as hedges.

The Company's strategy for designated hedge transactions is:

- a) Hedge the exchange rate risk on the acquisition of property, plant and equipment (cylinders, etc.) from the moment that the purchase order is placed until the asset is received by the Company.

In this case, fluctuations in the fair value of the hedge instrument are recorded in other comprehensive income and accumulated in equity until the asset is received or ownership is acquired, at which time the corresponding amount accumulated in equity is reclassified as the cost of the good, as provided in IAS 39.

- b) Hedge the exchange rate risk on foreign currency accounts payable (accounts payable for the purchase of property, plant and equipment) from receipt of the asset until payment of the debt.

In this case, variations in the hedged item's exchange rate are allocated to income.

Moreover, fluctuations in the fair value of the hedge instrument are recorded in other comprehensive income and accumulated in an equity reserve. The portion of the fluctuation corresponding to the risk hedged that has materialized or accrued is reclassified from the equity reserve to income.

- c) Hedge the exchange rate risk of certain advances committed for construction of long-term assets (other financial assets – long term).

In this case, fluctuations in the fair value of the hedge instrument are recorded in other comprehensive income and accumulated in equity until the corresponding advance is paid. Thereafter, it is allocated to the asset cost.

The effects of changes in the fair value of derivatives not yet allocated to hedged items are shown in equity.

Allocations of the gain or loss in the valuation of financial hedges for the year ending December 31, 2013 were as follows:

Cash Flow Hedges	(Gain) Loss at 12/31/2013
Property, plant and equipment	(58,978)
Other non-current financial assets	(177,454)
Other reserves	(114,511)
Total	(350,943)

5.3.2 Effectiveness of the hedge

The Company has signed several contracts with banks to hedge against exchange rate variations that might occur in the future. The gains or losses realized during 2013 have been allocated during the year to hedge the items that made those hedges necessary, as described in the preceding paragraph.

The Company believes that the cash flow hedges made in 2013 were fully effective in regard to payments to Oxiquim S.A. and 97% effective in regard to the purchase of cylinders from domestic and foreign suppliers, expressed in U.S. Dollars.

Note 6 – Risk management

The risk factors inherent to the Company's business are inherent to the markets in which it operates and the business activities conducted by the Company and its subsidiaries. The main risk factors affecting the business can be described as follows:

6.1 Credit risk

Credit risk originates from losses that might occur due to a default by counterparties on their contractual obligations regarding the Company's financial assets.

The Company and its subsidiaries have credit policies in place to mitigate the risk of uncollectable trade receivables. Those policies establish limits on each customer's credit, based on financial history and behavior, which are monitored constantly.

The Company's financial assets are comprised of cash and cash equivalents, trade receivables, sundry receivables, intercompany receivables and other current financial assets.

Credit risk is associated mainly with trade receivables and sundry receivables. Cash and cash equivalent balances are also exposed, but to a lesser extent.

The exposure of cash and cash equivalents to credit risk is limited because funds are deposited in banks with a high credit rating. Cash surpluses are deposited by the Company among various financial entities.

The Company has also signed an agreement under which it committed to making advances under a credit facility not exceeding US\$32,550,000 to Oxiquim S.A. Oxiquim S.A. has signed contracts to provide the service of receiving, storage and dispatching of LPG in facilities to be built at its maritime terminal. The Company has analyzed the solvency of Oxiquim S.A. and concluded that there is no material risk of uncollectability. Those advances are discussed in Note 5.1 of the consolidated financial statements.

The maximum exposure to credit risk is:

Financial Assets	Nota	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Cash and cash equivalents	3	11,154,132	7,692,655
Trade receivables and other accounts receivable	8	25,540,493	23,863,159
Total		36,694,625	31,555,814

6.1.1 Uncollectable receivables policy

Uncollectable receivables provisions are calculated on the basis of the Company's uncollectable receivables policy.

This policy stipulates that the following standards must be met to make provisions:

- **Expired documents:** a provision is made for the balance over 180 days overdue.
- **Protested documents:** the entire debt is provisioned.
- **Invoices and/or bills:**
 - o A provision is made for the balance over 180 days overdue.
 - o The entire debt is provisioned if there are amounts over 180 days overdue, and the debt over 90 days overdue is more than 30% of the total debt.
- **Special provision:**
 - a. Whenever evidence is detected that a customer may not be able to pay, even if the overdue does not fall within the above criteria, a special provision is made for all or part of the debt.
 - b. When a customer refinances a significant part of his debt, a special provision is made for all or part of the debt.

6.2 Liquidity risk

Liquidity risk is the possibility that an entity cannot meet its short-term payment commitments.

Liquidity risk is handled by an appropriate management of assets and liabilities that optimizes daily cash surpluses by placing them in prime financial instruments to ensure that debt commitments are met at maturity.

The Company maintains relationships with the leading financial entities in each country, giving it sufficient credit facilities to meet its liquidity requirements.

Cash flow projections are made from time to time and the financial position is analyzed for the purposes of contracting new credits or restructuring existing term loans, if necessary, to match the cash flow projections of the Company's businesses.

Note 15 of the consolidated financial statements presents an analysis of the Company's financial liabilities, classified by maturity.

6.3 Market risk

Market risk is the risk that the fair values of financial assets and liabilities fluctuate due to changes in market prices and the risks associated with the supply and demand of the products being sold. Market risks to which the Company is exposed are exchange rate risk, interest rate risk and product risk.

6.3.1 Exchange rate risk

This risk arises from the probability of losses due to fluctuations in the exchange rates of the currencies in which assets and liabilities are denominated that are different to the Company's functional currency:

- Purchases of goods and future payment commitments expressed in a foreign currency: The Company's cash flow arises mainly from transactions in its functional currency and that of its subsidiaries. The Company hedges the risk of LPG purchase transactions and the import of goods or future payment commitments expressed in a foreign currency using forwards.

As at December 31, 2013 and December 31, 2012, the receivables and payables in a currency other than functional currency of the Company and subsidiaries were as follows:

Transaction currency: U.S. Dollar

Trade payables and other payables at 12/31/2013	ThCh\$ 4,859,972
Trade payables and other payables at 12/31/2012	ThCh\$ 4,220,429

- Investments held abroad: At December 31, 2013, the Company held net investments abroad in Colombian pesos totaling the equivalent of ThCh\$22,789,365. The total in Peruvian sols was the equivalent of ThCh\$14,751,567. Any fluctuations in the Colombian peso and Peruvian sol in comparison to the Chilean peso would affect the value of these investments.

In the past, the trends in the Colombian peso and Peruvian sol have been correlated to that of the Chilean peso. Management has decided not to hedge this risk, but constantly monitors the forecasted trend for the different currencies.

- **Sensitivity analysis of exchange rate variations**

The Company believes that a 10% increase or decrease in the exchange rates to which it is exposed will have the following effect:

Exchange Rate Variation	Increase Debit (Credit) ThCh\$	Decrease Debit (Credit) ThCh\$	Allocation
CLP/USD	485,997	(485,997)	Exchange differences
CLP/USD	(117,879)	117,879	Cash flow hedge reserves
CLP/COP	(663,397)	663,397	Reserves for translation exchange differences
CLP/PEN	(1,975,680)	1,975,680	Reserves for translation exchange differences

6.3.2 Interest rate risk

This risk refers to the sensitivity of fluctuations in interest rates on the value of financial assets and liabilities.

The objective of interest rate risk management is to achieve a balance in the financial structure, to minimize the cost of debt and reduce volatility in the statement of income.

81% of the Group's financial debt is contracted at fixed rates. Management constantly monitors the expected trend in interest rates for the portion that is at variable rates.

Financial liabilities by fixed and variable interest rate as at December 31, 2013 and 2012 were as follows:

Item	Note	Expiring in less than one year		Expiring in more than one year		Total as of 12/31/2013	
		Fixed Interest ThCh\$	Variable Interest ThCh\$	Fixed Interest ThCh\$	Variable Interest ThCh\$	Fixed Interest ThCh\$	Variable Interest ThCh\$
Other financial liabilities	15	4,961,344	2,772,506	54,441,913	11,473,619	59,403,257	14,246,125
Total		4,961,344	2,772,506	54,441,913	11,473,619	59,403,257	14,246,125

Item	Note	Expiring in less than one year		Expiring in more than one year		Total as of 12/31/2012	
		Fixed Interest ThCh\$	Variable Interest ThCh\$	Fixed Interest ThCh\$	Variable Interest ThCh\$	Fixed Interest ThCh\$	Variable Interest ThCh\$
Other financial liabilities	15	15,849,794	8,945,483	1,156,656	3,271,580	17,006,450	12,217,062
Total		15,849,794	8,945,483	1,156,656	3,271,580	17,006,450	12,217,062

- **Sensitivity analysis of interest rate variations**

The Company believes that the impact on income of a 10% increase or decrease in interest rates would raise or lower annual financial costs by ThCh\$63,216.

6.3.3 Product Risk

a) Liquefied petroleum gas

The Company engages in the LPG distribution business in Chile from the Region of Arica and Parinacota to the city of Coyhaique. Its market share at December 31, 2013 was 37%.

At the end of 2010, the Company entered the Colombian market by purchasing assets from the Gas País Group, and it now has a presence in 23 of the 32 Colombian departments and a market share of 12%.

Continuing with its internationalization in the LPG industry, in July 2013 the Company acquired 100% of Lima Gas S.A., a Peruvian LPG distributor with 9% market share.

a.1) Demand

As it is a basic consumer good in all countries where the Company operates, the demand for LPG is stable and is not significantly affected by economic cycles. However, factors such as temperature, precipitation and the price of LPG as compared to other alternative fuels could impact demand.

a.2) Supply

A risk factor in the LPG business is raw material supplies.

In the case of Chile, the Company minimizes that risk using purchase quotas with Enap Refinerías S.A., Gasmar S.A. and importing this fuel from Argentina and Peru (both the Company and Norgas S.A.).

In order to reinforce its strategic position in the supply of raw material, the Company signed several contracts with Oxiquim S.A. in 2012 to build LPG receiving, storage and dispatching facilities at the terminal owned by Oxiquim in Quintero Bay so that the Company would have diverse sources of maritime supply. To that end, the Company signed a lease and a service contract for the unloading, storage and dispatching of LPG for a period of 25 years using the facilities to be built by Oxiquim S.A. that are expected to become available in 2015.

The LPG sale risk factor in the Colombian market in terms of the supply of raw material is minimized by purchase quotas agreed upon with Ecopetrol S.A. This assures, by public bidding, the demands that distributors have for the product. Apart from the agreements with Ecopetrol S.A., the Company also has purchase agreements with other local market players.

In the Peruvian market, raw material supply is highly concentrated in Lima, which supplies half the country. This is because that country's capital is the zone of greatest consumption and significant supply facilities have been built to provide greater reliability. Contracts have been signed with PetroPeru (the largest supplier, which has two supply plants: Callao and Piura) and Pluspetrol. In addition to these agreements, the Company also has purchase agreements with other local market players.

a.3) Prices

The purchase price of LPG is affected by variations in the international price of fuel. The Company does not foresee any risk of being unable to transfer variations in raw material costs onto sale prices.

