

2001 annual report



autopista  central

SANTIAGO - CHILE



annual report 2001





CONTENTS

COMMENTS BY THE PRESIDENT	5
COMPANY INFORMATION	8
Basic Identification	
Legal Documents	
Addresses	
OWNERSHIP AND CONTROL OF THE COMPANY	9
Ownership	
Company Control Agreement	
Changes in Ownership	
ADMINISTRATION	10
Organization Description	
Board of Directors	
Management Team	
Human Resources	
REMUNERATION OF DIRECTORS AND MANAGEMENT TEAM	13
BUSINESSES ENVIRONMENT AND ACTIVITIES	13
Chilean Economy's Outlook and Opportunities in the Infrastructure Sector	
Historical Information	
Concession Area Description	
Company Activities and Business Description	
Research and Development	
RISK FACTORS	25
INVESTMENTS AND FINANCING POLICY	28
MANAGEMENT OVERVIEW	29
Technical Management	
Electronic Systems Management	
Administrative and Operative Management	
Financial Management	
Commercial and Marketing Management	
Legal Management	
Quality and Environmental Management	
INFORMATION REGARDING SUBSIDIARIES AND RELATED COMPANIES	36
DIVIDEND POLICY	36
SHARE TRANSACTIONS	36
RELEVANT EVENTS	37
FINANCIAL STATEMENTS	38
STATEMENT OF RESPONSIBILITY	76





COMMENTS BY THE PRESIDENT

I am pleased to submit to your consideration the Company's Annual Report 2001, which reports the major activities developed in the course of the year.

The Concessionaire activities are placed in the context of the Chilean economical reality. Hence, I consider relevant to highlight the economical performance as well as the future expectations of the country.

Chile is known as the country with the most open and steady economy of Latin America. The economical system is based on free market. Private investment has been the main engine of growth and the public sector plays a supporting role, establishing steady rules and keeping the macroeconomical balance.

The country's success has been the result of the reforms initiated in the 80's - external openness, restructuring in the labor system and the capital market, privatization of public companies, reforms to the pension and health systems -. These reforms were taken further along the 90's. The results were significant, producing an economical annual growth rate of 7.7% on average between 1985 and 1997.

The international crises of the last few years and the slowdown of the world growth, have negatively influenced Latin America and, in a lower grade, it has also affected the Chilean economy's performance.

Chile faces a new international scenario with solid macroeconomical bases. Over the last four years the average growth rate was 2.7%. As the world economy recovers, it is expected that the economy will return to long-term growth rates of approximately 5% or higher, as long as the country continues generating increases in productivity and opportunities for private investment.



During the last decade, Chile began to encourage the incorporation of private investment in order to overcome the increasing deficit in public infrastructure, particularly in roads and transportation systems.

Whereby, the Government decided to start an ambitious concession program aiming to improve the country's road infrastructure. With the implementation of highly complex technological solutions, Chile is in the forefront in this matter.

I must mention that within the road concession system, a number of significant interurban highways are being initiated or are in an exploitation period. The urban concessions - sub-urban and those of Santiago city – have been bid, and some of them are under construction. Autopista Central is responsible for the North-South System.

The bid offering in 2001 for the last concession included in the governmental plan, determined the end of the process designed by the Chilean Government for the bidding of the urban highways. These roads are the first in Latin America to incorporate "free flow" toll technology.

Out of the urban concessions, the North-South System is the most relevant in terms of traffic level, investment amount and impact on Santiago city. Our success will determine the successful consolidation of the urban concession system.

However, the current regulatory frame has to be adjusted to the new free-flow technology requirements. It is necessary to modify the corresponding laws to guarantee the proper toll collection, so that the use of the concessioned highways without any valid payment means, is considered a traffic violation.

Regarding this matter, Mr. Ricardo Lagos, the President of the Republic of Chile, stated in the works start launch ceremony "... we will send the corresponding legal modifications in order to guarantee the proper toll collection, so that the act of not doing it is consider a legal violation." He also emphasized, "...guaranteeing the toll collection is mandatory to ensure the system consolidation."

During the year, an intense plan has been successfully implemented in promoting the start the works among the citizens of Santiago, by means of the implementation of a customer service platform using modern telecommunication and Internet systems. We have assumed from the beginning of the company our mission “We are a concessionaire company that offers our customers a high quality standard highway, safety, and services, allowing non stop driving and no speed reductions, thereby contributing to the infrastructure and environmental improvement in Santiago city.”

I would like to thank the staff of Autopista Central for the excellent work they have carried out, with professionalism and dedication. I would also like to thank Constructora Norte Sur and all other companies, particularly to banks, consultants and advisers, who have trusted and collaborated with us along our first year of operations.

Finally, I express my gratitude to the authorities and staff of the Ministry of Public Works, for their effort and cooperation. I also express my acknowledgements to the Police Force, Carabineros de Chile, for their permanent collaboration.



Enrique Rey Monteagudo
President
Autopista Central

COMPANY INFORMATION



Basic Identification

Corporate Name	:	Sociedad Concesionaria Autopista Central S.A.
Official Address	:	Alcántara 200, N° 501, Las Condes, Santiago.
Registration N°	:	96.945.440-8
External Auditors	:	PriceWaterhouseCoopers.

Legal Documents

The Concessionaire was constituted through a public deed on February 22nd, 2001, before the Public Notary of Santiago, Mr. José Musalem Saffie. An extract of the deed was inscribed in the Business Registry of the Real Estate Official Property Registry of Santiago, sheet 5646 under N° 4564 of 2001 and it was published in the Official Bulletin N° 36,900 dated February 28th, 2001. The company's minimum existence period is the concession term stated in the Bidding Bases of the North-South System, section 1.7.6, plus two years.

Addresses

Principal Office	:	Alcántara 200, N° 501, Las Condes, Santiago.
Site Address	:	Panamericana Norte, N° 5364, Conchalí, Santiago.
Telephone number	:	(56 – 2) 228 98 40
Fax number	:	(56 – 2) 228 98 69
email	:	autopista@autopistacentral.cl
web site	:	www.autopistacentral.cl



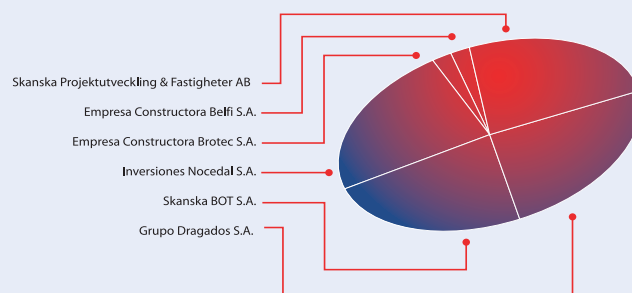


OWNERSHIP AND CONTROL OF THE COMPANY

Ownership

By December 31st, 2001, the Company ownership was constituted as follows:

Shareholder	I.D.	Subscribed and Paid in Shares	Non Paid in Shares	Participation %
Grupo Dragados S.A	59,023,200-9	5,508,000	8.690.400	24.48%
Skanska Projektutveckling & Fastigheter AB	59,086,850-7	5,508,000	8.690.400	24.48%
Inversiones Nocedal S.A.	96,814,430-8	5,292,000	8.349.600	23.52%
Skanska BOT S.A.	96,931,460-6	5,292,000	8.349.600	23.52%
Empresa Constructora Belfi S.A.	93,562,000-9	450,000	710.000	2.00%
Empresa Constructora Brotec S.A.	93,706,000-9	450,000	710.000	2.00%
Total		22,500,000	35.500.00	100.00%



Company Control Agreement

The Sociedad Concesionaria Autopista Central S.A. is directly and indirectly controlled by a shareholders agreement inscribed in the social registries by the shareholders Grupo Dragados S.A. and Grupo Skanska Projektutveckling & Fastigheter. The shareholders Inversiones Nocedal S.A. and Skanska BOT S.A. also participate in this agreement. Both are entities controlled by Grupo Dragados S.A. and Skanska Group, respectively.

Changes in Ownership

On July 3rd, 2001, and in accordance to the legal rules, "Sociedad Concesionaria Autopista Central S.A." was notified about the transfer of 13,641,600 shares owned by Grupo Dragados S.A., to Inversiones Nocedal S.A., a company controlled by Grupo Dragados. The total of the transferred shares represents 23.52% of the share capital.

Likewise, on October 9th, 2001, "Sociedad Concesionaria Autopista Central S.A." was notified about the transfer of 13,641,600 shares owned by Skanska Group to Skanska BOT S.A., a company controlled by Skanska Group. The total of the transferred shares represents 23.52% of the share capital.



ADMINISTRATION

Organization Description

The Company counts with a President, Directors and Managers as follows:

- Technical Director
- Administrative & Operations Director
- Financial Director
- Electronic Systems Manager
- Quality Manager
- Commercial & Marketing Manager
- Legal Counsel

Board of Directors

The Board of Directors of "Sociedad Concesionaria Autopista Central S.A." is made up of five Directors elected for three-year periods. Additionally, there are five Deputy Directors.

Directors

President

Enrique Rey Monteagudo
I.D. N° 14,748,444-5
Technical Engineer in Civil Construction

Vice President

José Alberto Trujillo
Master of Business Administration (MBA)

Director

José A. Estrada Fernández
PhD in Road, Channel and Port Engineering

Director

Bert-Ove Johansson
Bachelor of Economics

Director

Enrique Elgueta Gálmez
I.D. N° 4,553,840-0
Civil Constructor



Deputy Directors

Antonio de la Llama Campillo
PhD in Road, Channel and Port Engineering

Alf Andersson
Accountant

Bernardo Díaz Porgueres
I.D. N° 14,708,540-0
PhD in Road, Channel and Port Engineering

Agne Sandberg
Lawyer

Patricio Browne Covarrubias
I.D. N° 5,065,899-6
Civil Engineer

The Directors for which the I.D. number is not indicated, are foreigners with no legal residence in Chile and, therefore, they don't have a national I.D. number.



Management Team

President

Enrique Rey Monteagudo

I.D. N° 14,748,444-5
Technical Engineer in Civil Construction
Escuela Universitaria de Ingeniería Técnica
de Obras Públicas de Madrid, España

Technical Director

Johan Nilsson
I.D. N° 14,747,158-0
Master in Civil Engineering
Lund Institute of Technology, Sweden

Administrative & Operations Director

Antonino Castellucci
I.D. N° 14,746,924-1
Public Accountant
Universidad de Morón, Argentina

Financial Director

Jan R. Jönsson
I.D. N° 14,751,477-8
Master in Economics
Lunds University, Sweden

Electronic Systems Manager

Salahdin Yacoubi
I.D. N° 48,079,748-5
PhD in Instrumentation & Measurements
University of Bordeaux, France

Quality Manager

Christian Barrientos Rivas
I.D. N° 10,381,242-9
Industrial Engineer
Pontificia Universidad Católica de Chile
Master of Business Administration (MBA)
University of Southern California, United States

Commercial & Marketing Manager

Mauricio Avendaño Guerra
B.S. and M.Sc. in Electrical Engineering
Universidad de Chile
Master in Marketing and Business Management
Escuela Superior de Estudios en Marketing de Madrid, España