The Company has LPG inventories. The realizable value of those inventories is affected by variations in international fuel prices that are the basis for setting sale prices for customers. A variation in international LPG prices would cause a similar change in the realizable value of inventories. This risk is not currently hedged by the Company since it is considered that any variations in international prices would be offset over time. The Company is constantly monitoring the trends and forecasts of international product prices.

b) Natural gas

As it is a basic consumer good, the demand for natural gas is stable over time and not materially affected by economic cycles. The risk of product supply for the Company's operation in the north of Chile is hedged by long-term contracts signed with the local supplier.

c) Liquefied natural gas

The Company signed liquefied natural gas (LNG) supply contracts in 2013 with industrial customers. Those contracts set down formulas to determine the sale price that in turn transfer the agreed variation in the price of the contracts with the product supplier. In order to fulfill commitments to customers, the Company has signed an LNG supply contract with Enap Refinerías S.A. Enap S.A. also has supply contracts with the Quintero Terminal to meet the Annual Supply Plan agreed by both parties.

Note 7 – Other non-financial assets

As at December 31, 2013 and 2012 these are as follows:

Item	Current		Non-current	
	12/31/2013 ThCh\$	12/31/2012 ThCh\$	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Prepaid expenses	562,690	353,761	-	-
Accounts receivable	-	-	723,957	196,584
Restricted or pledged cash	-	-	617,434	569,521
Other assets	-	-	11,268	616
Total	562,690	353,761	1,352,659	766,721

Note 8 – Trade receivables and other receivables

8.1 Composition

8.1.1 Types of trade receivables and other receivables

As at December 31, 2013 and 2012 these were as follows:

Trade receivables and other accounts receivable, net	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Trade receivables	24,549,556	21,150,904
Other accounts receivables	990,937	2,712,255
Total	25,540,493	23,863,159

Trade receivables and other accounts receivable, gross	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Trade receivables	26,694,321	23,118,014
Other accounts receivable	1,002,009	2,712,255
Total	27,696,330	25,830,269

8.1.2 Impairment of trade receivable and other receivables

Impairment to trade receivables as at December 31, 2013 and December 31, 2012 was as follows:

Carrying value of impaired trade receivables and other accounts receivable	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Provisioned trade receivables	2,144,765	1,967,110
Other provisioned accounts receivable	11,072	-
Total	2,155,837	1,967,110

Movements in the provision for impairment in trade receivables and other receivables were:

Provision for trade receivables and other accounts receivable	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Opening balance	1,967,110	1,627,408
Recoveries and write-off of uncollectables	(246,815)	(340,383)
Provision for the year or period	434,069	680,085
Translation differences	1,473	-
Total	2,155,837	1,967,110

Due dates for trade receivables and other receivables as at December 31, 2013 and December 31, 2012 were as follows:

Trade receivables and other accounts receivable, expired but not impaired	12/31/2013 ThCh\$	12/31/2012 ThCh\$
0-3 months overdue	5,691,824	7,923,779
3-6 months overdue	882,360	374,128
6-12 months overdue	72,103	49,338
Total	6,646,287	8,347,245

Trade receivables and other accounts receivable, outstanding	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Expiring in 0-3 months	18,132,201	15,047,497
Expiring in 3-6 months	297,492	190,247
Expiring in 6-12 months	464,513	278,170
Total	18,894,206	15,515,914

8.1.3 Portfolio with payment objections and in judicial collection

The portfolio with payment objections and in judicial collection as at December 31, 2013 and December 31, 2012 was as follows:

12/31/2013		
Portfolio in Judicial Collection	Receivables with objections ThCh\$	Receivables in Judicial Collection ThCh\$
Portfolio with objections or in judicial collection	60,252	104,834
Total	60,252	104,834

12/31/2012		
Portfolio in Judicial Collection	Receivables with objections ThCh\$	Receivables in Judicial Collection ThCh\$
Portfolio with objections or in judicial collection	237,948	1,477
Total	237,948	1,477

Note 9 – Intercompany balances and transactions

Transactions with related entities are paid/collected at 3 days and are not subject to special conditions.

9.1 Intercompany receivables, current

As at December 31, 2013 and December 31, 2012 these were as follows:

Company	Description	Term	Relationship	Currency	Trade Account Balance	
					12/31/2013	12/31/2012
					ThCh\$	ThCh\$
Gas País SA and CIA SCA ESP	Trade account	More than 30 days	Indirect	COP	-	254,291
Total					-	254,291

9.2 Intercompany payables, current

As at December 31, 2013 and December 31, 2012 these were as follows:

Company	Description	Term	Relationship	Currency	Trade Account Balance	
					12/31/2013	12/31/2012
					ThCh\$	ThCh\$
Sociedad Comercializadora Minorista de Colombia S.A.S	Asset purchase	More than 30 days	Indirect	COP	-	163,552
Accionistas Empresas Ligipás S.A.	Dividends payable	Less than 30 days	Direct	CLP	-	4,000,000
Total					-	4,163,552

9.3 Intercompany transactions and their impact on income

These transactions and their impacts on income for the years ending December 31, 2013 and December 31, 2012 were as follows:

Company	Relationship	Description	01/01/2013 to 12/31/2013 ThCh\$	Impact on Income (Debit)/Credit ThCh\$	01/01/2012 to 12/31/2012 ThCh\$	Impact on Income (Debit)/Credit ThCh\$
Inmobiliaria Terracota Dos Ltda.	Indirect	Office Lease	156,898	(156,898)	154,319	(154,319)
Vimagreta	Indirect	Hire of services	--	--	349,381	(349,381)

Transactions with related entities are performed at market prices.

As discussed in Note 13, the Company acquired control of Lima Gas S.A. on July 31, 2013, which sells LPG on the Peruvian market. This subsidiary was owned by the following Company shareholders: El Cóndor Combustibles S.A., Inversiones y Rentas Bermeo Limitada, Inversiones Hevita S.A., San Javier Combustibles S.A., Inversiones Seis Limitada and Nogaleta Holding Limitada. The transaction performed on the Lima Stock Exchange totaled ThCh\$16,614,805, which was accounted for as reported in Note 13.

9.4 Key employee compensation

Key employee compensation, which includes directors and managers, is comprised of a fixed monthly sum and a variable sum (in the case of managers).

Board of Directors and Directors Committee Compensation for 2013 was:

- Board Compensation ThCh\$ 30,400
- Directors Committee Compensation ThCh\$ 4,020

Directors began to receive compensation in November 2013.

Compensation to managers in 2013 and 2012 was:

Compensation	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Fixed income	1,371,161	1,140,532
Variable income	311,642	328,864
Total	1,682,802	1,469,396

Note 10 - Inventories

Inventories as at December 31, 2013 and 2012 were as follows:

Inventory	12/31/2013 ThCh\$	12/31/2012 ThCh\$
LPG	11,795,680	9,682,515
Materials	749,037	665,531
Total	12,544,717	10,348,046

10.1 Materials obsolescence provision

The materials obsolescence provision as at December 31, 2013 and December 31, 2012 was as follows:

Carrying Value of Obsolescence Provision	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Materials obsolescence provision	176,149	138,119
Total	176,149	138,119

Movements in the materials obsolescence provision were:

Movements in Obsolescence Provision	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Opening balance	138,119	137,964
Increases in the provision	48,879	155
Decreases in the provision	(10,849)	-
Final balance	176,149	138,119

The reduction in value was due to consuming materials that remained in the warehouse.

There were no inventories provided as guarantees on the date of these consolidated financial statements.

The cost of inventories recognized in cost of sales for the years ending December 31, 2013 and 2012 was as follows:

Inventory Cost	01/01/2013 to 12/31/2013 ThCh\$	01/01/2012 to 12/31/2012 ThCh\$
Inventory cost recognized in cost of sales	253,604,512	222,707,606

Note 11 – Income tax and deferred taxes

11.1 Current income tax recoverable (payable)

Current income tax recoverable (payable)	12/31/2014 ThCh\$	12/31/2013 ThCh\$
Provisional monthly payments	-	365,213
Recoverable taxes	2,301,169	1,889,989
Income tax	(2,204,830)	-
Other taxes	(312,393)	231,933
Total	(216,054)	2,487,135

11.2 Deferred income taxes

The cumulative balances and movements in deferred tax assets and liabilities as at December 31, 2013 were as follows:

Deferred tax assets	Restated Balance 01/01/2013	(Debit) credit to income	Deferred tax received in business combination	(Debit) credit to other comprehensive income	Balance 12/31/2013
Taxable goodwill	9,651,371	(948,551)	-	-	8,702,819
Tax losses	1,331,607	1,051,220	18,624	-	2,401,453
Current provisions	586,520	36,338	-	-	622,857
Other assets	334,034	78,417	-	-	412,451
Total	11,903,532	217,424	18,624	-	12,139,580

Deferred tax liabilities	Restated Balance 01/01/2013	(Debit) credit to income	Deferred tax received in business combination	(Debit) credit to other comprehensive income	Balance 12/31/2013
Property, plant and equipment	(18,697,286)	(1,362,479)	(2,925,896)	-	(22,985,661)
Trade receivables and other accounts receivable	-	144,242	(839,180)	-	(694,937)
Provisions for employee benefits	(132,956)	16,855	-	(62,203)	(178,304)
Other non-financial liabilities	(5,622,863)	(109,828)	-	-	(5,732,691)
Other liabilities	(57,089)	(24,564)	(649,622)	-	(731,275)
Cash flow hedge	-	-	-	(28,627)	(28,627)
Tax losses	(371,713)	686,257	-	-	314,544
Total	(24,881,907)	(649,517)	(4,414,698)	(90,830)	(30,036,952)

Net deferred tax 12/31/2013	(12,978,375)	(432,093)	(4,396,074)	(90,830)	(17,897,372)
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The cumulative balances and movements in deferred income tax assets and liabilities at December 31, 2012 were as follows:

Deferred tax assets	Balance 01/01/2012	(Debit) credit to income	Deferred tax in business combination	(Debit) credit to equity	Balance 12/31/2012
Taxable goodwill	9,103,128	548,243	-	-	9,651,371
Tax losses	1,262,113	69,494	-	-	1,331,607
Current provisions	523,299	63,221	-	-	586,520
Other assets	281,881	52,153	-	-	334,034
Total	11,170,421	733,111	-	-	11,903,532

Deferred tax liabilities	Balance 01/01/2012	Debit to income	Deferred tax in business combination	Debit (credit) to equity	Balance 12/31/2012
Property, plant and equipment	(17,170,483)	(1,623,831)	97,028	-	(18,697,286)
Provisions for employee benefits	(188,952)	(40,508)	-	96,504	(132,956)
Other non-financial liabilities	(4,305,256)	(1,317,607)	-	-	(5,622,963)
Other liabilities	(55,291)	(1,798)	-	-	(57,089)
Tax losses	(717,217)	345,504	-	-	(371,713)
Total	(22,437,199)	(2,638,240)	97,028	96,504	(24,881,907)

Net deferred tax	(11,266,778)	(1,905,129)	97,028	96,504	(12,978,375)
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11.3 Income tax expense

Description	12/31/2013 ThCh\$	Restated 12/31/2012 ThCh\$
Current tax expense	7,365,485	4,787,963
Impact of temporary differences in deferred taxes and other items	432,093	1,905,129
Adjustment to current taxes in previous year	(55,960)	(105,713)
Total Income tax expense	7,741,618	6,587,379

The reconciliation of the tax rate is as follows:

Description	12/31/2013 ThCh\$	Restated 12/31/2012 ThCh\$
Net Income before-tax on continued operations	41,318,505	35,343,901
Income tax (current rate of 20%)	8,263,701	7,068,780
Tax impact of other jurisdictions' rates	47,881	(111,643)
Adjustment to previous year's tax	(55,960)	(105,713)
Other effects from permanent differences	(514,004)	(264,045)
Income tax expense	7,741,618	6,587,379

11.4 Deferred income tax recognized directly in other comprehensive income

The composition of deferred taxes recognized in other comprehensive income is as follows:

Description	Debit (credit) to other comprehensive income 12/31/2013 ThCh\$	Debit (credit) to other comprehensive income Restated 12/31/2012 ThCh\$
Actuarial movements in employee benefits	62,203	(96,504)
Movements in cash flow hedges	28,627	-
Deferred income taxes recognized in other comprehensive income	90,830	(96,504)

11.5 Netting

The deferred income tax assets and liabilities are netted when there is a legally enforceable right to offset current tax assets against current tax liabilities and the deferred income tax assets and liabilities are related to the income tax imposed by the tax authority on the same entity or different entities that intend to settle the balances on a net basis.

The deferred tax set-off is:

Parent Company and Chile subsidiaries

Description	Gross Assets/Liabilities ThCh\$	Netted amounts ThCh\$	Net closing balance as of 12/31/2013 ThCh\$
Deferred Tax Assets	9,738,129	(9,738,129)	-
Deferred Tax Liabilities	(24,100,758)	9,738,129	(14,362,629)
Total	(14,362,629)	-	(14,362,629)

Description	Gross Assets/Liabilities ThCh\$	Netted amounts ThCh\$	Restated net closing balance as of 12/31/2012 ThCh\$
Deferred Tax Assets	10,571,925	(10,571,925)	-
Deferred Tax Liabilities	(22,878,457)	10,571,925	(12,306,532)
Total	(12,306,532)	-	(12,306,532)

Colombia Subsidiaries

Description	Gross Assets/Liabilities ThCh\$	Netted amounts ThCh\$	Net closing balance as of 12/31/2013 ThCh\$
Deferred Tax Assets	2,265,126	(2,025,909)	239,217
Deferred Tax Liabilities	(2,025,909)	2,025,909	-
Total	239,217	-	239,217

Description	Gross Assets/Liabilities ThCh\$	Netted amounts ThCh\$	Net closing balance as of 12/31/2012 ThCh\$
Deferred Tax Assets	1,331,606	(1,331,606)	-
Deferred Tax Liabilities	(2,003,449)	1,331,606	(671,843)
Total	(671,843)	-	(671,843)

Peru Subsidiary

Description	Gross Assets/Liabilities ThCh\$	Netted amounts ThCh\$	Net closing balance as of 12/31/2013 ThCh\$
Assets from deferred taxes	136,324	(136,324)	-
Liabilities from deferred taxes	(3,910,284)	136,324	(3,773,960)
Total	(3,773,960)	-	(3,773,960)

Note 12 - Intangible assets other than goodwill

12.1 As at December 31, 2013 and December 31, 2012 these were as follows:

Intangible Assets, net	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Software	545,208	575,365
Acquisitions of commercial assets	813,582	707,355
Customers (acquisition of Lima Gas S.A)	2,316,458	-
Customers (acquisition of Progas)	845,823	-
Trademark (acquisition of Progas)	23,044	-
Total net intangibles	4,544,115	1,282,720

Intangible Assets, gross	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Software	2,195,988	1,499.817
Acquisitions of commercial assets	1,009,798	766,176
Customers (acquisition of Lima Gas S.A)	2,797,266	-
Customers (acquisition of Progas)	890,340	-
Trademark (acquisition of Progas)	37,743	-
Total intangibles, gross	6,931,135	2,265,993

Cumulative amortization of intangible assets	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Software	(1,650,781)	(924,452)
Acquisitions of commercial assets	(196,215)	(58,821)
Customers (acquisition of Lima Gas S.A)	(480,808)	-
Customers (acquisition of Progas)	(44,517)	-
Trademark (acquisition of Progas)	(14,699)	-
Total amortization of intangibles	(2,387,020)	(983,273)

12.2 The estimated useful lives of intangibles were as follows:

Description	Estimated Useful Life in years
Software	4
Acquisitions of commercial assets	4 to 6
Customers	1 to 10
Trademarks	3

The Company amortizes its intangible assets with finite useful lives, namely computer software, commercial assets, customers and trademarks, by the straight-line method.

12.3 The movements in intangible assets for 2013 and 2012 were as follows:

Movement in Intangible Assets	Net Software ThCh\$	Net Commercial Assets ThCh\$	Customers, net ThCh\$	Trademarks, net ThCh\$	Total Intangible Assets, net ThCh\$
Opening balance at 01/01/2013	575,365	707,355	-	-	1,282,720
Additions	256,633	298,741	-	-	555,374
Additions through business combinations	93,102	-	3,687,606	37,743	3,818,451
Translation adjustment movement	(11,120)	-	-	-	(11,120)
Amortization	(368,772)	(192,514)	(525,325)	(14,699)	(1,101,310)
Total Changes	(30,157)	106,227	3,162,281	23,044	3,261,395
Final balance at 12/31/2013	545,208	813,582	3,162,281	23,044	4,544,115

Movement in Intangible Assets	Net Software ThCh\$	Net Commercial Assets ThCh\$	Customers, net ThCh\$	Trademarks, net ThCh\$	Total Intangible Assets, net ThCh\$
Opening balance at 01/01/2012	713,262	-	-	-	713,262
Additions	117,424	766,176	-	-	883,600
Amortization	(255,321)	(58,821)	-	-	(314,142)
Total Changes	(137,897)	707,355	-	-	569,458
Final balance at 12/31/2012	575,365	707,355	-	-	1,282,720

Note 13 – Goodwill

13.1 As at December 31, 2013 and December 31, 2012 this was as follows:

Goodwill	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Lima Gas S.A	7,402,610	-
Progas	452,423	1,433,970
Gases del Cauca	219,291	-
Total Goodwill	8,074,324	1,433,970

Its estimated useful lives were as follows:

Estimated Useful Lives	Estimated Useful Life
Goodwill	Undefined

13.2 Goodwill movements in 2013 and 2012 were as follows:

Goodwill Movements	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Opening balance	1,433,970	453,580
Additions from Lima Gas S.A	9,360,696	-
Additions from Gases del Cauca	219,290	-
Additions from Progas	199,019	1,432,465
Reclassification to identified assets	(3,138,651)	-
Movement due to translation differences and other adjustments	-	(452,075)
Final balance		

13.3 The composition of goodwill purchased on July 31, 2013 in the acquisition of Lima Gas S.A. is:

Lima Gas S.A. Goodwill	
	ThCh\$
Price paid in the acquisition on 7/31/2012 (a)	16,614,805
Balance of identifiable assets acquired and liabilities assumed:	
Current assets	6,197,870
Non-current assets	23,375,489
Total Assets (b)	29,573,359
Current liabilities	15,631,413
Non-current liabilities	6,687,837
Total Liabilities (c)	22,319,250
Equity at fair value (d= b-c)	7,254,109
% interest (e)	100%
Equity value (f=d x e)	7,254,109
Goodwill acquired (g= a-f)	9,360,696
Reclassification of identified assets per IFRS 3	
Customers identified	2,797,266
Deferred tax identified	(839,180)
Total reclassification at 12/31/2013 (h)	1,958,086
Final goodwill at 12/31/2013 (i= g-h)	7,402,610

According to IFRS 3, the Company has separated, as an identifiable asset in a business combination, the bulk customers with whom a contractual relationship existed at the time of the acquisition.

13.4 The goodwill arising on the purchase of the Progas operation from the assets identifiable according to IFRS 3 was allocated as follows:

Progas Operation	
	ThCh\$
Price paid in the acquisition (a)	3,399,281
Equity at fair value (b)	1,965,311
Final balance at 12/31/2012 (c=a-b)	1,433,970
Increase in goodwill in the 2013 period (d)	199,019

Balance of recognized identifiable assets acquired and liabilities assumed:

Property, plant and equipment	271,802
Customers (Intangible, with a defined useful life)	845,823
Trademark	23,044
Investments in associates accounted for using the equity method	39,897

Total identified assets acquired and liabilities assumed during 2013 (e)	1,180,566
Final balance at 12/31/2013 (f= c + d-e)	452,423

The Colombian subsidiary Chilco Gas S.A. finished distributing the goodwill from the acquisition of the Progas operation during the year ending December 31, 2013. The Company paid 12,500,000 Colombia pesos for this purchase in 2012, which was equal to ThCh\$3,399,281.

The identifiable assets acquired are property, plant and equipment, customers and a trademark.

Note 14 – Property, plant and equipment

14.1 As at December 31, 2013 and December 31, 2012 this was as follows:

Property, Plant and Equipment, net	12/31/2013 ThCh\$	Restated 12/31/2012 ThCh\$	Restated 01/01/2012 ThCh\$
Construction in progress	9,753,633	6,561,155	5,405,459
Land	18,528,944	13,146,736	12,925,039
Buildings	10,363,192	8,631,121	8,146,877
Storage Tanks	2,551,215	2,799,428	3,152,402
PPE at third-party facilities	77,159,155	73,268,508	72,709,963
Plant and equipment	73,934,008	63,815,468	61,777,869
IT equipment	822,779	890,575	1,182,964
Motor vehicles	5,370,021	4,116,064	3,839,667
Other property, plant and equipment	2,802,775	3,020,136	3,149,128
Total property, plant and equipment, net	201,285,722	176,249,191	172,289,368

Types of Property, Plant and Equipment, gross	12/31/2013 ThCh\$	Restated 12/31/2012 ThCh\$	Restated 01/01/2012 ThCh\$
Construction in progress	9,753,633	6,561,155	5,405,459
Land	18,528,944	13,146,736	12,925,039
Buildings	12,303,012	10,150,797	9,269,171
Storage Tanks	4,190,567	4,208,645	4,208,645
PPE at third-party facilities	101,312,376	89,412,420	84,287,297
Plant and equipment	92,077,218	80,436,049	74,098,990
IT equipment	2,427,763	2,166,695	2,099,897
Motor vehicles	6,956,376	5,174,930	4,442,184
Other property, plant and equipment	5,076,422	4,813,370	4,391,479
Total property, plant and equipment, gross	252,626,311	216,070,797	201,128,161

Cumulative Depreciation and Impairment, Property, Plant and Equipment	12/31/2013 ThCh\$	Restated 12/31/2012 ThCh\$	Restated 01/01/2012 ThCh\$
Construction in progress	-	-	-
Land	-	-	-
Buildings	1,939,820	1,519,676	1,122,293
Storage tanks	1,639,352	1,409,217	1,056,243
PPE at third-party facilities	24,153,221	16,143,912	11,577,335
Plant and equipment	18,143,210	16,620,581	12,321,122
IT equipment	1,604,984	1,276,120	916,932
Motor vehicles	1,586,355	1,058,866	602,517
Other property, plant and equipment	2,273,647	1,793,234	1,242,351
Total depreciation of property, plant and equipment	51,340,589	39,821,606	28,838,793