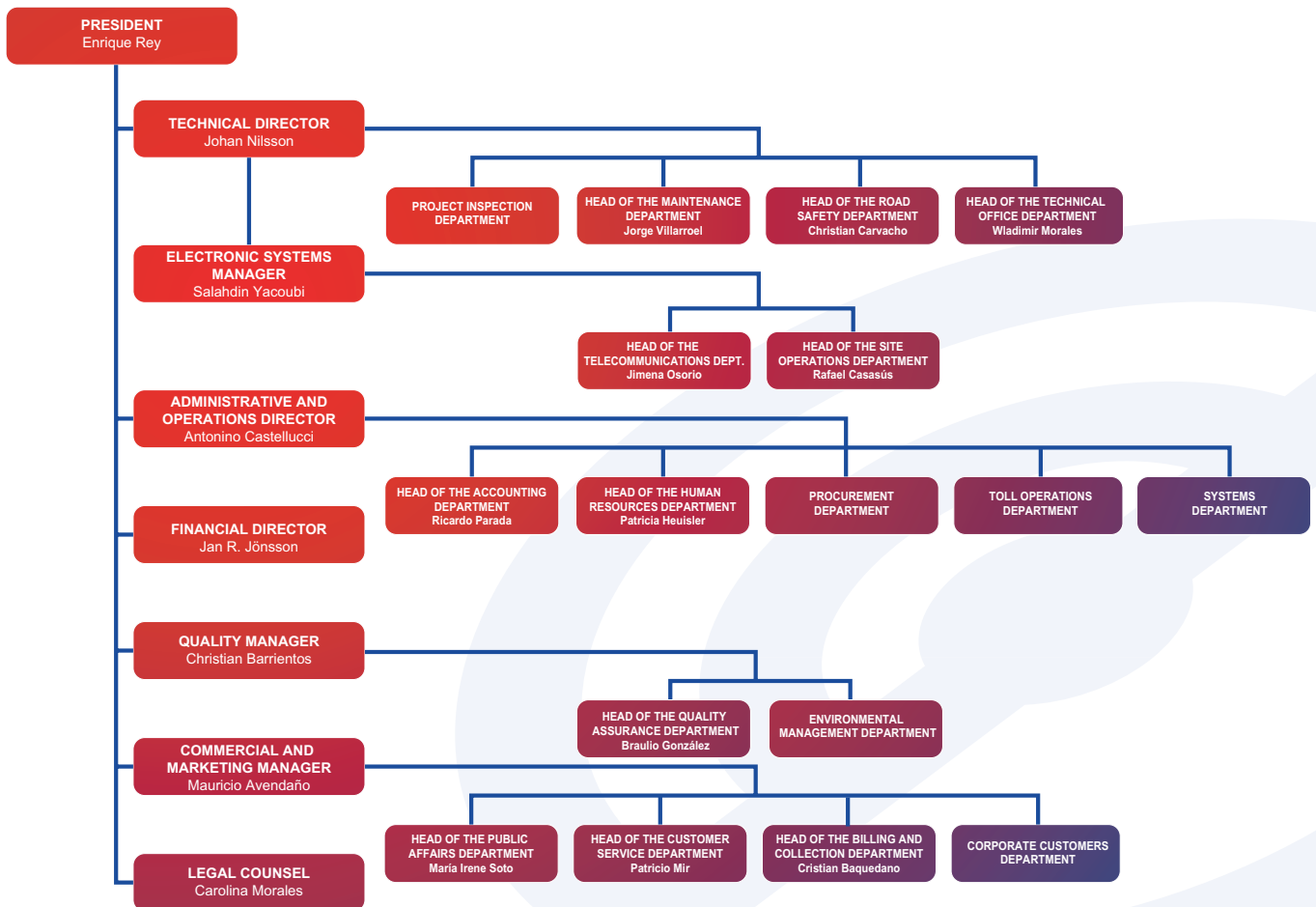
Legal Counsel

Carolina Morales Baier
Carolina Morales Baier
I.D. N° 11,347,757-1
Lawyer
Universidad Diego Portales, Chile

Human Resources

By December 31st, 2001, the company's total staff was made up of 63 people as follows:

Management Team	8
Professionals and Technicians	51
Other employees	4
Total	63



REMUNERATION

OF DIRECTORS AND MANAGEMENT TEAM

As agreed by the shareholders, the Directors are not paid and do not receive any kind of remuneration or allowance for their services in the Concessionaire.

Regarding the management team, the Company paid an amount of \$ 843,925,634 during 2001 through direct hiring and service contracts.

BUSINESSES ENVIRONMENT

AND ACTIVITIES

Chilean Economy's Outlook and Opportunities in the Infrastructure Sector

The 80's were tough years for Latin America. The debt crisis caused by the noticeable increases of the U.S.'s interest rate and the difficulties faced by Mexico in August of 1982 in the payment of its external debt, compelled most of the countries in the region to introduce expense-reducing programs. They had also to alter their development model, reducing its dependence on external financing and favoring the role of economical policies and institutions, in order to create more favorable conditions for sustained growth. Chile, which had already initiated pro-market reforms by the mid 70's, also suffered the effects of the debt crisis. As a result, the authorities took the reforms even further from 1984 on. The results of these policies were remarkable. The economy grew at 7.7% per year on average, over the 1985-1997 period.

The Asian crisis, the consecutive international crises that arose later on and the current slowdown of the world growth, have again negatively affected the Latin American growth. The most affected countries have been Argentina, Mexico and Brazil. Chile, however, has not been an exception. Over the last four years -1998 to 2001- the annual average growth rate was 2.7%, after a slow down in 1999, followed by a recovery in 2000. However, in 2001 the economic growth weakened again, reaching a rate slightly below 3%.

Chile has an open economy, so its growth perspectives are closely related to the performance of the world economy. Once the recovery of the world economy becomes stronger, Chile should be able to grow at high rates again. The new international scenario comes upon a Chilean economy with solid macroeconomical bases (low fiscal deficit and low deficit in current accounts, low and controlled inflation, a healthy financial system, low short-term external debt, solid international reserves and an economical system with few distortions), and an anticyclical fiscal policy, allowing to have deficits in bad years and surpluses in good years.

Once the world economy recovers in late 2002, favored by the current policies, Chile should be able to reach growth rates of approximately 5% per year, based on increases in productivity, which can be attained with the introduction of new technologies in communication and information systems. However, 5% growth is considered low in Chile, hence opportunities are sought in order to perform 6% growth rates for

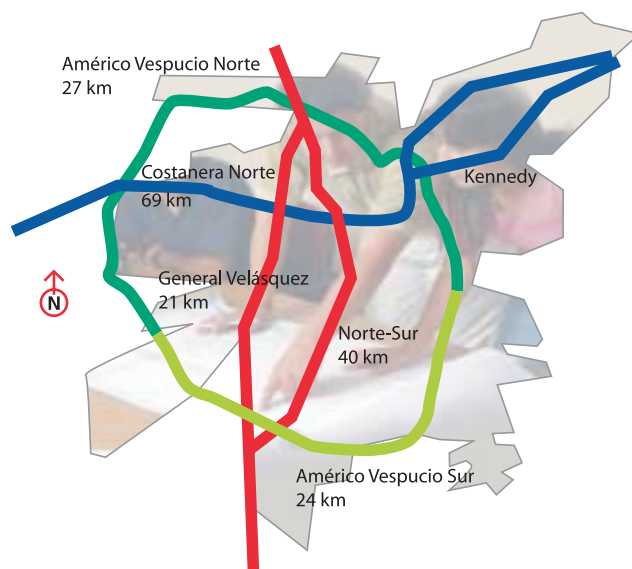
another decade. For this purpose, the country needs to identify opportunities for the improvement of macro economical policies affecting investment and also opportunities to boost productivity. Opportunities can be found in areas such as State structure reforms, regulations and social services administration. Regarding State structure reforms, there are still lots of pending actions aimed to the reduction of transaction costs in business activity. In areas of productive activity regulation, it is necessary to reevaluate the standards in order to favor the promotion of competitiveness, employment and growth.

Chile has been in the forefront of the developing countries in the introduction of revolutionary reforms: openness to trade, privatizations, elimination of subsidies, and reforms of the pension system and college education system. These reforms have allowed Chile to create the conditions for sustained growth. Due to the positive results regarding growth and poverty reduction, the development model has achieved extensive support from the population.

In the 90's, Chile began to make a raid into the introduction of private initiative to face an important pitfall affecting growth and the improvement of population's welfare, i.e. the deficit in public infrastructure. In this area, Chile undertook important innovations again. In the early 90's, there were just a few concessioned projects of public infrastructure in the world. They represented isolated initiatives rather than an integral part of private concession programs. It was in the early years of this decade when the Chilean government, facing the need of a solution to the investment deficit in both road and transportation infrastructure, decided to implement an ambitious program of private concessions under a "build-operate-and-transfer" scheme, i.e. the private investor builds, operates the work and then transfers it to the State at the end of a previously established time frame. Along the concession period, the investor collects the cash flows generated by the toll payments for the use of the work, thereby financing the initial investment.

As part of this process, the law that allowed the concession system to operate was issued in 1991. Private investors have carried out a number of interurban road, airport and port terminal works ever since. New concession projects are being developed nowadays, as the works of the first urban highways were

initiated. At the end of the day, high economical growth, the investment needs in infrastructure, the implementation of a clear regulatory frame, the regard for property rights and the broad acceptance of the tolling systems from the political authorities and from the population, are the factors which have made investments in these projects profitable, allowing Chile to jump high in the improvement of its infrastructure.



Historical Information

By means of Executive Decree of the Ministry of Public Works N° 4153, of September 14th, 2000, published in the Official Bulletin N° 36,853, of January 4th, 2001, the Concession Contract for the execution, preservation and exploitation of the fiscal public work named "North South System" was awarded to the bidding Consortium named "Autopista Norte-Sur S.A.", made up of the companies: Grupo Dragados S.A., Skanska Projektutveckling & Fastigheter AB, Empresa Constructora Brotec S.A. and Empresa Constructora Belfi S.A. They constituted the "Sociedad Concesionaria Autopista Norte - Sur S.A." This contract was formalized with the publication of the award decree in the Official Bulletin on the aforementioned date, through the constitution of the Concessionaire, by registered deed of February 22nd, 2001. The award decree was subscribed and registered at the office of the Notary of Santiago Mr. José Musalem Saffie, Citator N° 2517/2001 of March 19th, 2001. Those documents were delivered to the Ministry of Public Works according to the legal procedures and terms, totally fulfilling the norms contained in the Article 9 of the 1991 DFL N° 164, of the Ministry of Public Works.

Under Resolution D.G.O.P. N° 1739 of June 27th, 2001, the Concessionaire was authorized to change its corporate name to "Sociedad Concesionaria Autopista Central S.A." In virtue of such authorization, on July 30th, 2001 a public deed of the minutes of the Special Meeting of Shareholders of the Concessionaire was executed, which is registered under Citator N° 8385-2001 in the office of the Notary of Santiago, Mr. José Musalem Saffie, in which the aforementioned Resolution D.G.O.P. was inserted. This way, the agreements reached by the shareholders in the General Extraordinary Meeting held on June 27th, 2001, were fulfilled. In this meeting, the shareholders agreed to substitute the name of the Concessionaire to "Sociedad Concesionaria Autopista Central S.A.", taking into consideration representative aspects of its operation, such as fluency, core and convergence, among others, subjecting such agreement to the later authorization of the Ministry of Public Works. An extract of such public deed was inscribed in the Business Registry of the Real Estate Official Property Registry of Santiago, sheet 20117 under N° 1156, corresponding to 2001; it was published in the Official Bulletin of August 9th, 2001 and it was inscribed within the margin of the registration mentioned in the preceding paragraph.



Concession Area Description

The concession area involves the following districts of Santiago: Quilicura, Conchalí, Independencia, Recoleta, Quinta Normal, Santiago, Estación Central, Pedro Aguirre Cerda, Cerrillos, Lo Espejo, San Miguel, La Cisterna, El Bosque, and San Bernardo.

The concession faces favorable market conditions:

- It is located in Santiago city, where more than 35% of the country's population is concentrated.
- The area's GDP contributes with almost a 40% of the National GDP.
- The number of vehicles using the North - South System represents over 35% of the total vehicles in Santiago.
- In the last decade, the motorization rate performed 8% average annual growth rate in the project area.
- The city's road network has experienced partial improvements that do not meet the travel increase demand, which has resulted in traffic jams and has reduced the service level of the current private transportation system.
- Simultaneously, big efforts are being made by private investors, in order to concentrate the urban area around Santiago, as well as to avoid the city expansion beyond the limits currently established.

By means of a modeling process, which has considered parameters such as family income, national and local area GDP, it has been estimated that by the year 2005, the daily average transactions will be 835,000. On the other hand, based on data of travel frequency and traffic level, the potential number of customers has been estimated to be 560,000. At the same time, the average highway utilization is eleven kilometers per travel.

In summary, we estimate that by the year 2005, which is considered as a steady state operation year, 80% of the transactions will take place through transponder use, generating 360,000 tag accounts. 60,000 among them, will be provided by the other urban concessions. It is estimated that by the year 2006, there will be approximately 200,000 additional accounts, utilizing alternative payment means. This represents 20% of the total transactions.

The Concessionaire will face competition from the public transportation system and public roads. The latter will represent a lower quality alternative for potential users.



Specific regulatory frame

- The Bidding Bases of the North-South System International Concession and its explanatory circulars, which set the conditions for the design and construction of the works, as well as for the exploitation of the concession.
- Executive Decree of the Ministry of Public Works, N° 4,153 of September 14th, 2000, by means of which the concession was awarded.
- Executive Decree of the Ministry of Public Works, N° 900 of 1996, Regulations of the Law of Public Works Concessions.
- The Ministry of Public Works Decree N° 850 of 1997, Road Law.
- Executive Decree of the Ministry of Transportation and Telecommunications N° 121, of 1982, which made official the road sign system.
- Executive Decree of the Ministry of Transportation and Telecommunications N° 150, of 2000, Manual of Traffic Sign System.
- Report of the North-South System Environmental Impact, of November 1999, Ministry of Public Works.
- Resolution N° 376 "Environmental Assessment of the North-South System Project" of the Regional Environmental Commission, Metropolitan Region, December 12th, 2000.

Company Activities and Business Description

The North - South System Concession is an urban road project bid by the Ministry of Public Works of Chile in the year 2000 for a 30-year term. The project involves works investments of around US\$ 450 million. This project is the most important among the four urban concessions in Santiago for its extension and influence in the city. It will be the first one in South America to operate under the free flow electronic toll system, and the third worldwide having a scheme of interaction with the other urban concessions.

The North - South System extends for approximately 60 kilometers. It is part of the structuring road network of Santiago. Two axis make up the system:

- North – South Axis: it runs from south to north of the city, from the north riverside of the Maipo river, until the northern intersection with Américo Vespucio in Quilicura district. It goes across 11 districts of Santiago city. The total length is 39.5 km.
- General Velásquez Axis: it also runs from south to north, from the Route 5 South, by Las Acacias street, until its intersection with Route 5 North in front of the Renca Hill. It goes across 9 districts of Santiago city. The total length is approximately 21.0 km.



In general, the project aims to contribute to the improvement of the Metropolitan Region Urban Transportation System, generating benefits such as reduction of travel time when moving within the city, car decongestion and air decontamination, causing positive effects on life quality of the city inhabitants.

The project's objectives are the following:

- Provide a highway service using an intelligent traffic administration system so that users benefit from high-speed lanes, road safety elements allowing a more comfortable and expeditious driving, dynamic sign systems which instantly warn the users about traffic conditions, and emergency services for defective vehicles.
- Increase the city East - West connectivity, eliminating the barrier effect that the existing Route 5 currently presents.



- Allow the segregation between long distance trips and local traffic, raising the service level of the highway.
- Implement elements for pedestrian use (sidewalks and pedestrian footbridges), avoiding interference between local vehicle flows and the expressway, as well as adequate connection between both sides of the road and proper bus stop facilities.
- Improve the urban transportation system, time saving, improved road safety, decontamination, car decongestion, and users' economy.

The highway works as an integrating system for the new housing at the south and north of the city, industrial development at north and west, and the downtown area, where most of the administrative, financial and commercial activity of Santiago is located.

The influence area of the project comprises 14 districts, which house approximately 1.8 million people in 440 thousand households.

The North - South System is the only alternative to go across the city in that direction in a continuous way, due to the existence of a limited number of bridges over the Mapocho river, which crosses the city from east to west.

The electronic collection system will utilize advanced technology, based on a free-flow system, i.e. it will not require the vehicles to stop in order to record every transaction.

a) Business Purpose

The Concessionaires' purpose is to construct, repair, maintain, exploit and operate the public work named "North - South System Concession", ruled by to the Concessions System, as well as to supply and exploit the services, needed to develop the works and other related activities, agreed in the Concession Contract.

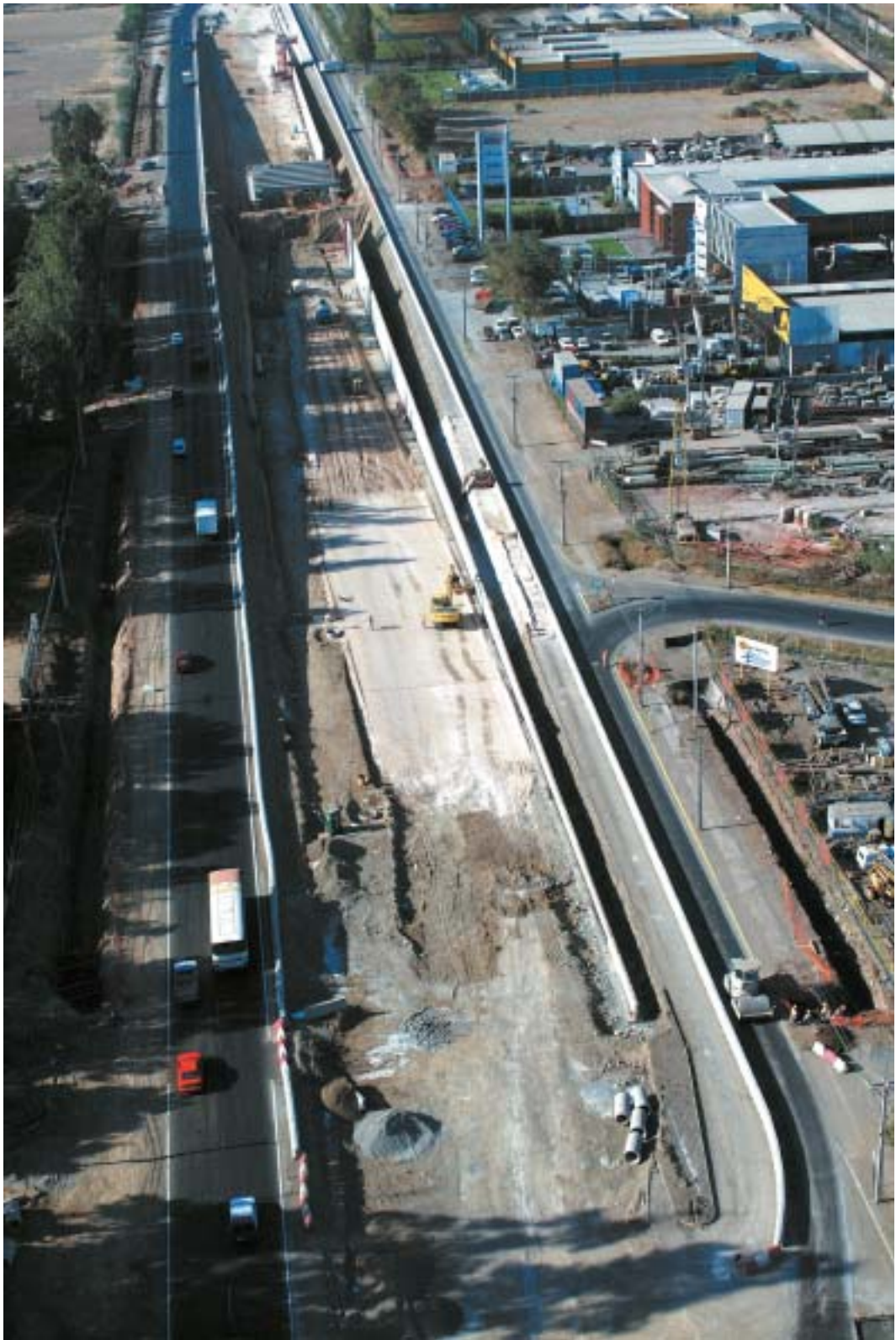
The Concessionaire was incorporated on September 6th, 2001, in the Official Corporations Register under N° 746, hence it is under the supervision of the Superintendency of Stock Corporations and Insurance Companies.

The initial capital of the Company required by the Bidding Base is fifty eight billion pesos, divided in fifty eight million common, nominative shares without nominal value. Each share has the same value.

b) Products, businesses and activities

By December 31st, 2001, the Concessionaire was in a pre-operative stage, therefore, it did not perform commercial activities with customers.





c) Suppliers and customers

In 2001, the major suppliers of Autopista Central were the following:

Supplier	Ch\$	Product or Service
Constructora Norte Sur S.A.	14,346,595,614	Works construction
Chilectra S.A.	616,304,588	Cable-based facility changes
Grupo Dragados SA	603,700,374	Service supply
Skanska P & F	492,116,680	Service supply
Ing. y Construcción ICAFAL S.A.	228,418,910	Road maintenance
Grupo Estratégico de Negocios Alberto Wilensky	169,262,282	Marketing plan implementation
Steer Davies Gleave Chile	77,222,875	Traffic consultant
Travel Security	74,611,567	Transportation services
Consultoría de Ing. de Proyectos y Estudios	74,000,000	Technical consultant
Synapsis S.A.	73,920,241	Commercial services
Celedón & Asociados	65,807,313	Corporate image advisors
Automotora Mitsui Ltda.	65,346,060	Vehicles and trucks
F. Ghisolfo y Cia Consultores Ltda.	55,339,682	Technical consultant
Servicios Computacionales Ruiz Ltda.	31,531,821	Hardware supply
Royal Santiago Hotel S.A.	22,728,887	Hotel
Cristian Authievre Auda	20,449,401	Printing services
Dungenes S.A.	19,802,800	Web site design
Proveedores Integrales Prisa S.A.	16,664,089	Office materials
Pricewaterhouse & Coopers	15,478,983	Auditing and tax advisors

Autopista Central along with its shareholders Grupo Dragados S.A. and Skanska Projektutveckling & Fastigheter AB have subscribed service contracts for the supply of the following areas: electronic toll systems, technical works, financial and administrative operations. The shareholders have appointed employees of their staff at the disposal of Autopista Central. They contribute with their experience, knowledge and technical support.

Since the Concessionaire is at a pre-operative stage, it does not generate either revenues or economical transactions with customers.

d) Real estate

By December 31st, 2001, the Concessionaire owned the property located in Carretera Panamericana Sur, on the corner of San José, Lot N°131, currently Buenos Aires N° 720 in San Bernardo district. There are neither mortgages nor encumbrances of the property.

e) Equipment

The equipment available during the pre-operative stage is the one required to adequately carry out the supervision of the works construction contract, the supply of in-route related services and administrative activities. The most important equipment is the following:

Type	Number	Condition	Ownership
Vehicles	9	Very good	Purchased
CPUs with monitor	63	Very good	Purchased
Printers	19	Very good	Purchased
Laptops	3	Very good	Purchased
Servers	2	Very good	Purchased

f) Insurance

In order to fulfill the Bidding Bases, as well as to protect the Company against possible economical consequences of different kinds of losses, the Concessionaire's Management has structured and contracted an insurance program with wide coverage through national and international insurance companies.