14.2 Movements in property, plant and equipment during the years ending December 31, 2013 and 2012 were as follows:

2013

Movements 2013	Ongoing construction ThCh\$	Lands ThCh\$	Buildings ThCh\$	Storage tanks ThCh\$	PPE at third-party facilities ThCh\$	Plant and equipment ThCh\$	IT equipment ThCh\$	Motor vehicles ThCh\$	Other property, plant and equipment ThCh\$	Total Property, plant and equipment ThCh\$
Opening Balance on January 1, 2013, restated	6,561,155	13,146,736	8,631,121	2,799,428	73,268,509	63,815,468	890,575	4,116,064	3,020,136	176,249,192
Additions	8,397,742	332,415	344,905	-	7,093,559	1,953,329	231,129	915,916	37,985	19,306,980
Additions from business combinations	458,206	8,270,525	1,420,670	-	2,899,596	9,218,705	31,952	867,679	82,910	23,250,243
Transfers	(3,202,403)	-	387,874	-	2,197,957	433,153	-	3,517	179,902	-
Disposals	(2,461,373)	420,256	(1,530)	(18,147)	(180,693)	(180,683)	(1,211)	(8,167)	(37,798)	(2,468,971)
Translation difference	306	547	296	69	2,391	2,452	27	167	53	6,308
Transfers to other assets held for sale	-	(3,641,535)	-	-	-	-	-	-	-	(3,641,535)
Depreciation	-	-	(420,144)	(230,135)	(8,122,539)	(1,308,416)	(329,693)	(525,155)	(480,413)	(11,416,495)
Total Changes	3,192,478	5,382,208	1,732,071	(248,213)	3,890,646	10,118,540	(67,796)	1,253,957	(217,361)	25,036,530
Final balance on December 31, 2013	9,753,633	18,528,944	10,363,192	2,551,215	77,159,155	73,934,008	822,779	5,370,021	2,802,775	201,285,722

2012

Movements Year 2012	Ongoing construction ThCh\$	Lands ThCh\$	Buildings ThCh\$	Storage tanks ThCh\$	PPE at third-party facilities ThCh\$	Plant and equipment ThCh\$	IT equipment ThCh\$	Motor vehicles ThCh\$	Other property, plant and equipment ThCh\$	Total Property, plant and equipment ThCh\$
Opening balance on January 1, 2012, restated	5,405,459	12,925,039	8,146,877	3,152,402	72,709,963	61,777,869	1,182,964	3,839,667	3,149,128	172,289,368
Additions	6,863,350	287,227	241,128	-	3,428,174	5,394,922	153,296	639,759	297,566	17,305,422
Transfers	(3,155,624)	-	588,599	-	1,634,138	797,060	2,832	-	132,995	-
Disposals	(2,552,645)	(66,296)	(452)	(154)	(50,789)	258,028	(59,491)	(3,395)	(12,250)	(2,487,444)
Translation differences	615	766	452	154	4,553	4,203	55	260	110	11,169
Depreciation	-	-	(345,483)	(352,974)	(4,457,531)	(4,416,614)	(389,081)	(360,227)	(547,414)	(10,869,324)
Total Changes	1,155,696	221,697	484,244	(352,974)	558,545	2,037,599	(292,389)	276,397	(128,992)	3,959,823
Final balance as of December 31, 2012, restated	6,561,155	12,146,736	8,631,121	2,799,428	73,268,508	63,815,568	890,575	4,116,064	3,020,136	176,249,191

14.3 Cumulative depreciation movements as at December 31, 2013 and December 31, 2012 were as follows:

2013

Movement in accumulated depreciation	Buildings ThCh\$	Storage tanks ThCh\$	PPE at third- party facilities ThCh\$	Plant and equipment ThCh\$	IT equipment ThCh\$	Motor vehicles ThCh\$	Other property, plant and equipment ThCh\$	Total Property, plant and equipment ThCh\$
Accumulated depreciation at January 1, 2013, restated	1,519,676	1,409,217	16,143,912	16,620,581	1,276,120	1,058,866	1,793,234	39,821,606
Depreciation for the year	420,144	230,135	8,122,539	1,308,416	329,693	525,155	480,413	11,416,495
Retirement, expropriations and transfers	-	-	(113,230)	214,213	(829)	2,334	-	102,488
Final balance at December 31, 2013	1,939,820	1,639,352	24,153,221	18,143,210	1,604,984	1,586,355	2,373,647	51,340,589

2012

Movement in accumulated depreciation	Buildings ThCh\$	Storage tanks ThCh\$	PPE at third- party facilities ThCh\$	Plant and equipment ThCh\$	IT equipment ThCh\$	Motor vehicles ThCh\$	Other property, plant and equipment ThCh\$	Total Property, plant and equipment ThCh\$
Accumulated depreciation at January 1, 2012, restated	1,122,293	1,056,243	11,577,335	12,321,122	916,932	602,517	1,242,351	28,838,793
Depreciation for the year	345,484	352,974	4,457,530	4,416,614	389,081	360,227	547,414	10,869,324
Retirement, disposals and transfers	51,899	-	109,047	(117,155)	(29,893)	96,122	3,469	113,489
Final balance at December 31, 2012, restated	1,519,676	1,409,217	16,143,912	16,620,581	1,276,120	1,058,866	1,793,234	39,821,606

14.4 Assets under financial leases

As at December 31, 2013 and December 31, 2012 these were as follows:

Property, plant and equipment under financial lease, net	12/31/2013 ThCh\$			12/31/2012 ThCh\$		
	Gross Value	Cumulative depreciation, amortization and impairment	Net Value	Gross Value	Cumulative depreciation, amortization and impairment	Net Value
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Land under financial lease	-	-	-	-	-	-
Buildings under financial lease	-	-	-	-	-	-
Plant and equipment under financial lease	301,535	23,891	277,644	342,047	114,678	227,369
Motor vehicles under financial lease	2,680,579	526,622	2,153,957	2,112,827	736,709	1,376,118
Other property, plant and equipment under financial lease	57,623	34,574	23,049	57,623	4,622	53,001
Total	3,039,737	585,087	2,454,650	2,512,497	856,009	1,656,488

Minimum lease payments, financial lease debt	12/31/2013 ThCh\$			12/31/2012 ThCh\$		
	Gross	Interest	Present Value	Gross	Interest	Present Value
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Less than one year	922,252	61,022	861,230	593,810	47,336	546,474
Beyond one year but less than 5 years	772,251	218,211	554,040	388,430	176,995	211,435
Over 5 years	-	-	-	-	-	-
Total	1,694,503	279,233	1,415,270	982,240	224,331	757,909

14.5 Impairment of property, plant and equipment

The company had not recognized any impairment losses in property, plant and equipment on the date of these consolidated financial statements as there were no signs of impairment, in accordance with paragraph 78 of IAS 16.

14.6 Additional information on property, plant and equipment

Additional information disclosable on property, plant and equipment	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Carrying value of fully depreciated property, plant and equipment still in use	8,043,535	4,968,252
Carrying value of property, plant and equipment temporarily out of service	69,101	-
Carrying value of property, plant and equipment retired and not held for sale	14,348	-

There were no material differences at the close of these consolidated financial statements between the fair value and carrying value of property, plant and equipment.

14.7 Other additional information on property, plant and equipment

The property, plant and equipment at third-party facilities are piping systems, tanks and meters used for residential, industrial and commercial consumption.

Note 15 – Other financial liabilities

These are amounts due under financial leases and bank loans. The closing balances as at December 31, 2013 and December 31, 2012 were as follows:

Other financial liabilities	12/31/2013		12/31/2012	
	Current	Non-Current	Current	Non-Current
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Bank loans	6,872,621	65,361,491	24,248,803	4,216,802
Financial leases	861,230	554,040	546,474	211,435
Total	7,733,851	65,915,531	24,795,277	4,428,237

Bank loans and financial leases as at December 31, 2013 and 2012 were as follows:

15.1 Other financial liabilities – by currency and maturity

The Company's debt exposure by currency and maturity was as follows:

Bank loans at December 31, 2013:

Country	Lender	Currency	Repayment	Annual effective rate	Annual nominal rate	Collateral	Current				Non-Current		
							Maturity			Total Current at 12/31/2013 ThCh\$	Maturity		Total Non-Current at 12/31/2013 ThCh\$
							Within 1 month	1 to 3 months	3 to 12 months		1 to 5 years	5 years or more	
							ThCh\$	ThCh\$	ThCh\$		ThCh\$	ThCh\$	
Chile	BCI	CLP	At maturity	6.28%	6.08%	None	-	-	171,113	171,113	12,500,000	-	12,500,000
Chile	Banco Santander	CLP	At maturity	6.02%	5.94%	None	-	-	42,734	42,734	19,703,600	-	19,703,600
Chile	Banco Santander	CLP	Semi-Annually	6.75%	6.60%	None	-	-	1,163,231	1,163,231	-	-	-
Chile	Banco Estado	CLP	At maturity	6.16%	5.94%	None	-	-	47,714	47,714	-	-	-
Colombia	Banco Davivienda	COP	At maturity	6.80%	6.80%	None	-	-	-	-	2,992,727	-	2,992,727
Colombia	Banco Davivienda	COP	At maturity	6.25%	6.25%	None	187,549	-	-	187,549	-	-	-
Colombia	Banco Davivienda	COP	At maturity	6.39%	6.39%	None	-	203,957	-	203,957	-	-	-
Colombia	Banco Davivienda	COP	At maturity	6.90%	6.90%	None	-	-	-	-	-	747,842	747,842
Colombia	Helm Bank	COP	Quarterly	8.61%	8.61%	None	-	-	513,693	513,693	7,417,322	-	7,417,322
Colombia	Bancolombia	COP	At maturity	7.05%	7.05%	None	-	-	1,312,221	1,312,221	-	-	-
Peru	Banco de Crédito del Peru	PEN	Monthly	7.50%	7.50%	None	1,726	5,241	12,605	19,572	-	-	-
Peru	BBVA	PEN	At maturity	5.71%	5.71%	None	3,210,837	-	-	3,210,837	-	-	-
Total							3,400,112	209,198	3,263,311	6,872,621	64,613,649	747,842	65,361,491

Bank loans as at December 31, 2012:

Country	Lender	Currency	Repayment	Annual effective rate	Annual nominal rate	Collateral	Current				Non-Current		
							Maturity			Total Current at 12/31/2012 ThCh\$	Maturity		Total Non-Current at 12/31/2012 ThCh\$
							Within 1 month	1 to 3 months	3 to 12 months		1 to 5 years	5 years or more	
							ThCh\$	ThCh\$	ThCh\$		ThCh\$	ThCh\$	
Chile	BCI	CLP	Semi-Annually	6.75%	6.54%	None	-	-	235,903	235,903	-	-	-
Chile	Banco Santander	CLP	Quarterly	6.75%	6.60%	None	-	-	1,095,115	1,095,115	1,156,657	-	1,156,657
Chile	Banco Santander	CLP	At maturity	6.52%	6.36%	None	-	-	14,518,776	14,518,776	-	-	-
Colombia	Banco Davivienda	COP	Quarterly	8.93%	8.93%	None	-	-	1,121,896	1,121,896	-	-	-
Colombia	Helm Bank	COP	Quarterly	10.84%	10.84%	None	-	-	-	-	1,785,085	1,275,060	3,060,145
Colombia	Helm Bank	COP	Semi-Annually	8.97%	8.97%	None	-	1,080,000	4,736,070	5,816,070	-	-	-
Colombia	Bancolombia	COP	Semi-Annually	8.00%	8.00%	None	-	-	270,000	270,000	-	-	-
Colombia	Bancolombia	COP	Semi-Annually	8.00%	8.00%	None	-	1,191,043	-	1,191,043	-	-	-
Total							-	2,271,043	21,977,760	24,248,803	2,941,742	1,275,060	4,216,802

Financial leases at December 31, 2013:

	Country	Currency	Repayment	Annual effective rate	Annual nominal rate	Balance at 12/31/2013 ThCh\$	Within 1 month ThCh\$	1 to 3 months ThCh\$	3 to 12 months ThCh\$	Current at 12/31/2013 ThCh\$	1 to 5 years ThCh\$	5 years or more ThCh\$	Non-Current at 12/31/2013 ThCh\$
Leasing de Occidente	Colombia	COP	Monthly in arrears	9.50%	9.50%	940,212	24,360	62,443	609,774	696,577	243,635	-	243,635
Helm Bank	Colombia	COP	Monthly in arrears	10.38%	10.38%	92,028	2,262	3,213	14,460	19,935	72,093	-	72,093
Bancolombia	Colombia	COP	Monthly in arrears	9.57%	9.57%	15,116	1,260	2,519	11,337	15,116	-	-	-
BCP	Peru	PEN	Monthly	7.67%	7.67%	254,440	1,867	10,621	46,708	59,196	195,244	-	195,244
Scotiabank	Peru	PEN	Monthly	6.2%	6.2%	113,474	5,706	11,500	53,200	70,406	43,068	-	43,068

Total						1,415,270	35,455	90,296	735,479	861,230	554,040	-	554,040
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Financial leases at December 31, 2012:

	Country	Currency	Repayment	Annual effective rate	Annual nominal rate	Balance at 12/31/2012 ThCh\$	Within 1 month ThCh\$	1 to 3 months ThCh\$	3 to 12 months ThCh\$	Current at 12/31/2012 ThCh\$	1 to 5 years ThCh\$	5 years or more ThCh\$	Non-Current at 12/31/2012 ThCh\$
Leasing de Occidente	Colombia	COP	Monthly in arrears	10.00%	10.00%	559,424	35,638	71,274	320,891	427,803	131,621	-	131,621
Helm Bank	Colombia	COP	Monthly in arrears	10.00%	10.00%	111,131	2,578	5,431	23,308	31,317	79,814	-	79,814
GMAC	Colombia	COP	Monthly in arrears	10.48%	10.48%	650	650	-	-	650	-	-	-
Rentandes	Colombia	COP	Monthly in arrears	8.55%	8.55%	86,704	4,446	8,897	73,361	86,704	-	-	-

Total						757,909	43,312	85,602	417,560	546,474	211,435	-	211,435
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Note 16 – Trade payables and other accounts payable, current

Trade payables and other accounts payable, current	12/31/2013 ThCh\$	12/31/2012 ThCh\$
LPG	14,241,559	14,032,015
Other suppliers	6,904,757	6,017,686
Withholdings and other taxes	2,823,915	2,119,104
Total	23,970,231	22,168,805

Trade payables and other accounts payable include commitments to third parties mainly for the purchase of gas, acquisition of property, plant and equipment, services and the purchase and materials and spare parts.

The average payment period for supplier payables was 18 days at December 31, 2013 and 21 days at December 31, 2012.

Note 17– Other provisions, current

As at December 31, 2013 and December 31, 2012 these were as follows:

Type of Provision	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Lawsuits (*)	321,787	-
Administrative proceedings (**)	200,000	-
Total other provisions, current	521,787	-

(*) Lima Gas S.A. had ongoing judicial labor claims before the regulatory agency, a judicial penalty appeal and penalty proceedings as at December 31, 2013. It also has a criminal proceeding to recover assets and a judicial proceeding for an indemnity payment filed by a former customer. That case is currently before the Supreme Court. The provision is described in Note 27.

(**) A penalty proceeding begun by the Electricity and Fuels Commission (SEC), described in Note 31.

Note 18 – Current and non-current provisions for employee benefits

18.1 Current provisions

As at December 31, 2013 and December 31, 2012 these were as follows:

Provisions	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Liabilities to staff	1,608,100	723,212
Total cumulative liabilities	1,608,100	723,212

18.2 Non-current post-employment benefit obligations

Balances and movements as at December 31, 2013 and December 31, 2012 were as follows:

Post-Employment Obligations	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Opening balance	2,893,041	2,577,766
Actuarial variables	(311,014)	482,520
Payments	(203,175)	(395,989)
Accrual	308,214	228,744
Final balance	2,687,066	2,893,041

As mentioned in Note 2.30 (correction of errors and changes in accounting policies), the movement from actuarial changes was included in income for 2012, now reclassified to other comprehensive income.

Note 19 - Other non-current, non-financial liabilities (cylinder and tank guarantees)

Balance and movements for 2013 and 2012 were as follows:

Other non-current liabilities	2013 ThCh\$	Restated 2012 ThCh\$
Opening balance	18,504,746	18,772,287
Deposits	2,028,347	1,164,909
Liability for collateral received in business combinations	3,226,259	-
Translation differences	(2,046)	(751)
Returns	(326,636)	(147,549)
Adjustment to present value	69,321	(1,284,150)
Final balance	23,449,991	18,504,746

The balances at January 1 and December 31, 2012 were corrected as discussed in Note 2.30 (correction of errors and changes in accounting policies).

Note 20 - Equity

20.1 Subscribed and paid-in capital

As at December 31, 2013 and 2012, the subscribed and paid-in capital totaled ThCh\$94,989,618 and ThCh\$70,546,855, respectively. 2 shares, for a total of ThCh\$9, were pending subscription and payment at December 31, 2013. The issued capital was ThCh\$94,989,627 at December 31, 2013 and ThCh\$70,546,855 at December 31, 2012.

In accordance with the Special Shareholders Meeting held on December 10, 2013, dividends for ThCh\$24,442,769 were paid to shareholders. That same meeting approved a capital increase of ThCh\$24,442,769 by issuing 5,652,815 new shares at a price of Ch\$4,324 each.

The Company's capital management objectives are to protect its ability to continue as an ongoing concern, and generate returns for shareholders, benefits for other stakeholders and maintain an optimal capital structure that will reduce capital costs.

The Company monitors its capital using the leverage ratio. This ratio is calculated by dividing net debt by total equity plus net debt. Net debt is all borrowing (both current and non-current), less cash and cash equivalents. Total equity is the equity disclosed in the classified consolidated statement of financial position.

20.2 Number of subscribed and paid-in shares

As a result of the capitalization discussed in Note 19.1, 5,652,815 new shares were issued in December 2013.

As at December 31, 2013 and 2012, the capital of the Company is represented by 105,652,955 and 100,000,140 shares, respectively, with no par value. 2 issued shares, for a total of ThCh\$9, were pending subscription and payment at December 31, 2013.

20.3 Dividends

During the year ending December 31, 2013, the Shareholders Meeting and Board of Directors of the Company agreed to distribute dividends totaling ThCh\$53,442,769, as follows:

Eventual

Date	ThCh\$
12/10/2013	24,442,769
Subtotal	24,442,769

Final

Date	ThCh\$
04/21/2013	109,443
Subtotal	109,443

Interim

Date	ThCh\$
04/21/2013	5,890,557
07/20/2013	6,000,000
10/29/2013	8,500,000
18/12/2013	8,500,000
Subtotal	28,890,557

Total	53,442,769
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The Shareholders Meeting and Board of Directors of the Company agreed to distribute dividends totaling ThCh\$27,000,000 during the 2012 fiscal year. ThCh\$4,000,000 were pending payment at December 31, 2012. Payment was made on January 16, 2013:

Final

Meeting Date	ThCh\$
03/21/2012	680,597
Subtotal	680,597

Interim

Meeting Date	ThCh\$
03/21/2012	7,319,403
07/27/2012	7,000,000
09/26/2012	8,000,000
12/11/2012	4,000,000
Subtotal	26,319,403

Total	27,000,000
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20.4 Non-controlling interests

As at December 31, 2013 and December 31, 2012 these were as follows:

					12/31/2013	12/31/2012	
Subsidiary	Country of origin	Percentage non-controlling interest		Non-controlling equity interests	Earnings (Losses) attributable to non-controlling interests	Non-controlling equity interests	Earnings (Losses) attributable to non-controlling interests
		2013	2012	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Norgas S.A.	Chile	42.00%	42.00%	1,694,699	89,386	1,896,933	36,907
Chilco Distribuidora de Gas y Energía S.A.S. E.S.P.	Chile	0.00%	30.00%	9	(215,228)	6,150,266	468,283
Chilco Metalmecánica S.A.S	Chile	0.00%	30.00%	-	-	448,599	15,077
Total				1,694,708	(125,842)	8,495,798	520,267

20.5 Reconciliation of the movement in other comprehensive income reserves

Movements at December 31, 2013:

Movements in other comprehensive income at 12/31/2013	Equity attributable to owners of the controller	Portion attributable to non-controlling interests	Total
	Net amount ThCh\$	Net amount ThCh\$	Net amount ThCh\$
Net Income after tax	33,702,729	(125,842)	33,576,887
Gains (losses) on exchange differences before tax	279,220	-	279,220
Other comprehensive income before taxes, actuarial gains (losses) on defined benefit plans	311,012	-	311,012
Gains (losses) from cash flow hedges before tax	143,139	-	143,139
Total movements in the year	733,371	-	733,371
Income tax on components of other comprehensive income	(90,830)	-	(90,830)
Total comprehensive income	34,345,270	(125,842)	34,219,428

Movements at December 31, 2012:

Movements of other comprehensive income at 12/31/2012	Equity attributable to owners of the controller	Portion attributable to non-controlling interests	Total
	Net amount ThCh\$	Net amount ThCh\$	Net amount ThCh\$
Net Income after tax	28,236,255	520,267	28,756,522
Gains (losses) on exchange differences before tax	15,166	6,500	21,666
Other comprehensive income before taxes, actuarial gains (losses) on defined benefit plans	(482,521)	-	(482,521)
Total movements in the year	(467,355)	6,500	(460,855)
Income tax on components of other comprehensive income	96,504	-	96,504
Total comprehensive income	27,865,404	526,767	28,392,171

Note 21 – Revenue

Revenue for the years ending December 31, 2013 and 2012 was as follows:

Revenue	01/01/2013 to 12/31/2013 ThCh\$	01/01/2012 to 12/31/2012 ThCh\$
Gas sales (LPG - natural gas - LNG)	371,301,688	321,218,426
Sales of facilities	3,168,100	3,369,830
Meter rentals	2,037,275	1,908,483
Other sales and services	1,581,088	4,158,021
Total revenue	378,088,151	330,654,760

The Company has not accounted for revenue by product line since it is primarily from LPG, which accounts for more than 98% of total revenue.

21.1 Other income by function

Below is the other income for the years ending December 31, 2013 and 2012:

Other income by function	1/1/2013 to 12/31/2013 ThCh\$	1/1/2012 to 12/31/2012 ThCh\$
Commercial interest	501,277	260,488
Total other income by function	501,277	260,488

Note 22 – Costs and expenses by function broken down by nature

The main costs and expenses for the fiscal ending December 31, 2013 and 2012 were as follows:

Description	Cost of Sales ThCh\$	Administrative Expenses ThCh\$	Other Expenses by Function ThCh\$	Distribution Costs ThCh\$	Total at 12/31/2013 ThCh\$
Gas purchases	253,604,512	-	-	-	253,604,512
Depreciation	11,416,495	-	-	-	11,416,495
Amortization	1,101,310	-	-	-	1,101,310
Wages and salaries	1,591,192	4,519,939	4,511,756	2,852,506	13,475,393
Employee benefits	314,960	1,708,740	533,131	449,436	3,006,267
Obligation expenses	-	430,059	562,981	474,976	1,468,016
Maintenance	13,640,299	-	-	-	13,640,299
Other expenses	1,816,726	9,730,202	6,515,087	532,111	18,594,126
Advertising	-	-	1,343,714	-	1,343,714
Freight	-	-	-	16,647,052	16,647,052
Promotional campaigns	-	-	989,408	-	989,408
Total	283,485,494	16,388,940	14,456,077	20,956,081	335,286,592