This insurance program was agreed with Royal & Sunalliance – Chile, with reinsurance abroad through Generali Global, belonging to Grupo Assicurazione Generali, with headquarters in Italy.

The program covers 72 months from July 3rd, 2001, the date when the concession started.

Basically, the program coverage is as follows:

- Construction "All Risks": it covers the damages caused to the works by every occurrence in respect of storm, tempest, flood, earthquake, subsidence, collapse, sabotage, terrorism and defective design, workmanship or materials.
- All Risks in Pre-existing Properties and Concession-Related Works: it covers damages caused to the existing property transferred to the Concessionaire by the Ministry of Public Works, as well as the works completed during the execution of the contract which once approved by the Ministry of Public Works, will be transferred to the Concessionaire for exploitation.
- Consequential Loss – "Business Interruption": it covers the possible consequences caused by losses and/or damages to the property, whose repair and/or reconstruction might delay the works ending, and hence, the collection of the tolls.
- Civil Liability: referred to the Concessionaire's responsibility which the Company should assume in case of possible damages caused to third parties and/or to their goods as a result of the works.
- Fixed Assets:
 - Real estate: it was agreed the annual coverage of fire and catastrophic events risks in regard to the Corporate Building, located in San Bernardo district.
 - Vehicles: Concessionaire trucks and cars are all-risk covered (damages, civil liability, robbery, theft). This is a one-year-term policy.
 - Computer equipment: this equipment is covered for possible damages or losses caused by fire, lightning, explosion, contingencies, voltage variations, robbery, water, humidity effects. This is a one-year-term policy.



g) Contracts

Construction Contract

The purpose of this Contract is the Contractor's execution of the design, supply, maintenance, preservation and construction of all the civil works needed for the proper and adequate exploitation of the Public Work named "North - South Project".

Independent Engineer

Autopista Central contracted the American company URS Corporation and the Chilean consulting firm CADE IDEPE as Independent Engineers. Both companies carry out technical assessments (CADE IDEPE, weekly, and URS Corporation, quarterly), visiting the works and checking the scheduled progress.

"Carey and Morales Noguera Valdivieso & Besa" Contract

The purpose of these contracts is to provide legal advise to the management. The advising includes corporate and contractual matters, Bidding Bases analysis, assistance in the formalization of foreign shareholders' capital payments to the Concessionaire and assistance in the negotiations with the Government for the implementation of legal modifications. The assistant involves, in general, every legal issue related to the running of the concession - societal, banking, financial, infrastructural, regulatory, acquisition, mergers, taxes, litigious, works, intellectual property, or technological.

"Crisis ICC" Contract

This contract was agreed between "Sociedad Concesionaria Autopista Norte Sur S.A." (currently "Sociedad Concesionaria Autopista Central S.A.") and "Celedón y Asociados Consultores de Comunicación S.A." The purpose is to supply services of corporate image, marketing and communications.

"Wilensky" Contract

This contract was agreed between "Grupo Estratégico de Negocios de Alberto Wilensky" and "Sociedad Concesionaria Autopista Norte Sur S.A." (currently "Sociedad Concesionaria Autopista Central S.A."), whose purpose is the implementation of the project marketing, promotion and positioning plan.

"Synapsis" Contract

This contract was agreed between "Sociedad Concesionaria Autopista Norte Sur S.A." (currently "Sociedad Concesionaria Autopista Central S.A.") and Synapsis S.A. The purpose is to supply an 800-line telephonic assistance and customer relationship management services.

"Icafal" Contract

The purpose of this contract is the execution of all the preservation and regular maintenance to the roads of the North - South System, according to the Bidding Bases.

"F. Ghisolfo y Cía., Ingeniería de Consulta Limitada" Contract

The purpose of this contract is to supply professional services for: 1) bidding process of multiduct services for utilities, such as telecommunications, electricity, gas companies or any other determined by the study, 2) bidding of gas stations location, 3) terms of reference, contracting, supervision of real estate companies, 4) urban furnishing location, feasibility and design of the bidding bases, 5) detection of other complementary services and terms of reference for the contracting of demand studies.

h) Brands and patents

By the end of 2001, the inscription approval and registration of the trade mark "Autopista Central" was in progress.

The web site's name "www.autopistacentral.cl" had been registered.

i) Financial activities

The Company has invested funds in dollars and local currency, current deposits, among which the most important are Financial Instruments Agreements and short-term Mutual Funds for investments in local currency.

Investments in foreign currency has been totally oriented to current deposits within 35 days.

Over 2001, the financial revenues earned by the Concessionaire amounted ThCh\$ 424,715. The investments in dollar currency generated earnings for ThCh\$ 1,662,623, due to exchange rate variation.

Research and Development

Over the year, technical and market studies have been performed which has allowed to conduct in a better way the business plans and strategies for the introduction of payment means.



The Concessionaire's staff constantly assesses the technical and economical suitability of new technologies offered by the market to establish the convenience of its implementation in the Company.

In order to promote initiatives proposed by the workers, the Company has implemented a Quality Workshop Program, from which ideas and projects are obtained targeting to benefit the Company and users. The results are carried out as plans that allow the Company to add value to the internal processes.



RISK FACTORS

Autopista Central operates in the market of urban highway concessions, a market not exploited yet in Chile. There is an increasing demand for the service that these highways will provide, due to the sustained growth of the number of vehicles, both in the Metropolitan Region and in the country. This scenario favors the company's situation in terms of risk analysis.

The business risks comprise mainly the following aspects:

- a) Project dependence on the Chilean economical performance. Most of the revenues will come from the tolls generated through the operation of the highway. The traffic levels, the highway use and the country economical performance are highly correlated. Consequently, Autopista Central's business performance will significantly depend on the economical conditions of the country.

- b) Modifications to the regulatory frame. The regulatory frame in force needs to be adapted to the new requirements of the free-flow technology, with which the North South System concession will operate. Therefore, it is necessary to modify legal instruments that ensure the appropriate toll collection, so that entering the concessioned highway without any valid payment means, will be considered a legal infringement. Although the relevant legal modifications have been already elaborated (a project that modifies Law N° 18,257 of Proceedings before Local Police Courts, and the Transit Law N° 18,290), they have not been sent to the Congress by the Government.

- c) Toll System technology reliability. The toll collection might be affected by the collection system integrity and the vehicle transaction record process effectiveness. The Concessionaire plans to implement a transponder system and another based on video images, in order to record the transactions in every collection point. The inappropriate implementation of these systems might cause a defective control of the collection process, increasing the chances for toll evasion by the users. Autopista Central has established detailed specifications for the Central System, including the modeling of the business rules, implementing a functional base-line and a project management methodology, that allows to carry out strict control over the system design and development as well as over the equipment production. Additionally, for the production phase, the Concessionaire will implement security measures, including a closed-circuit TV system to monitor the toll stations, in order to further control evasion. Furthermore, legal protection is considered, based on the clause 42 of the Concession Law.



d) The traffic forecasts might be different from any future results. The forecasts uncertainties are favored by the fact that the toll collection system is based on new technology, then some parameters are derived from assumptions that lack statistical data. In order to minimize these risks, traffic projections have been performed with the assistance of independent consultants of broad international experience. The shareholders and the international financial institutions rely on their experience in the field.

e) The pricing risk is under control, since the toll pricing system was established in the Bidding Bases. The concession awarded to Autopista Central has been granted within the international bidding frame called for tender by the Ministry of Public Works. The Bidding Bases include the adequate price adjustment mechanisms.

f) Changes in cable-based facilities. The Concessionaire's liability involves the necessary coordination with service companies, so that they remove their facilities to allow the execution of the works. This task has been timely performed. Nevertheless, project development, construction budgets and works execution have performed reasonable difficulties in proportion to the magnitude of the works.

g) Concession area transfer. The Ministry of Public Works has not yet transferred all the lots that make up the concession area. This has prevented the Concessionaire from executing the works in accordance to the originally planned schedule.

h) In order to reduce claim and complaint risks against the Concessionaire as a result of the works, the construction contract considers insurance to defend, indemnify and keep the Company free of any claim, complaint and overall any action against it.

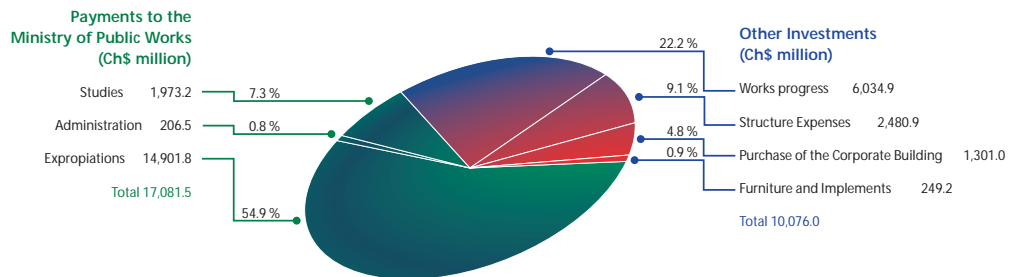
i) The project has the support of the Company shareholders, who hold worldwide leading positions and have extensive experience in the construction and concession fields.

j) The Concessionaire counts with a specialized commercial platform, which has the necessary resources to meet efficiently the customers' requirements.

k) The catastrophic risks are covered with extensive coverage, through the policies described in section "Company Activities and Business Description", letter f), of this Report.

INVESTMENTS AND FINANCING POLICY

To develop the required activities in this stage – the Construction Phase –, Autopista Central invested in 2001 (adjusted to the local currency value of December 31st, 2001) a total amount of Ch\$ 27,147.5 million, as specified below (all the figures come from the Concessionaire's Financial Statements):



These investments have been financed by means of equity (Ch\$ 22,627.8 million) and short-term debt provided by Citibank N.A. (Ch\$ 21,764.5 million). The latter will allow the Company to finance temporarily the project expenditures until the long-term debt is issued.

For the short-term debt, the Concessionaire has compromised the payment of the following interests rates and charges:

- Interests at an annual LIBOR rate plus pertinent margin
- Promise Commission
- Structuring Commission

For the long-term financing, the Company is undertaking the necessary actions for the bond issue, both in the local market (UF denominated) and in the international market (dollar denominated).

The Company is able to invest or issue debt, without any limitation regarding the kind of debt instrument or the means of investment, according to the Societal Statutes.



MANAGEMENT OVERVIEW

Technical Management

For construction purposes, the project has been split in sectors, from A to G, according to the following detail:

North – South Axis:

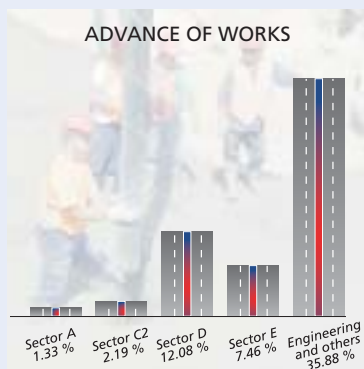
▪ A	:Río Maipo - Las Acacias	14.75 km
▪ B1	:Las Acacias - Carlos Valdovinos	10.88 km
▪ B2	:Carlos Valdovinos - Río Mapocho	5.30 km
▪ C1	:Río Mapocho - Domingo Santa María	2.85 km
▪ C2	:Domingo Santa María - Américo Vespucio Norte	5.69 km

General Velásquez Axis:

▪ D	: Ruta 5 Sur - Carlos Valdovinos	8.90 km
▪ F1	: Carlos Valdovinos – Av. 5 de Abril	2.27 km
▪ G	: Av. 5 de Abril – Av. Ecuador	0.85 km
▪ F2	: Av. Ecuador – Río Mapocho	3.71 km
▪ E	: Río Mapocho – Ruta 5 Norte	4.93 km

The works construction has been granted to Constructora Norte Sur S.A., constituted by Grupo Dragados S.A., SADE Skanska S.A., SADE Skanska Chile S.A., Constructora SADE Ltda., Empresa Constructora Belfi S.A., and Empresa Constructora Brotect S.A.

Over 2001, works have been initiated in sectors A and C2 of the North – South Axis and sectors D and E of the General Velásquez Axis, which performed the following progress by the year end:



By December 31st, 2001, the total progress of the works was 2.89%.

Electronic System Management

The Company has established the specifications of the Central System (Toll Operation and Customer Service System), including the modeling of the business rules, which constitute the basement for the technical specifications development and the Collection System construction.

The Functional Base Line has been established, allowing the implementation of a design control system according to the fulfillment of the contractual obligations and the business rules. It will also allow to carry out the control of changes and to monitor the design verification tests throughout the project.

Autopista Central prepared a project management system which established the procedures for the design and development of the Central System control, the equipment production monitoring, reviews and audits for the whole design process, and the development and tests of the Collection System hardware and software.

Besides, the methodology established the procedures for:

- Control and development of all the Traffic Management and Collection Management Systems, and Telecommunication System components.
- Set up and control of site activities, including the interfaces of the systems, the civil works and installation.
- Arrangement of the acceptance tests with strategy specifications, procedures and performance validation for production, site and tolling rump up period tests that will be applied to the initial transaction point.
- Systems set up control in the initial transaction point and in the initial test sector.
- Control of the manufacturing and acceptance of 300,000 tags.



a) Site Works Plan

Constructora Norte Sur and Autopista Central have already constituted the team for permanent coordination of the project. Their purpose is to coordinate tasks and solve problems regarding specifications, plans, construction and set up in matters where both companies interact.

b) Relation With the Ministry of Public Works

According to the contractual obligations with the Ministry of Public Works, the schedule of the Electronic Collection System and the Design Engineering of the Collection Management System were delivered to the Ministry. By December 31st, the schedule was at a second-review phase.

9.3. Administrative and Operative Management

Accounting and financial information systems have been developed since the existence of the Concessionaire in order to ensure adequate elaboration of the financial statements, as well as the managerial reports required for the appropriate follow-up of the project.

The company contracted the services of Pricewaterhouse & Coopers as external auditors of the financial statements. Pricewaterhouse & Coopers is well known for its prestige and for their knowledge of the road concession system in Chile.

To fulfill the Bidding Bases, the Concessionaire obtained, on September 6th, 2001, the registration in the Superintendency of Stock Corporations and Insurance Companies as a closely-held corporation. This implies that the Company will be under the regular controls as an incorporated company.

Autopista Central has timely submitted the insurance policies required by the Ministry of Public Works. Likewise, it has submitted the contract completion warranties for the Construction Stage, through delivering the deposit certificates amounting UF 684,000.

The Concessionaire has strictly fulfilled every payment required by the Ministry of Public Works, which by the end of the year amounted UF 1,056,400.

The management decided to clearly transmit to the staff the style and culture for the Company. For this purpose, internal procedures were prepared and implemented, such as:

- The Company's Mission and Vision
- Human Resources Policy
- Training Program
- Performance assessment and analysis
- Benefits for the staff

Likewise, in November, the first Assessment of Internal Environment was carried out in order to meet the employees perceptions. The overall satisfaction evaluation was 77.7%. Work stability, identification with the Company and possibilities for professional development were emphasized and highly regarded.



Regarding fiscal matters, the Concessionaire has fulfilled every tax and social-security-related obligations. Therefore, the Company is not subject to any sanction or punishment, either formal or economical, from regulators.

In the Operations' area, internal interdisciplinary teams and external advisors have elaborated the Toll Collection System functional specifications. Specifically, the teams have prepared the accounting and financial management specifications. The system's modules, such as "transaction validation", "pricing", "billing and collection", and "audits" have been reviewed and designed in order to obtain the maximum reliability when the systems are implemented.

Financial Management

Regarding financial matters, during 2001 Autopista Central has focused its work in the documentation preparation and the development of a business financial model needed for the bond issue in the local and foreign markets.

Additionally, the Company has prepared a Long-Term Financial Plan, which includes presentations of the project to the rating agencies and insurance companies during the second quarter of 2002. The objective of the plan is to guarantee the bond issue in the same quarter.

On the other hand, internal auditing activities have been carried out, as well as the development and control of the Company global budget.

Commercial and Marketing Management

a) Relevant Activities

In 2001, Autopista Central handed in the "Design Engineering" document to the Ministry of Public Works, in accordance with the Bidding Bases. This document includes the Business Plan and the Collection System Functional Specifications.

In June 2001, the Company implemented a phone assistance service to customers - "Fonocentral". This service will support the supply of information to the community during the project's construction stage.

In December 2001, the Company's web site, www.autopistacentral.cl, was launched. The site was designed to inform users about the project and also to provide a communication means for them to make suggestions and require extra information regarding the project and the works progress.

The Company began the studies and the preparation of the bidding bases for the installation of Gas Stations within the concession area.



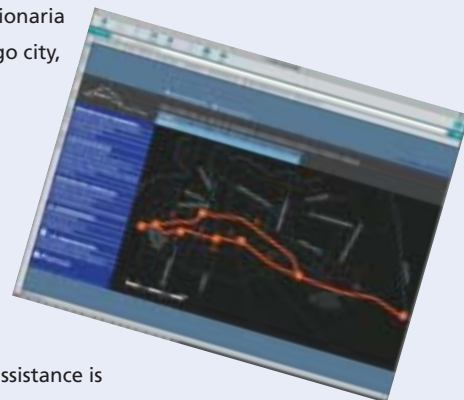
According to the Bidding Bases, Autopista Central handed in to the Ministry of Public Works the Project Promotion Plan, which was approved by the Ministry. This plan covers project's evolution features, information about the electronic collection system, community-approach strategies and highway benefits.

The brand and logo identifying the Concessionaire were changed to "Sociedad Concesionaria Autopista Central S.A.", considering concepts such as center of the country and Santiago city, associated at the same time to others such as nucleus, convergence and fluidity.

b) Customer service

The following actions were implemented, aiming to provide the tools to implement a customer service system:

- Suggestions and Complaints Books, in accordance with the Bidding Bases.
- In-office service and written response for those cases in which more personalized assistance is required.
- A call-center service, Fonocentral, supported by a customer relationship management system.
- A web site, www.autopistacentral.cl.



By means of the aforementioned customer and community relation channels, as a whole, 1,416 requests were served and responded between the beginning of the concession (July 2001) and the year end.

c) Community-approach strategies

Since Autopista Central was created, the management has established as an objective to design and implement a community-approach plan in the areas surrounding the concession area.

The plan is focused on the generation of ties with the community through education as a differentiating element of the industry, consistently with the Company's excellence vision. The following activities have been performed for this purpose:

- During 2001, scholarships were awarded to children aging 10 to 15 years, of families with economical irregular situation, sheltered by the welfare institution Hogar de Cristo.
- Autopista Central was the official sponsor of the First Congress of Road Engineering "Divial 2001", which gathered a select group of national professionals and technicians in the field.
- In December, Autopista Central initiated a Cleaning Campaign, by which particular emphasis was given to children approach through information supply and the handing over of trash bags. The campaign taught how to keep a clean environment.



d) Promotion and communications

During 2001, Autopista Central performed a number of promotion and communication activities, which have had broad news coverage. Some of these activities are the following:

- Pamphlets distributed to the neighbors in the areas surrounding the works, providing information about the project.
- Works start launch and installation of the foundation stone ceremony, with the participation of the President of the Republic, Mr. Ricardo Lagos, and authorities.
- Radio campaign for the project launch.
- Launch of the company's web site ceremony, with the presence of the Minister of Public Works, authorities and the business community.
- Launch of the "Help us Clean" campaign, addressed to the drivers that enter and leave the city in order to eliminate trash in the concession area.
- The project was promoted among all the mayors of the 14 districts affected by the concession area.



Company has been repeatedly and positively referred in a number of press articles, radio and TV.

Legal Management

During 2001, the legal management's main objectives were to implement the major contracts related to the works execution, as well as to resolve inherent issues regarding the works, new works and investments. Furthermore, the legal and regulatory modification processes were started, which guarantee the adequate exploitation of the concession. For these purposes, the following matters were discussed:

a) Complementary Agreement of the Concession Contract

By December 2001, a Complementary Agreement of the Concession Contract, proposed by the Ministry of Public Works, was at a negotiation stage between the Ministry and Autopista Central, aiming to establish the terms and conditions for extra works and investments requested by the Ministry to the Concessionaire.

b) Legal Modifications

The Executive Decree was promulgated and published by which the Road Sign Manual was modified, incorporating a new restrictive sign stating the prohibition of utilizing the concessioned roads without either a tag or any other valid payment means.



Likewise, the modification project of the Traffic Law and the Procedures Law before Local Police Courts, by which entering an electronic toll road without any valid payment means is considered a traffic violation. This issue is under the analysis of the Ministry of Public Works. The modification bill also establishes the corresponding procedures and sanctions to violators.

c) Construction Contract

Autopista Central has worked in the elaboration of such a contract, whose purpose is to regulate the relationships between the Concessionaire and Constructora Norte Sur, which will execute the concession construction works.

Quality and Environmental Management

Autopista Central established as one of its strategic objectives the implementation of a quality management system and an environmental management system. The Company aims to certify both systems under the ISO 9000 and ISO 14000 norms, respectively.

In accordance with these objectives, a schedule was defined to establish the stages, actions and terms to control the project progress. The main development stages of both systems are the following:

1. Employees' training
2. System development
3. Implementation control - auditing
4. Certification audits



a) Quality Management

The implementation process started in May 2001, with the elaboration of the preliminary Quality System documents and procedures. By December 31st, 2001, the elaboration of the System's documents had performed a 79% progress. The elaboration stage was expected to be completed within the first quarter of 2002.

Simultaneously, all the Company's employees participated in training activities and workshops, aiming to achieve, within the organization, knowledge and commitment with quality matters, continuous improvement and team work, all of them fundamental concepts to build a "quality culture" in Autopista Central.

In October 2001, quality internal audits started. The purpose of this process was to control the system implementation. In this stage, audits were performed to every process that was documented in the period. A second quality audit stage will start in March 2002.

The certification audit is planned to take place in the last quarter of 2002.

b) Environmental Management

Over 2001, the environmental management focused on controlling the fulfillment of the environmental obligations and requirements established in the Bidding Bases, Environmental Impact Study, and Environmental Assessment Resolution. Accordingly, the Concessionaire submitted the Environmental Management Plan for the construction stage to the Ministry of Public Works. The plan considers mainly the following issues:

- Description and specification of environmental objectives and actions to be implemented during the construction stage to fulfill the requirements established in the Bidding Bases, the Environmental Impact Study and the Environmental Assessment Resolution.
- Environmental mitigation, repair, compensation and follow-up actions to be carried out.
- Content and procedure description related to the elaboration, delivery and modifications of the quarterly Environmental Reports and Environmental Management Final Report for the project's construction stage.

An implementation plan of the Environmental Management System was elaborated. Once implemented, this system will be certified under the ISO 14000 norm. The plan includes a training phase for all the Company's employees during the first half of 2002, a document and procedure elaboration phase, and an auditing phase during the second half of 2002.

INFORMATION REGARDING SUBSIDIARIES AND RELATED COMPANIES

By December 31st, 2001, the Sociedad Concesionaria Autopista Central S.A. did not have any subsidiary, related company or investments in other corporations.

DIVIDEND POLICY

In 2001, the Concessionaire did not generate profits, since it is at a pre-operative business stage, therefore, it has not agreed dividend distribution.

SHARE TRANSACTIONS

See section "Changes in Ownership" of this Report.