Description	Cost of Sales ThCh\$	Administrative Expenses ThCh\$	Other Expenses by Function ThCh\$	Distribution Costs ThCh\$	Total at 12/31/2012 ThCh\$
Gas purchases	222,707,606	-	-	-	222,707,606
Depreciation	10,869,324	-	-	-	10,869,324
Amortization	314,142	-	-	-	314,142
Wages and salaries	1,394,299	3,707,312	3,995,396	2,128,706	11,225,713
Employee benefits	333,082	1,623,384	573,847	289,948	2,820,261
Obligation expenses	-	246,605	305,323	212,589	764,517
Maintenance	12,862,741	-	-	-	12,862,741
Other expenses	1,603,848	8,945,898	6,186,954	271,446	17,008,146
Advertising	-	-	1,439,828	-	1,439,828
Freight	-	-	-	14,262,539	14,262,539
Promotional campaigns	-	-	482,239	-	482,239
Total	250,085,042	14,523,199	12,983,587	17,165,228	294,757,056

Note 23 - Financial income

Financial income for the years ending December 31, 2013 and 2012 was as follows:

Financial Income	01/01/2013 to 12/31/2013 ThCh\$	01/01/2012 to 12/31/2012 ThCh\$
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Financial income

Interest on financial instruments	281,515	281,191
Other financial income	146,468	1,284,151
Total financial income	427,983	1,565,342

Financial costs

Expenses on bank loans	(3,180,353)	(2,135,604)
Other financial expenses	(515,765)	(117,667)
Total financial costs	(3,696,118)	(2,253,271)

Exchange differences

Positive	1,128,499	98,591
Negative	(477,089)	-
Total exchange differences	651,410	98,591

Total financial income	(2,616,725)	(589,338)
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23.1 Other gains (losses)

Other Gains (Losses)	01/01/2013 to 12/31/2013 ThCh\$	01/01/2012 to 12/31/2012 ThCh\$
Retirement of property, plant and equipment	(83,732)	(512,440)
Other gains (losses)	716,126	287,487
Total other gains (losses)	632,394	(224,953)

Note 24 – Number of employees and remuneration cost

The average number of employees was 1,244 in 2013 and 822 in 2012.

The Company employed 1,295 employees at December 31, 2013 and 862 employees at December 31, 2012, distributed as follows:

Employees	12/31/2013	12/31/2012
Executives	26	15
Professionals and technicians	538	400
Other	731	447
Total Employees	1,295	862

The remuneration of these employees was:

Description	12/31/2013 ThCh\$	12/31/2012 ThCh\$
Wages and salaries	13,475,393	11,225,713
Employee benefits	3,006,267	2,820,261
Obligation expenses	1,468,017	764,517
Total remuneration	17,949,677	14,810,491

Note 25 – Financial information by segment

The Company discloses financial information by operating segment based on the geographical areas where the Company operates: Chile, Colombia and Peru. This is consistent with how they are managed, the allocation of resources and the evaluation of performance in the Company's decision-making process.

Results, assets, liabilities and allocations for each segment are measured directly and not through a factor that allocates on the basis of a standard that must be explained.

Over 98% of revenue is generated by LPG and this is all from external customers. There is no inter-segment revenue.

At the close of these consolidated financial statements, there was no customer that represented more than 10% of the Group's revenue.

This was disclosed as at December 31, 2013 and 2012 (in ThCh\$) as follows:

25.1 Statement of financial position by segment

<u>2013</u>	Segments			Total for Lipigas Group
	Chile	Colombia	Peru	
Total operating assets	201,210,784	41,164,853	35,963,338	278,338,975
Total operating liabilities	53,231,922	6,113,768	13,350,406	72,696,096
Total investment by segment	147,978,862	35,051,085	22,612,932	205,642,879
Financing				73,624,559
Total Investment				132,018,321
Equity:				
Issued capital				94,989,618
Other reserves				1,081,168
Retained earnings				34,252,827
Non-controlling interests				1,694,708
Total equity				132,018,321
Investments recorded using the equity method.	-	293,649	-	293,649

<u>2012</u>	Segments			Total for Lipigas Group
	Chile	Colombia	Peru	
Total operating assets	186,076,597	38,852,157	-	224,928,724
Total operating liabilities	56,769,951	5,961,175	-	62,731,126
Total investment by segment	129,306,616	32,890,982	-	162,197,598
Financing				29,223,514
Total Investment				132,974,084
Equity:				
Issued capital				70,546,855
Other reserves				22,481
Retained earnings				53,908,950
Non-controlling interests				8,495,798
Total equity				132,974,084
Investments recorded using the equity method.	-	197,075	-	197,075

25.2 Statement of income by segment

<u>2013</u>	Segments			Total for Lipigas Group
	Chile	Colombia	Peru	
Revenue	319,619,271	31,096,343	27,372,537	378,088,151
Cost of sale (without depreciation or amortization)	(229,184,027)	(19,780,465)	(22,003,197)	(270,967,689)
Operating income (expenses) (without depreciation or amortization)	(38,912,318)	(8,919,706)	(3,467,797)	(51,299,821)
Depreciation and amortization	(10,600,018)	(1,439,250)	(478,537)	(12,517,805)
Operating Margin	40,922,908	956,922	1,423,006	43,302,836
Income, financial costs and exchange differences				(1,984,331)
Net Income before tax				41,318,505
Income tax expense				(7,741,618)
Net Income				33,576,887

<u>2012</u>	Segments			Total for Lipigas Group
	Chile	Colombia	Peru	
Revenue	300,955,177	29,699,583	-	330,654,760
Cost of sale (without depreciation or amortization)	(220,647,238)	(18,254,338)	-	(238,901,576)
Operating income (expenses) (without depreciation or amortization)	(37,497,048)	(6,914,478)	-	(44,411,526)
Depreciation and amortization	(9,900,421)	(1,283,045)	-	(11,183,466)
Operating Margin	32,910,470	3,247,722	-	36,158,192
Income, financial costs and exchange differences				(814,291)
Net Income before tax				35,343,901
Income tax expense				(6,587,379)
Net Income				28,756,522

25.3 Statement of direct cash flow by segment

<u>2013</u>	Segments			Total for Lipigas Group
	Chile	Colombia	Peru	
Net cash flow from (used in) operating activities	44,249,568	1,453,635	3,655,136	49,358,339
Net cash flow from (used in) investing activities	(25,345,483)	(7,525,553)	(17,556,812)	(50,427,848)
Net cash flow from (used in) financing activities				4,501,933
Effects of the variation of the exchange rate on cash and cash equivalent				29,053
Net increase (decrease) in cash and cash equivalent				3,461,477
Cash and cash equivalent at the beginning of the year				7,692,655
Cash and cash equivalent at the end of the year				11,154,132

2012

	Segments			Total for Lipigas Group
	Chile	Colombia	Peru	
Net cash flow from (used in) operating activities	45,439,330	2,251,085	-	47,690,415
Net cash flow from (used in) investing activities	(16,177,817)	(3,347,939)	-	(19,525,756)
Net cash flow from (used in) financing activities				(25,800,154)
Effects of the variation of the exchange rate on cash and cash equivalent				(8,309)
Net increase (decrease) in cash and cash equivalent				2,356,196
Cash and cash equivalent at the beginning of the year				5,336,459
Cash and cash equivalent at the end of the year				7,692,655

Note 26 - Foreign currency balances

The foreign currency balances for the years ending December 31, 2013 and 2012 were as follows:

Foreign Currency Summary	Currency of origin	Total assets 12/31/2013 ThCh\$	Total assets 12/31/2012 ThCh\$	Foreign Currency Summary	Currency of origin	Total liabilities 12/31/2013 ThCh\$	Total liabilities 12/31/2012 ThCh\$
Current assets	USD	1,178,790	17,583	Current liabilities	USD	4,859,972	4,220,429
Current assets	COP	3,269,797	3,839,661	Current liabilities	COP	4,865,556	11,488,371
Current assets	PEN	5,345,481	-	Current liabilities	PEN	8,243,996	-
Non-current assets	COP	34,865,378	33,379,892	Non-current liabilities	COP	13,164,432	9,069,501
Non-current assets	PEN	20,544,246	-	Non-current liabilities	PEN	5,763,326	-
Total assets		65,203,692	37,237,136	Total liabilities		36,897,282	24,778,301

The balances for current and non-current assets in a foreign currency for the years ending December 31, 2013 and 2012 were as follows:

Current assets in a foreign currency	Currency of origin	Total assets 12/31/2013 ThCh\$	Total assets 12/31/2012 ThCh\$
Cash and cash equivalent	USD	1,099,711	17,583
Cash and cash equivalent	COP	335,409	1,239,868
Cash and cash equivalent	PEN	4,765	-
Other financial assets	USD	79,079	-
Assets classified as held for sale	PEN	3,641,535	-
Trade receivables and other accounts receivable	COP	1,740,486	1,041,893
Trade receivables and other accounts receivable	PEN	331,126	-
Intercompany receivables	COP	-	254,291
Inventories	COP	866,068	832,954
Inventories	PEN	1,347,002	-
Tax assets	COP	122,413	351,360
Tax assets	PEN	-	-
Other non-financial assets	COP	205,422	119,295
Other non-financial assets	PEN	21,052	-
Total current assets		9,794,068	3,857,244

Non-current assets in a foreign currency	Currency of origin	Total non-current assets 12/31/2013 ThCh\$	Total non-current assets 12/31/2012 ThCh\$
Investments accounted for using the equity method	COP	291,912	197,075
Intangible assets other than goodwill	COP	709	14,918
Intangible assets other than goodwill	PEN	125,399	-
Property, plant and equipment	COP	33,283,609	31,164,405
Property, plant and equipment	PEN	20,408,195	-
Goodwill	COP	671,714	1,433,970
Other non-financial assets	COP	617,434	569,524
Other non-financial assets	PEN	10,652	-
Total non-current assets		55,409,624	33,379,892

Total assets	65,203,692	37,237,136
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The current and non-current liabilities in a foreign currency for the years ending December 31, 2013 and 2012 were as follows:

Current liabilities in a foreign currency	Currency of origin	Total current liabilities 12/31/2013 ThCh\$	Total current liabilities 12/31/2012 ThCh\$
Other financial liabilities	COP	2,772,506	8,945,483
Other financial liabilities	PEN	3,536,553	-
Trade payables and other accounts payable	USD	4,859,972	4,220,429
Trade payables and other accounts payable	COP	2,022,591	1,750,392
Trade payables and other accounts payable	PEN	3,424,148	-
Intercompany payables	COP	-	694,700
Other provisions	PEN	321,787	-
Tax liabilities	COP	-	77,496
Tax liabilities	PEN	221,239	-
Other non-financial liabilities	COP	70,458	20,300
Other non-financial liabilities	PEN	740,270	-
Total current liabilities		17,969,524	15,708,800

Non-Current Liabilities in a Foreign Currency	Currency of Origin ThCh\$	Total non-current liabilities 12/31/2013 ThCh\$	Total non-current liabilities 12/31/2012 ThCh\$
Other financial liabilities	COP	11,473,619	3,271,579
Other financial liabilities	PEN	283,313	-
Other accounts payable	COP	-	163,552
Deferred tax liabilities	COP	95,709	60,596
Deferred tax liabilities	PEN	2,272,965	-
Other non-financial liabilities	COP	1,595,104	5,573,774
Other non-financial liabilities	PEN	3,252,048	-
Total non-current liabilities		18,927,758	9,069,501

Total liabilities		36,897,282	24,778,301
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Note 27 - Contingencies, lawsuits and other similar events

Based on information in the possession of Management and the opinion of its Legal Department, the claims outlined below should not cause any future material liabilities for the Company, except for those discussed in Note 17 for which a provision has been made.

There were no bank loan restrictions at December 31, 2013 or December 31, 2012.