RELEVANT EVENTS

a) On July 3th, 2001 the company began construction on the concession area.

b) On July 4th, 2001 the Company enrolled a new shareholder, Inversiones Nocedal S.A. in the Shareholder Register, which purchased 13,641,600 shares from Grupo Dragados S.A., amounting to Ch\$ 1,000 each, accounting for a 23.52% holding.

c) On July 13th, 2001 the shareholders subscribed and paid in a total of 10,000,000 shares amounting to Ch\$ 10,127,776,222. Individual contributions are the following:

	ThCh\$	Shares
Grupo Dragados S.A.	2,479,279,619	2,448,000
Inversiones Nocedal S.A.	2,382,052,968	2,352,000
Skanska Projektutveckling & Fastigheter AB	4,861,332,587	4,800,000
Empresa Constructora Belfi S.A.	202,555,524	200,000
Empresa Constructora Brotec S.A.	202,555,524	200,000
Total	10,127,776,222	10,000,000

d) By public deed dated July 31st, 2001, before the Notary Public, Mr. José Musalem Saffie, the Company changed its name to Sociedad Concesionaria Autopista Central S.A. This change was agreed at the General Extraordinary Shareholders' Meeting held on June 27th, 2001, and approved by the Ministry of Public Works by resolution 829 dated July 27th, 2001.

e) On August 31st, 2001 a loan agreement was subscribed with Citibank N.A. for US\$ 70,000,000, which will be used for the temporary financing of the projects' costs until the bond issue.

f) On October 9th, 2001 a new shareholder, Skanska BOT Chile S.A., was enrolled in the Company's Shareholders' Register. Skanska BOT Chile S.A. purchased 13,641,600 shares from Skanska Projektutveckling & Fastigheter AB, accounting for a 23.52% holding.

g) On December 27th, 2001 the Company purchased from Inmobiliaria Manso de Velasco Ltda., the property located in the San Bernardo district, on the Panamericana Sur Highway, on the corner of San José Street, corresponding to Lot 131 of the respective Roadway Map, currently Buenos Aires N° 720. This property will be used by the Company as the Corporate Building.





FINANCIAL STATEMENTS

December 31, 2001

SOCIEDAD CONCESIONARIA AUTOPISTA CENTRAL S.A.

(In development stage)

CONTENTS

Report of independent accountants

Balance sheet

Statement of cash flows

Notes to the financial statements

Ch\$ - Chilean pesos

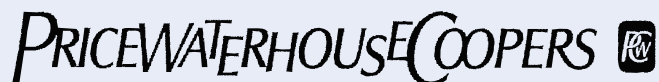
ThCh\$ - Thousands of Chilean pesos

US\$ - United States dollars

UF - The Unidad de Fomento is a Chilean government inflation-indexed, peso-denominated monetary unit set daily in advance on the basis of the previous month's inflation rate.

€ - Euro

REPORT OF INDEPENDENT ACCOUNTANTS



Santiago, January 22, 2002

To the Shareholders and Board of Directors,
Sociedad Concesionaria Autopista Central S.A.
(In development stage)

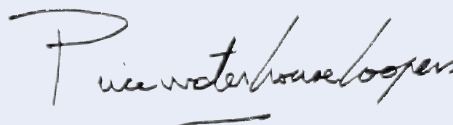
We have audited the accompanying balance sheets of Sociedad Concesionaria Autopista Central S.A. as of December 31, 2001, and the related cash flows for the period February 22 to December 31, 2001. These financial statements (including the related notes thereto) are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the accounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Sociedad Concesionaria Autopista Central S.A. as of December 31, 2001 and cash flows for the period February 22 to December 31, 2001, in conformity with accounting principles generally accepted in Chile.



Guido Licci P.
RUT: 9.473.234-4



BALANCE SHEET

AT DECEMBER 31, 2001

Assets	ThCh\$
CURRENT ASSETS	
Cash and banks	574,599
Sundry debtors	895,907
Recoverable taxes	3,007,752
Other current assets	5,147,414
Total current assets	9,625,672
FIXED ASSETS	
Construction and infrastructure	26,717,858
Machinery and equipment	102,619
Other fixed assets	195,780
Accumulated depreciation	(49,145)
Total fixed assets	26,967,112
OTHER ASSETS	
Notes and accounts receivable from related companies	10,411,232
Long - term deferred taxes	47,701
Other	1,396,112
Total others assets	11,855,045
TOTAL ASSETS	48,447,829

The accompanying Notes 1 to 23 are an integral part of these financial statements.

Shareholders' Equity and Liabilities	ThCh\$
CURRENT LIABILITIES	
Obligations with banks - short term	21,764,465
Accounts payable	748,553
Notes and accounts payable to related companies	1,826,512
Provisions	30,081
Withholdings	159,033
Income Tax	24,862
Total current liabilities	24,553,506
LONG-TERM LIABILITIES	
Long-term provision	10,902
Other long-term liabilities	741,228
Total long-term liabilities	752,130
SHAREHOLDERS' EQUITY	
Paid-in capital	23,142,193
Total shareholders' equity	23,142,193
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	48,447,829

The accompanying Notes 1 to 23 are an integral part of these financial statements.

STATEMENT OF CASH FLOW

For the period February 22 to December 31, 2001

	ThCh\$
CASH FLOWS FROM FINANCING ACTIVITIES	
Paid - in shares placed	23,142,193
Loans secured	21,608,070
Cash flows from financing activities	44,750,263
CASH FLOW FROM INVESTMENT ACTIVITIES	
Fixed asset purchases (less)	(28,840,635)
Others investment disbursements (less)	(10,693,029)
Negative cash flow used in investment activities	(39,533,664)
Total net cash flow for the year	5,216,599
EFFECT OF INFLATION ON CASH AND CASH EQUIVALENTS	505,414
CHANGES IN CASH AND CASH EQUIVALENTS	5,722,013
BEGINNING BALANCE OF CASH AND CASH EQUIVALENTS	-
ENDING BALANCE OF CASH AND CASH EQUIVALENTS	5,722,013

The accompanying Notes 1 to 23 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

AT DECEMBER 31, 2001

Note 1 - Company's Incorporation, Business and Registration

a) Incorporation and business

The Company was incorporated as a closely-held corporation by public deed dated February 22, 2001.

Its business is to design, construct, maintain, and operate by way of concession the public work known as "Sistema Norte Sur".

By public deed dated July 31, 2001 issued before the Notary Public, Mr. José Musalem Saffie, the Company's name was changed to Sociedad Concesionaria Autopista Central S.A. The change was agreed at the General Extraordinary Meeting held on June 27, 2001 and approved by the Ministry of Public Works under resolution DGOP 829 dated July 27, 2001.

b) Enrollment in the Official Corporations Register

In accordance with the Company's by-laws and Bid Requirements of the Concession Project, the Company is enrolled in the Official Corporations Register under No. 746 of the Superintendency of Stock Corporations and Insurance Companies.

Note 2 - Summary of Significant Accounting Policies

a) Accounting period

The accompanying financial statements and notes cover the period February 22 and December 31, 2001.

b) General

The financial statements as of December 31, 2001 have been prepared in conformity with accounting principles generally accepted in Chile and specific regulations and instructions issued by Superintendency of Stock Corporations and Insurance Companies. In the event of discrepancy, the Superintendency regulations will prevail.

c) Price-level restatement

The financial statements have been adjusted in order to reflect the effect of price-level changes in the purchasing power of local currency during the period. Accordingly, the Company has restated non-monetary assets and liabilities and shareholders' equity in accordance with prevailing regulations. Restatement has been determined based on the official variation of the Consumer Price Index (CPI) published by the Chilean National Statistics Institute, amounting to 2.9% for the period.

d) Foreign currency translation

Assets and liabilities in foreign currency and UF (Chilean government inflation-indexed units) have been translated into Chilean pesos at December 31, at the following exchange rates:

	Ch\$ per Unit
Unidad de Fomento (UF)	16,262.66
United States dollar (US\$)	654.79
Euro	578.18

e) Time deposits

Time deposits are presented at cost plus price-level restatements and accrued interest at the year-end.

f) Other current assets

This balance includes instruments purchased under resale agreements which have been recorded at cost plus accrued interest and readjustments to year end.

g) Fixed assets

Fixed assets are shown at restated cost.

In accordance with Technical Bulletin No. 67 of the Chilean Institute of Accountants, Construction and infrastructure (fixed assets in concession) include all construction costs incurred in the public work known as 'Sistema Norte Sur'. In addition, financial income and expenses generated during the construction period are carried as a cost decrease or increase in the project, respectively; and any other concept that was reflected in the Accumulated Deficit Statement during the development period is included as an decrease or increase in Fixed assets during the construction period.

h) Fixed asset depreciation

In accordance with Technical Bulletin N° 67 issued by the Chilean Institute of Accountants, depreciation of Construction and infrastructure (Fixed assets in concession) is recorded from the start-up of operations using the vehicle flow method generated during the operation period until expiration of the concession.

Depreciation of all other fixed assets is calculated using the straight-line method in accordance with their remaining useful lives.

i) Provision for staff vacation

In accordance with Technical Bulletin No. 47 of the Chilean Institute of Accountants, the Company established a provision for the cost of accrued staff vacations at the year end.

j) Income tax and deferred taxes

The Company has recorded tax liabilities in conformity with current tax legislation.

Effective January 1, 2000, the effect of deferred taxes arising from timing differences between financial and tax results are recorded for all timing differences, based on the current tax rate on the estimated date of reverse, in conformity with Technical Bulletin 60 issued by the Chilean Institute of Accountants.

k) Severance indemnities

The Company has set up a provision for severance indemnities, which is stated at present value considering the maximum amount established by law and the term of the concession agreement.

l) Development period

In accordance with Circular 981 from the Superintendency of Stock Corporations and Insurance Companies, dated December 28, 1990, the Company is required to present a Statement of Accumulated Deficit during the development period. However, it resorted to come under the provisions under Technical Bulletin 67 issued by the Chilean Institute of Accountants.

m) Statement of cash flows

The Company has defined as cash and cash equivalents, all short-term investments considered as part of the general administration of cash surpluses, including securities purchased under

repurchase/resale agreements, in relation to which there is an intention of converting said amount in a period of no greater than 90 days.

The Company presents no Cash flows from operating activities since it is in the development period at December 31, 2001.

Note 3 - Balances and Transactions With Related Companies

Collection terms for long-term operations with Constructora Norte Sur S.A. are restated in line with the variation of the Unidad de Fomento, and exclude the application of interest. Maturities are set in the construction agreement.

Balances payable to related companies include restatements, accrue no interest and mature in the short-term.

Long-term Receivables

Tax Registration Number	Company	2001 ThCh\$
96945830-6	Constructora Norte Sur	10,411,232

Short-term payable

Tax Registration Number	Company	2001 THCH\$
59086850-7	Skanska Projektutveckling & Fastigheter AB	45,723
59023200-9	Grupo Dragados S.A.	39,480
96945830-6	Constructora Norte Sur S.A.	1,541,369
Foreign	Dragados Concesiones	59,285
Foreign	Skanska BOT AB	140,655
TOTAL		1,826,512

b) Transactions

Company	Tax registration number	Relation	Transaction	Amount of transaction ThCh\$	Effect on results (charge)/ credit ThCh\$
Skanska Projektutveckling & Fastigheter AB	59086850-7	Shareholder Shareholder	Administrative services	417,048	-
			Expenses recovered	47,254	-
Grupo Dragados S.A.	59023200-9	Shareholder Shareholder	Administrative services	440,194	-
			Technical advice	134,471	-
Dragados Concesiones	Foreign	Related company	Expenses recovered	74,481	-
Constructora Norte Sur S.A.	96945830-6	Related company Related company	Prepayments on work construction	10,499,429	-
			Withholding on works' progress	218,795	-
Skanska BOT AB	Foreign	Related company	Technical advice	140,655	-
Constructora Belfi Brotec Ltda.	77606930-2	Related company	Construction services	3,256,902	-

Note 4 - Income Taxes and Deferred Taxes

a) General

The Company has not set up a provision for Corporate Income tax as it presents tax losses amounting to ThCh\$ 1,688,202. At December 31, 2001 a provision for Non-allowable income tax expenses was set up for ThCh\$ 28,587. This amount is presented under Income tax in Current liabilities, net of monthly tax prepayments of ThCh\$ 3,725.

b) Deferred taxes

Deferred taxes recorded as outlined in Note 2 j), are as follows:

	Deferred tax asset		Deferred tax liability	
	Short term ThCh\$	Long term ThCh\$	Short term ThCh\$	Long term ThCh\$
Timing Differences				
Deferred costs	-	-	-	239,293
Tax loss	-	286,994	-	-
TOTAL	-	286,994	-	239,293

	2001 ThCh\$
Deferred tax asset or liability for the year	(239,293)
Tax benefit from tax losses	286,994
Other charges or credits to the account	(28,587)
TOTAL	19,114

Note 5 - Other Current Assets

This item includes securities purchased under resale agreements, which are valued as outlined in Note 2 f), as follows:

Note 6 - Information Regarding Securities Under Purchase Agreements, Sale Agreements, Sale Under Repurchase Agreements and Purchase Under Resale Agreements.

Code	Investment date	Maturity date	Counterpart	Currency of origin	Amount subscribed ThCh\$	Rate %	Value at maturity ThCh\$	Type	Market value ThCh\$
CRV	27-12-2001	02-01-2002	Salomon Smith Barney	UF	2,929,775	0.51	2,932,763	DPF	2,932,265
CRV	27-12-2001	02-01-2002	Salomon Smith Barney	UF	201,263	0.51	201,469	DPR	201,434
CRV	27-12-2001	02-01-2002	Salomon Smith Barney	UF	18,962	0.51	18,981	CERO	18,978
CRV	18-12-2001	03-01-2002	Salomon Smith Barney	UF	1,915,837	0.51	1,921,048	DPR	1,920,397
CRV	18-12-2001	03-01-2002	Salomon Smith Barney	UF	74,163	0.51	74,365	CERO	74,340
TOTAL							5,148,626	5,147,414	

Note 7 - Fixed Assets

As outlined in Note 2 g), the composition of this item at December 31, 2001 is as follows:

Fixed Assets	ThCh\$
Construction and Infrastructure (1)	26,717,858
Machinery and equipment	102,619
Other fixed assets	195,780
Total fixed assets	27,016,257
DEPRECIATION FOR THE YEAR	
Construction and infrastructure	-
Machinery and equipment	(15,629)
Other fixed assets	(33,516)
Total depreciation for the year	(49,145)
TOTAL NET FIXED ASSETS	26,967,112

(1) Construction and infrastructure include the following concepts:

	ThCh\$
Work constructed	5,588,490
Maintenance	260,682
Insurance	113,608
Expropriations	14,901,801
Payments to MOP for supplementary road studies and compensation	1,973,205
Payments to MOP for Concession Contract Administration and Control	206,590
Other expenses	114,882
Buildings	1,370,492
Capitalization of surplus for the year (per Technical Bulletin N° 67):	
Financial income	(424,715)
Financial expenses	381,893
Payroll	1,458,881
Advice	770,263
Studies	1,302,904
Other services	64,822
Overhead	675,939
Other expenses	
Income tax	(19,114)
Exchange differences	(2,198,219)
Price-level restatement	175,454
TOTAL	26,717,858

Note 8 - Other Assets

At December 31, 2001 Other long-term assets include insurance prepayments for ThCh\$ 1,382,450 for a Policy covering All Public Work and Civil Responsibility Risks.

In addition, this item includes rental deposits amounting to ThCh\$ 13,662.

Note 9 - Short-term Obligations With Banks

a) At December 31, 2001 the Company presents the following bank loans:

Bank	Currency	2001 ThCh\$
CITIBANK N.A.	United States dollars	21,764,465
Capital due (ThCh\$)		21,608,070
Average annual interest rate (%)		3.15
Percentage of obligations in foreign currency (%)		100.00
Percentage of obligations in local currency (%)		0.00

b) On August 31, 2001 the Company subscribed a loan agreement with Citibank N.A. for a total amount of US\$ 70,000,000.-

This loan will temporarily finance the project's costs until up to the bond issue.

Disbursements by the debtor will be up to the total amount of the loan, according to either of the following terms:

- i) Time disbursements: Principle due for disbursements charged to this category shall be payable on the twelfth month effective from the date of the respective disbursement.
- ii) At sight: Maturities of disbursements under this category will due at sight.

The Company has requested the dates August 31, September 26, and December 13, 2001 and amounts for US\$ 10,000,000, US\$ 5,000,000, and US\$ 18,000,000, respectively chargeable to loan under category ii).

The Company shall pay the following interest and commissions:

- Interest at annual LIBOR rate plus applicable margin
- Agreement Commission.
- Structuring commission.

Note 10 - Provisions and Write-offs

The balance of provisions at December 31, 2001 includes the vacation provision, which is recorded as outlined in Note 2 i).

During the period ending December 31, 2001 no write-offs have been made.

Note 11 - Staff Severance Indemnities

At December 31, 2001, Long-term provisions include Severance indemnities for ThCh\$ 10,902, which are recorded as outlined in Note 2 k).

Note 12 - Other Long-term Liabilities

At December 31, 2001 the Company's long-term liabilities with Royal Sun Alliance amount to US\$ 980,933.95 (ThCh\$ 642,306) and UF 5,029.50 (ThCh\$ 81,793) for the Policy covering all Public Works Risks, and UF 422.07(ThCh\$ 6.864) for Civil Responsibilities of the Public Work.

In addition, withholdings on maintenance of the Work amount to ThCh\$ 10,265.

Note 13 - Shareholders' Equity

a) Changes in equity accounts during the period are the following:

	Capital paid ThCh\$	Total ThCh\$
Beginning balance	12,500,000	12,500,000
Capital increase from issue of paid-in shares	10,127,776	10,127,776
Equity restatement	514,417	514,417
BALANCES AT DECEMBER 31, 2001	23,142,193	23,142,193

As established by Chilean Law No. 18,046, equity restatements have been incorporated into paid-in capital at December 31, 2001.

b) Ownership distribution

The Company's equity amounts to ThCh\$ 58,000,000 (historical), which is divided into 58,000,000 non-par value shares, of which ThCh\$ 23,142,193 has been paid-in and is equivalent to 22,500,000 shares distributed as follows:

Shareholder	Number of subscribed and paid- in shares	Percentage of holding %
Grupo Dragados S.A.	5,508,000	24.48
Inversiones Nosedal S.A.	5,292,000	23.52
Skanska Projektutveckling &Fastigheter AB	5,508,000	24.48
Skanska BOT (CHILE) S.A.	5,292,000	23.52
Empresa Constructora BELFI S.A.	452,000	2.00
Empresa Constructora BROTEC S.A.	452,000	2.00
TOTAL	22,500,000	100.00

Note 14 - Price-level Restatement

The application of price-level restatement regulations generated a net charge to Construction and Infrastructure at December 31, 2001 of ThCh\$ 175,454, as follows:

Assets	Restatement Assets	index 2001 ThCh\$
Fixed assets	CPI	113,949
Other long term assets	UF	2,354
Renovable taxes	UTM	41,349
Notes and accounts receivable from related companies	UF	191,814
Total (charges)/credits		349,466
LIABILITIES		
Shareholders' equity	CPI	(514,417)
Non-monetary assets	CPI	(10,503)
Total (charges)/credits		(524,920)
PRICE-LEVEL RESTATEMENT INCOME (LOSS)		(175,454)

Note 15 - Exchange Differences

Foreign exchange items generated a net credit to Construction and Infrastructure of ThCh\$ 2,198,219 as follows:

Caption	Currency	2001 ThCh\$
Assets (charges)/credits		
Cash and banks	US\$	(21,894)
Time deposits	US\$	1,662,623
Total		1,640,729
Liabilities (charges)/credits		
Obligations with banks	US\$	(557,490)
Total		(557,490)
INCOME DUE TO EXCHANGE DIFFERENCES		2,198,219

Note 16 - Statement of Cash Flows

In accordance with Circular 1312 issued by the Superintendency of Stock Corporations and Insurance Companies, financing or investment activities committing future cash flows are outlined in Notes 7 and 9.

As construction began on July 3, 2001 and full completion is planned for June 2005, pending investment at December 31, 2001 stands at UF 20,333,668. This amount includes payments for future advances on the fiscal public work denominated 'Sistema Norte Sur' and Company costs incurred in operation or any other normal indirect costs during the construction phase (payroll, technical advice, legal expenses, etc.).

Under Cash from operating activities, the amount of ThCh\$ 10,693,029, corresponding to construction prepayments, are included in 'Other investment disbursements' at December 31, 2001.

Note 17 - Contingencies and Commitment

a) Direct guarantees

In conformity with the Public Bid Requirements under numbers 1.8.1 and 1.8.1.1., the Company has issued 10 performance bonds to the Ministry of Public Works (MOP) issued by Banco Santander. These guarantees are payable at sight and issued in the name of the Director General of Public Works for the total amount of UF 684,000.

b) Litigation and other legal proceedings

At December 31, 2001, the following lawsuits have been filed against Autopista Central:

Remedy 5985-2001 instituted by Mrs. Olga Haydee Escobar Alcaíno, and another against the Ministry of Public Works and Sociedad Concesionaria Autopista Central S.A. This proceeding at December 31, is in the process of agreement at the Court of Appeals in Santiago. A conclusive rejection was pronounced by the Supreme Court on this remedy.

Remedy 425-2001 instituted by Mr. Raúl Aguilera Parada against the Ministry of Public Works and Sociedad Concesionaria Autopista Central S.A. This remedy at December 31 is pending a report by the Ministry of Public Works and a case hearing by at the Court of Appeals in San Miguel.

c) Other contingencies

The Company has complied with all regulations set forth in Supreme Decree 900 under the Public Works Concession Law, dated October 31, 1996 and its provisions (Decree Law 956 dated October 1997).

d) Restrictions

At December 31, 2001 the Company is not subject to any restrictions.

Note 18 - Guarantees From Third Parties

a) Guarantees received

At December 31, 2001 Sociedad Constructora Norte Sur S.A. issued documents, whereby its shareholders undertake guarantee the construction agreement price, up to the amount of their 5.5% holding. This amount was issued to the construction company for the concept of prepayment in conformity with the current agreement between the parties.