27.1 Empresas Lipigas S.A.

JUDICIAL

Lawsuit: "Rosales et al. vs. Empresas Lipigas S.A. et al."
 Court: Antofagasta Court
 Subject: Moral damages
 Amount: ThCh\$4,205,000
 Status: Being handled by the insurance company

Note: This lawsuit is ongoing.

Management and the Company's legal counsel believe that the decision regarding this claim will not result in significant expense for the Company.

Lawsuit: "Galleguillos vs. Empresas Lipigas S.A."
 Court: Antofagasta Court
 Subject: Indemnity
 Amount: ThCh\$35,000
 Status: Being handled by the insurance company

Lawsuit: "Nicolich and Gajardo vs. Empresas Lipigas S.A."
 Court: Fourth Civil Court of Copiapo
 Subject: Lipigas is being sued for vicarious liability in a traffic accident
 Amount: ThCh\$12,000
 Status: A conciliation hearing is pending

Lawsuit: "Calderón vs. Empresas Lipigas S.A."
 Court: Santiago Chamber of Commerce Arbitration and Mediation Center
 Subject: Indemnities
 Amount: ThCh\$90,000
 Status : In process

Lawsuit: "Santiago Regional Office of the Ministry of Health vs. Empresas Lipigas S.A."
 Subject: Sanitary conditions
 Amount: ThCh\$4,077
 Status : A decision is imminent.

27.2 Lima Gas S.A.

LABOR

Lawsuit: "Cesar Reyes vs. Lima Gas S.A."
 Court: Piura
 Matter: Employee benefits
 Amount provisioned: ThCh\$10,664
 Status : In process

Lawsuit: "Pedro Neyra More vs. Lima Gas S.A."
 Court: Piura
 Matter: Employee benefits
 Amount provisioned: ThCh\$1,875
 Status : In process

Lawsuit: "Julio Atoche León vs. Lima Gas S.A."
 Court: Lima
 Matter: Employee benefits
 Amount provisioned: ThCh\$4,640
 Status : In process

Lawsuit: "Ministry of Labor vs. Lima Gas S.A."
 Court: Ica
 Matter: Administrative fine
 Amount provisioned: ThCh\$5,625
 Status : In process

Lawsuit: "Jorge Fernández vs. Lima Gas S.A."
 Court: Callao
 Matter: Employee benefits
 Amount provisioned: ThCh\$9,093
 Status : In process

Lawsuit: "German Bedoya vs. Lima Gas S.A."
 Court: Lima
 Matter: Employee benefits
 Amount provisioned: ThCh\$4,760
 Status : In process

Lawsuit: "Moisés Poma Dueñas vs. Lima Gas S.A."
 Court: Ica
 Matter: Employee benefits
 Amount provisioned: ThCh\$951
 Status : In process

Lawsuit: "Carlos Mato García vs. Lima Gas S.A."
 Court: Lima
 Matter: Employee benefits
 Amount provisioned: ThCh\$21,130
 Status : In process

Lawsuit: "Roberto Rengifo vs. Lima Gas S.A."
 Court: Lima
 Matter: Employee benefits
 Amount provisioned: ThCh\$937
 Status : In process

JUDICIAL

Lawsuit: "Osinermin vs. Lima Gas S.A."
 Court: Lima
 Matter: Several fines
 Amount provisioned: ThCh\$2,202
 Status : In process

Lawsuit: "Osinermin vs. Lima Gas S.A."
 Court: Lima
 Matter: Price differential
 Amount provisioned: ThCh\$44,913
 Status : In process

Lawsuit: "Aguiles Ortega vs. Lima Gas S.A."
 Court: Lima
 Matter: Indemnity
 Amount provisioned: ThCh\$1,453
 Status : In process

Lawsuit: "Par Motors vs. Lima Gas S.A."
 Court: Lima
 Matter: Contract default
 Amount provisioned: ThCh\$169,813
 Status : The decision is under appeal

Lawsuit: "Par Motors vs. Lima Gas S.A."
 Court: Lima
 Matter: Contract default
 Amount provisioned: ThCh\$43,731
 Status : The decision is under appeal

27.3 Chilco Metalmecanica S.A.S.

LABOR

Lawsuit: "Alexander Betancourt vs. Chilco Metalmecánica S.A.S"
 Court: Fifth Labor Court in the Ibagué Tolima circuit
 Matter: Indemnity
 Amount: ThCh\$6,798
 Status : In process

Lawsuit: "Luis Guerrero vs. Chilco Metalmecánica S.A.S"
 Court: Seventh Labor Court in the Ibagué Tolima circuit
 Matter: Indemnity
 Amount: ThCh\$2,719,424
 Status : In process

Note 28 - Administrative fines

No material administrative fines have been imposed on the Company, its Board of Directors or its managers by regulatory agencies during the years ending December 31, 2013 and December 31, 2012, except for the case mentioned in Note 30, which has been appealed by Management.

Note 29 - Third party guarantees

The Company had guarantee bonds outstanding as at December 31, 2013 and 2012, issued by various banks to third parties, as follows:

2013

Beneficiary	Currency	Country	Amount ThCh\$	Expiration date
San José de Osorno Base Hospital	CLP	Chile	100	01/10/2014
Treasury of the Army Chief of Staff	CLP	Chile	5,172	02/28/2014
Treasury of the Army Chief of Staff	CLP	Chile	5,536	03/31/2014
Metropolitan Region Housing and Urbanism Service	CLP	Chile	70,818	03/31/2014
Metropolitan Region Housing and Urbanism Service	CLP	Chile	70,818	03/03/2014
Director, Metropolitan Region Housing and Urbanism Service	CLP	Chile	13,265	04/30/2014
Director, Metropolitan Region Housing and Urbanism Service	CLP	Chile	70,818	04/30/2014
Plaza El Trébol S.A	CLP	Chile	6,553	04/30/2014
Inmobiliaria Mall de Viña del Mar	CLP	Chile	12,306	05/05/2014
Metropolitan Region Housing and Urbanism Service	CLP	Chile	70,818	06/30/2014
Empresa Nacional de Minería (National Mining Company)	CLP	Chile	3,166	07/31/2014
European Organization for Astronomical	CLP	Chile	63,500	07/31/2014
Innova Chile Committee	CLP	Chile	1,200	09/30/2014
Innova Chile Committee	CLP	Chile	40,000	09/30/2014
Roadworks Office	CLP	Chile	1,061	10/07/2014
Roadworks Office	CLP	Chile	1,061	11/19/2014
Provincial Government of Osorno	CLP	Chile	500	12/30/2014
Public Contracts and Works Bureau	CLP	Chile	3,000	12/30/2015
Director, Metropolitan Region Housing and Urbanism Service	CLP	Chile	0	12/07/2015
Puerto Montt Hospital, Reloncaví Health Service	CLP	Chile	8,897	08/31/2016
Public Contracts and Works Bureau	CLP	Chile	3,000	02/28/2017
Petroperú	PEN	Peru	1,187,262	02/16/2014
Pluspetrol	PEN	Peru	187,490	02/17/2014
Sergio Gonzales Espases	PEN	Peru	816	02/28/2014
Savia Perú	PEN	Peru	149,992	09/06/2014
Administradora Jockey Plaza Shopping Center S.A.	PEN	Peru	3,750	10/07/2014
Petroperú	PEN	Peru	262,486	09/28/2014
Peruvian Navy	PEN	Peru	18,157	01/02/2014
Peruvian Navy	PEN	Peru	22,357	01/02/2014

Beneficiary	Currency	Country	Amount ThCh\$	Expiration date
National Comprehensive Family Welfare Program - INABIF	PEN	Peru	6,690	03/27/2014
Provincial Municipality of Tacna	PEN	Peru	1,391	07/04/2014
The Judiciary	PEN	Peru	149,992	06/15/2014
Athletic Institute of Peru CRD- Cusco	PEN	Peru	1,165	09/01/2014
National Comprehensive Family Welfare Program - INABIF	PEN	Peru	896	03/09/2014
National Comprehensive Family Welfare Program - INABIF	PEN	Peru	5,300	03/09/2014
National Comprehensive Family Welfare Program -INABIF	PEN	Peru	494	03/09/2014
Provincial Municipality of Arequipa	PEN	Peru	1,692	10/31/2014
The Judiciary	PEN	Peru	581	05/10/2014
Xstrata Las Bambas S.A	PEN	Peru	46,573	12/14/2014

2012

Beneficiary	Currency	Country	Amount ThCh\$	Expiration date
Xtrata Copper Chile	CLP	Chile	517,057	02/04/2013
Plaza El Trébol S.A	CLP	Chile	6,295	04/15/2013
Inmobiliaria Mall Viña del Mar S.A	CLP	Chile	11,915	05/06/2013
CODELCO	CLP	Chile	1,124	09/02/2013
National Customs Service	CLP	Chile	95,992	01/01/2014
Provincial Government of Osorno	CLP	Chile	500	12/30/2014
Empresa Nacional de Minería (National Mining Company)	CLP	Chile	3,166	07/31/2014
Public Contracts and Works Bureau	CLP	Chile	5,000	01/15/2013
Public Contracts and Works Bureau	CLP	Chile	5,000	12/13/2013
Metropolitan Region Housing and Urbanism Service	CLP	Chile	37,500	04/01/2013
Metropolitan Region Housing and Urbanism Service	CLP	Chile	37,500	01/02/2014
Metropolitan Region Housing and Urbanism Service	CLP	Chile	37,500	07/01/2013
Metropolitan Region Housing and Urbanism Service	CLP	Chile	37,500	09/30/2013
Metropolitan Region Housing and Urbanism Service	CLP	Chile	63,500	07/31/2014
Metropolitan Region Housing and Urbanism Service	CLP	Chile	70,818	09/30/2013
Metropolitan Region Housing and Urbanism Service	CLP	Chile	70,818	07/01/2013
Metropolitan Region Housing and Urbanism Service	CLP	Chile	70,818	06/30/2014
Metropolitan Region Housing and Urbanism Service	CLP	Chile	70,818	03/31/2014

Beneficiary	Currency	Country	Amount ThCh\$	Expiration date
Metropolitan Region Housing and Urbanism Service	CLP	Chile	70,818	12/30/2013
Metropolitan Region Housing and Urbanism Service	CLP	Chile	25,000	01/31/2013
Innova Chile Committee	CLP	Chile	40,000	09/30/2014
Innova Chile Committee	CLP	Chile	1,200	09/30/2014
Treasury of the Army	CLP	Chile	2,850	02/15/2013
Treasury of the Army	CLP	Chile	10,392	02/15/2013
Training and Employment Corporation of the Manufacturing Development Society (SOFOFA)	CLP	Chile	10,000	01/30/2013

Note 30 – Environment

Empresas Lipigas S.A. has been a leader in the LPG industry in Chile in respecting environmental standards and it is committed to complying with governing regulations. This is reflected in the LPG plant in Antofagasta which was the first LPG plant in Chile to be awarded with ISO 14,001:2004 certification in 2008/2009 for its Environmental Management System. Four plants are now certified to that standard: the plants in Antofagasta, Concon, Coquimbo and Rancagua.

Since 2011, Empresas Lipigas S.A. has also been measuring its carbon footprint and mitigation measures are planned for 2015.

The disbursements made and planned in relation to environmental standards for the years ending December 31, 2013 and December 31, 2012 were as follows:

December 2013

Company	Project Name	Disbursement description	Asset/Expense	Investment description	Amount ThCh\$	Estimated or actual disbursement date
Empresas Lipigas S.A.	Compliance with liquid industrial waste treatment regulations	Lenga water recirculation and liquid industrial waste treatment system	Asset	Lenga water recirculation and liquid industrial waste treatment system	10,460	12/30/2013
Empresas Lipigas S.A.	Improvement under ED 594 (work station lighting)	Maipu platform lamps	Asset	Maipu platform lamps	46,900	12/30/2013
Empresas Lipigas S.A.	Energy efficiency project	Concon Plant LED perimeter lamps	Asset	Concon Plant LED perimeter lamps	9,516	01/31/2014
Empresas Lipigas S.A.	Liquid industrial waste	Liquid industrial waste	Expense	Analysis of ED 90 parameters	6,480	12/30/2013
Empresas Lipigas S.A.	Liquid industrial waste	Liquid industrial waste	Expense	Filter maintenance kit	1,650	12/30/2013
Empresas Lipigas S.A.	Household waste	Household waste	Expense	Monthly household waste removal	4,800	12/30/2013
Empresas Lipigas S.A.	Hazardous waste removal	Hazardous waste removal	Expense	Hazardous waste removal	1,400	12/30/2013

Company	Project Name	Disbursement description	Asset/Expense	Investment description	Amount ThCh\$	Estimated or actual disbursement date
Empresas Lipigas S.A.	Liquid industrial waste plant operator	Liquid industrial waste plant operator	Expense	Permanent operator of liquid industrial waste and wastewater treatment plant	7,200	12/30/2013
Empresas Lipigas S.A.	Isokinetic sampling	Isokinetic sampling (Maipú)	Expense	Isokinetic sampling of generators	3,189	12/30/2013
Empresas Lipigas S.A.	Liquid industrial waste	Monthly removal (Maipú)	Expense	Liquid industrial waste sampling	3,803	12/30/2013
Empresas Lipigas S.A.	Industrial waste	Industrial waste removal (Maipu)	Expense	Industrial waste removal	3,795	12/30/2013
Empresas Lipigas S.A.	Plant oil tank statement	Electricity and Fuels Commission approval (Maipu)	Expense	Statement of oil tanks at plant in compliance with ED 160/09	3,500	12/30/2013
Empresas Lipigas S.A.	Household waste	Monthly removal (south)	Expense	Household waste (4 plants - 4 power stations)	1,600	12/30/2013
Empresas Lipigas S.A.	SGS audit	SIG system audit	Expense	SIG system audit	9,181	12/30/2013
Empresas Lipigas S.A.	Removal of pond mud	Mud removal (north 1)	Expense	Pond (Antofagasta), drainage pit and gutter (Arica)	4,120	12/30/2013
Empresas Lipigas S.A.	Maintenance inputs	Maintenance inputs (north 1)	Expense	Maintenance inputs - Antofagasta and Arica	1,300	12/30/2013
Empresas Lipigas S.A.	Removal of wastewater	Wastewater removal (north 1)	Expense	Wastewater removal in Iquique and Calama	3,300	12/30/2013
Empresas Lipigas S.A.	Waste removal	Waste removal (north I)	Expense	Waste removal in Iquique, Calama and Arica	3,050	12/30/2013
Lima Gas S.A.	Monitoring of plants	Environmental monitoring of plants	Expense	Monitoring of plants	1,192	02/15/2013
Lima Gas S.A.	Monitoring of plants	Environmental monitoring of plants	Expense	Monitoring of plants	1,635	04/05/2013
Lima Gas S.A.	Monitoring of plants	Environmental monitoring of plants	Expense	Monitoring of plants	1,192	06/07/2013
Lima Gas S.A.	Monitoring of plants	Environmental monitoring of plants	Expense	Monitoring of plants	1,635	08/23/2013
Lima Gas S.A.	Monitoring of plants	Environmental monitoring of plants	Expense	Monitoring of plants	1,448	11/22/2013
Total					132,346	

December 2012

Company	Project Name	Disbursement description	Asset/Expense	Investment description	Amount ThCh\$	Estimated or actual disbursement date
Empresas Lipigas S.A.	Compliance with liquid industrial waste treatment regulations	Calama Plant liquid industrial waste treatment system	Asset	Calama Plant liquid industrial waste treatment system	2,458	08/31/2012
Empresas Lipigas S.A.	Liquid industrial waste	Liquid industrial waste	Expense	Analysis of ED 90 parameters	6,480	12/30/2012
Empresas Lipigas S.A.	Liquid industrial waste	Liquid industrial waste	Expense	Filter maintenance kit	1,650	12/30/2012
Empresas Lipigas S.A.	Household waste	Household waste	Expense	Monthly household waste removal	4,800	12/30/2012
Empresas Lipigas S.A.	Hazardous waste removal	Hazardous waste removal	Expense	Hazardous waste removal	1,400	12/30/2012
Empresas Lipigas S.A.	Plant operator	Plant operator	Expense	Permanent operator of liquid industrial waste and wastewater treatment plant	7,200	12/30/2012
Empresas Lipigas S.A.	Isokinetic sampling	Isokinetic sampling (Maipú)	Expense	Isokinetic sampling of generators	3,189	12/30/2012
Empresas Lipigas S.A.	Liquid industrial waste	Monthly removal (Maipú)	Expense	Liquid industrial waste sampling	4,062	12/30/2012
Empresas Lipigas S.A.	Industrial waste	Industrial waste removal (Maipú)	Expense	Industrial waste removal	3,090	12/30/2012
Empresas Lipigas S.A.	Household waste	Monthly removal (South)	Expense	Household waste (4 Plants – 4 Headquarters)	1,600	12/30/2012
Empresas Lipigas S.A.	SGS audit	SIG system audit	Expense	SIG system audit	12,250	12/30/2012
Lima Gas S.A.	Monitoring of plants	Environmental monitoring of plants	Expense	Monitoring of plants	1,197	05/18/2012
Lima Gas S.A.	Monitoring of plants	Environmental monitoring of plants	Expense	Monitoring of plants	1,197	08/17/2012
Lima Gas S.A.	Monitoring of plants	Environmental monitoring of plants	Expense	Monitoring of plants	1,197	11/16/2012
Total					51,770	

Note 31 – Subsequent events

The following subsequent events occurred in the Company's business between December 31, 2013, the closing date of the consolidated financial statements, and the date when their publication was authorized.

31.1 Fine notified by the Superintendency for Electricity and Fuels

On February 3, 2014, the Superintendency for Electricity and Fuels gave the Company notice of a fine of 15,000 UTM (equal to ThCh\$600,075) for having “violated its obligation to constantly control the quality of the fuels that it distributes and sells.” A similar fine was imposed on the other LPG distributors for the same reasons. The Company has filed and will file all administrative and judicial proceedings to challenge this fine, since it believes that it is not in proportion to the documentary weaknesses found, in addition to the fact that the Company has always complied with the specifications and tolerances established in regulations. A provision of ThCh\$200,000 has been created based on estimates by legal counsel, as reported in Note 17.

31.2 Purchase of assets in Colombia

On February 10, 2014, the Industry and Commerce Commission of Colombia approved the merger of the Group's Colombian subsidiary and Lidergas S.A. E.S.P. through the acquisition of the latter company's assets for the price of ThCh\$4,590,000. The assets involved in the transaction include the LPG bottling, distribution and storage plants and equipment; the fleet of vehicles used to supply LPG; the storage tanks and stationary tanks used in LPG supply; the assignment of the LPG supply contracts, among others; and the industrial property rights to the "Lidergas" trademark and the trade names, insignias and other distinctive signs associated with the Lidergas LPG business. This merger is expected to be completed during the first four months of 2014.

31.3 Reissuance of the financial statements of Empresas Lipigas S.A. and subsidiaries at December 31, 2013

On August 28, 2014, the Superintendency for Securities and Insurance gave the Company notice, by Official Letter No. 23065, that it had several objections to the financial statements. Those objections referred mainly to improving the disclosures required by regulations to include supplemental information, and other formal aspects that did not substantially affect the information originally presented in the overall financial statements.

Consequently, certain aspects have been changed in this new version of the financial statements that are explained below:

- The balances receivable from Oxiquim S.A. were reclassified in the statement of financial position and in Note 7 from Other non-current non-financial assets to Other non-current financial assets.
- The subscribed and paid-in capital in the statement of financial position was reduced by ThCh\$9 to deduct the two shares issued, but neither subscribed nor paid.
- The balance in Marketing costs was reclassified in the statement of income by function to Other expenses by function.
- Whenever applicable, a reference was made in the statement of cash flow to the explanatory notes, using the note's number.
- Qualitative information on customers and trademarks was added in Note 2.10 that discusses the accounting standards for intangible assets other than goodwill.
- The methodology for calculating the uncollectable receivables provision was described in Note 6.1.1 on the Uncollectable Receivables Policy. Detail is provided on the objected portfolio and portfolio in judicial collection (Note 8.1.3).
- All balances and transactions with ENAP were reclassified to trade payables. The accounting relationship with ENAP was reassessed and it was concluded that it is not a related entity pursuant to IAS 24 and article 100 of Law 18,045.

- The balance of dividends payable to the shareholders of Empresas Lipigas S.A. was added to Intercompany Payables, current, in Note 9.2, for the year ending December 31, 2012. This was disclosed in Trade payables and other payables, current.
- The managers' compensation was corrected in Note 9.4 on Compensation for Key Personnel as it had been reported in dollars instead of pesos.
- Detail regarding materials inventories was added to Note 10 on Inventories, together with further information on the materials obsolescence provision.
- A comment was added in Note 10, on Inventories, that no inventories had been given in guarantee.
- Provisional monthly tax payments and income tax were netted in Note 11.1 on Current recoverable (payable) income tax, but this did not change the total for that table.
- A disclosure was made in Note 12 on Intangible Assets that the straight-line method is used to amortize software, commercial assets, customers and trademarks.
- The Cumulative depreciation acquired in business combinations was eliminated in Note 14.3 on Property, plant and equipment. The net value acquired in business combinations was to be included, which meant reclassifying certain balances into gross balances and cumulative depreciation.
- The assets held under financial leases by the Company as lessee was included in Note 14.4 on Property, plant and equipment. Detail was also added on minimum rent payments under those leases.
- A comment was added in Note 14.5 on Property, plant and equipment to clarify that the Company did not recognize any impairment losses because there were no evidence according to instructions in Paragraph 78 of IAS 16.
- Additional information was added on the balances of assets in use but completely depreciated, temporarily out of service and retired, but not held for sale, in Note 14.6 on Property, plant and equipment.
- An explanation was added to Note 14.7 on Property, plant and equipment as to which assets are held at third-party facilities.
- The effective and nominal interest rates on bank debt were added in Note 15 on Other financial liabilities.
- A description was added on lawsuits and administrative proceedings in Note 17 on Other current provisions, as stipulated in IAS 37.
- The eventual dividends in 2013 year were separated in Note 20.3 on Dividends, which had been disclosed as interim dividends.
- A comment was added in Note 21 on Revenue to specify that the Company did not break down revenue by product lines since 98% of revenue arises from LPG.
- Additional explanations are provided in Note 25 on Financial information by segment regarding the way in which segments are presented: by geographic area, by customer concentration and by allocation of assets, liabilities and income of the different segments, pursuant to IFRS 8.
- Details are provided in Note 27 on Contingencies, lawsuits and other similar events in relation to a fine imposed by the Superintendency for Electricity and Fuels on Lipigas.
- An explanation was added in Note 30 on the Environment to provide details on disbursements made and pending in order to comply with governing environmental standards.

31.4 Tax reform

On September 29, 2014, the Tax Reform Law was published in the *Official Gazette*. This reform will be progressively implemented from 2014 to 2017 and 2018.

This reform has no impact on the financial statements for the years ending December 31, 2013 and December 31, 2012.