Note 19 - Local and Foreign Currency

Assets and liabilities in Chilean pesos, US dollars, and Unidades de Fomento are shown in the financial statements at the exchange rate outlined in 2 d) and are as follows:

a) Assets

Caption	Currency	Amount 2001 ThCh\$
Current assets		
Cash and banks	US\$	574,599
Time deposits	US\$	-
Sundry debtors	UF	895,907
Recoverable taxes	UTM	3,007,752
Other current assets	Non-indexed Ch\$	5,147,414
Fixed assets		
Construction and infrastructure	CPI	26,717,858
Machinery and equipment	CPI	102,619
Other fixed assets	CPI	195,780
Depreciation	CPI	(49,145)
Other assets		
Notes and accounts receivable from related companies-long term	UF	10,411,232
Long term deferred taxes	CPI	47,701
Other	UF	1,396,112
TOTAL ASSETS		48,447,829
Currency summary		
	US\$	574,599
	UF	12,703,251
	UTM	3,007,752
	Non-indexed Ch\$	5,147,414
	CPI	27,014,813
TOTAL		48,447,829

b) Current liabilities

Caption	Currency	Amount	Average	Amount	Average	Total
		up to 90 days	annual	90 days	annual	
		ThCh\$	interest rate	to 1 year	interest rate	ThCh\$
			%	ThCh\$	%	
Obligations with banks	US\$	21,764,465	2.55% + 0,6%		-	21,764,465
Accounts payable	US\$	24,648	-	366,848	-	391,496
	UF	281,471	-		-	281,471
	Non-indexed Ch\$	74,400	-		-	74,400
	EURO	1,186	-		-	1,186
Notes and accounts payable						
to related companies	UF	1,541,369	-		-	1,541,369
	US\$	154,025	-		-	154,025
	Non-indexed Ch\$	77,606	-		-	77,606
	EURO	53,512	-		-	53,512
Provisions	Non-indexed Ch\$			30,081		
Withholdings	Non-indexed Ch\$	159,033	-		-	159,033
Income tax	Non-indexed Ch\$	24,862		24,862		
TOTAL CURRENT LIABILITIES		24,131,715		421,791		24,553,506
Currency summary:	US\$	21,943,138		366,848		22,309,986
	UF	1,822,840				1,822,840
	Non-indexed Ch\$	311,039		54,943		365,982
	EURO	54,698				54,698

c) Long-term liabilities

Caption	Currency	1 to 3 years		3 to 5 years		Total
		Amount	Average	Amount	Average	
		ThCh\$	interest rate	ThCh\$	interest rate	ThCh\$
			%		%	
Long-term provisions	CPI	10,902	-	-	-	10,902
Other long-term Liabilities	UF	98,922	-	-	-	98,922
	US\$	387,299	-	255,007	-	642,306
TOTAL LONG-TERM LIABILITIES		497,123		255,007		752,130
Currency summary:	CPI	10,902		-		10,902
	UF	98,922		-		98,922
	US\$	387,299		255,007		642,306
TOTAL		497,123		255,007		752,130

Note 20 - Penalties

a) From the Superintendency of Stock Corporations and Insurance Companies

The Company, its Director and Managers have not been subject to penalties at December 31, 2001.

b) From the administrative authorities

The Company, its Director and Managers have not been subject to penalties at December 31, 2001 by other administrative authorities.

Note 21 - Subsequent Events

- a) On February 4, 2002, Constructora Norte Sur redeemed funds withheld corresponding to payment statements 1-2-3, equivalent to UF 7,592.06, which are to be replaced by guarantees provided by the latter company's shareholders.
- b) On February 4, 2002, the Fiscal Inspector by way of Order 824, reported that the amount to be paid by the Ministry of Public Works for the concept of VAT on Construction for the months March to November 2001 amount to ThCh\$ 4,243,966.
- c) On February 8, 2002, Constructora Norte Sur redeemed funds withheld corresponding to payment statements 4 and 5, equivalent to UF 5,864.80, which are to be replaced by guarantees provided by the latter company's shareholders.
- d) On February 21, 2002 Citibank issued the Company the amount of US\$ 5,000,000 charged to the loan issued on August 29, 2001.
- e) No other significant events have occurred between December 31, 2001 and the issue date of these financial statements (February 22, 2002) that could have a material effect on their balances or interpretation.

Note 22 - Environmental Issues

At December 31, 2001 the Company has complied with the requirements under the Public Bid Requirements regarding Environmental Issues.

Disbursements for this concept at December 31, 2001 amount to ThCh\$ 27,797.

Under the provisions of Article 1.12.1.2.2 in the Public Bid Requirements, within the next 6 months, the Company shall pay 285,000 Unidades de Fomento to the Ministry of Public Works, which amount includes items such as Environmental Impact Studies, among others.

In addition, a contract was subscribed with Proambiente S.A. totaling 3,004.44 Unidades de Fomento to carry out the Environment Inspection Plan (PIA) in order to implement and develop all activities included in the technical bid Requirements of the PIA over the next 30 months.

Nota 23 - Concession Contract

- 1 The Concession contract is composed of the Public Bid Requirements, its explanatory circulars, decree of award, and regulations inherent to the following legal text summarized below:
 - MOP Supreme Decree 900 from 1996, which establishes DFL MOP 164 dated 1991 pursuant to the Law of Public Works Concessions.
 - MOP Supreme Decree 956 dated 1997, Regulations of the Public Works Concessions Law.
 - MOP DFL 850 dated 1997, which establishes Law 15,840 from 1964, Regulation from the Ministry of Public Works and DFL 206, dated 1960, Roadways Law.
- 2 The term of the concession will be 360 months as provided for under Article 1.7.6 in the Public Bid Requirements, effective from the inception of the concession term as stated in Article 1.7.5 in the Public Bid Requirements.
- 3 The Concession holder shall construct, operate, and maintain the works specified in the Public Bid Requirements, consisting of the North-South Strade, which extends from North to South of the city from the Northern bank of the Maipo River on the South, to Circunvalación Américo Vespucio to the North in the sector of Quilicura, with a total length of approximately 39.5 km.; and of General Velásquez Avenue Strand, which in turn, extends from South to North of the city, from Route 5 South (Ochagavía), adjoining the Street Las Acacias on the South until connecting to Route 5 North with a total length of approximately 21 km.

Works for construction as specified under Article 1.3 in the Public Bid Requirements are the following:

A) New Works	2.3.1
1. Express ways	2.3.1.1
2. Service roads	2.3.1.2
3. Bridges	2.3.1.3
4. Structures	2.3.1.4
5. Pedestrian footbridges	2.3.1.5
6. Road security works	2.3.1.6
7. Traffic light works	2.3.1.7
8. Landscaping	2.3.1.8
9. Lighting works	2.3.1.9
10. Transition works	2.3.1.10
11. Sanitation works	2.3.1.11
B) Improvement of existing infrastructure	2.3.2
1. Maintenance of existing structures	2.3.2.1
2. Maintenance of existing footbridges	2.3.2.2
3. Replacement of existent footbridges	2.3.2.3
4. General maintenance of drainage and sanitation system	2.3.2.4
5. Maintenance and replacement of posts and existing lighting	2.3.2.5
6. Changes in existing traffic lights	2.3.2.6
C) Perimeter closures	2.3.3
D) Strip clearing and cleaning	2.3.4
1. Deposits on fiscal assets	2.3.4.1
E) Special compulsory services	2.3.5
1. Traffic control and management services	2.3.5.1
2. Emergency assistance areas	2.3.5.1.1
3. Emergency intercom	2.3.5.1.2
4. Variable signs	2.3.5.1.3
5. Video cameras	2.3.5.1.4
6. Traffic control room	2.3.5.1.5

In constructing the works, the Company shall use the Final Engineering Reference Projects provided by the Ministry of Public Works, which shall be accepted by the Concession Holder in its Technical Offer without them requiring approval from the Fiscal Inspector. The Fiscal Inspector shall approve the Detail Engineering Projects, which the Concession Holder is required to prepare based on the Reference Projects provided by the Ministry of Public Works as a preliminary plan, accepted by the Concession holder in its Technical Offer.

The Concession Holder may only propose to the Fiscal Inspector changes to the Reference Projects, under the terms provided under Article 1.9.1.1 of the Public Bid Requirements. In any event, any changes must be subject to approval from the Fiscal Inspector.

The Concession Holders is responsible for the Final Engineering Project, which determines total works required in the concession contract. Consequently, the greater or lesser works to be carried out in order to comply with the requirements and standards defined in the Public Bid Requirements as a result of the Final Engineering, shall be fully charged or credited to the Concession Holder without the latter claiming compensation for this concept.

- 4 The Concession holder shall project and carry out, at his full expense and without being entitled to compensation of any kind, the expansion works of the expressways on the General Velásquez Strand, corresponding to the Sectors in the South (Las Acacias - Carlos Valdovinos) and North (Río Mapocho - Route 5 North), according to standards set in the Reference Project and Public Bid Requirements. Expansion works will be executed as established under Article 1.9.2.18 in the Public Bid Requirements. In any event, the Concession Holder shall construct and deliver in operating condition for the use of the public the third express strands of the total Strand of General Velásquez at the latest 120 months from the inception of the concession term specified under Article 1.7.5 in the Public Bid Requirements.
- 5 The MOP will provide the Company existing infrastructure in its current condition through an annotation by the Fiscal Inspector on the Construction Works Register referenced in Article 1.9.2.3 in the Public Bid Requirements.

The Concession company will be responsible for the maintenance and preservation of the infrastructure as from its delivery date in accordance with standards required in the Public Bid Requirements.

Existing infrastructure provided to the Concession Holder includes the North –South Strands and General Velásquez Avenue, which, for the purpose of this concession contract, are construed to be only one roadway composed of successive strands as defined and identified in the Metropolitan Road Design Plan of Santiago (PRMS) from South to North in the following tables:

- Infrastructure to be provided to the Concession Holder, North – South Strand:

Code	Name of Roadway	Portion provided	Date
MIS	Carretera Panamericana Sur	Río Maipo - Av. José J. Prieto	Inception of Concession term
M2S	Av. José J. Prieto - C. Valdovinos	Carretera Panamericana Sur	Inception of Concession term
No code	Av.Norte-Sur (Av Pdte. J. Alessandri R.)	C. Valdovinos - Costanera Norte Río Mapocho	Inception of Concession term
M6N	Carretera Panamericana Norte	F. Vivaceta - Av. Jorge Hirmas	Inception of Concession term
MIN	Ruta 5	Av. J. Hirmas - Av. A. Vespuccio	Concession

- Infrastructure to be provided to the Concession Holder, General Velásquez Avenue Strand:

Code	Name of Roadway	Portion provided	Date
MIS	Carretera Panamericana Sur	Av. José J.Prieto - C.Valdovinos	Inception of Concession
MIP	General Velásquez	C.Valdovinos - Ecuador	Inception of Concession term
MIP	Apóstol Santiago	Ecuador - San Pablo	Inception of Concession term
MIP	Coronel Robles	San Pablo - Mapocho	Inception of Concession term
MIP	Walker Martínez	Mapocho - Río Mapocho	Inception of Concession
No code	Northern Access	Puente Gral. Velázquez Carretera Panamericana Route 5 North	Inception of Concession term

- 6 In accordance with Article 1.13 in the Public Bid Requirements and the offer presented by the Successful Bidder Group, an open system for toll collection was adopted, both for the North-South Axis, and the General Velásquez Axis, based on Dedicatet Short Range Communication or DSRC, Point of Electronic Collection – Vehicle on the basis of standards developed by the Technical Committee TC278 of the European Standards Committee for the OSI 1, 2 and 7 levels, as specified under Articles 1.15.3.2 and 2.2.3.2.5 in the Public Bid Requirements.

The Concession Holder initially proposed for the collection points to be positioned as follows:

**North-South Axis
(south –north direction)**

	Location approximately(*)		Sector (**)	Portion (**)
PA2	Kilometer	5	1	Lo Herrera - La Capilla
PA3	Kilometer	8.5	2	Calera de Tango - Catemito
PA4	Kilometer	12.7	3	Colón - Lo Blanco
PA6	Kilometer	18	4	Las Acacias - A. Vespucio
PA7	Kilometer	26.2	5	Departamental - C. Valdovinos
PA8	Kilometer	27.3	6	C. Valdovinos - Alameda
PA11	Kilometer	34.6	7	Jorge Hirmas - 14 de la Fama
PA12	Kilometer	40.2	8	G.Velásquez-A.Vespucio Norte
PA1	Kilometer	0.58	1	Río Maipo - Lo Herrera
PA3	Kilometer	8.5	2	Calera de Tango - Catemito
PA5	Kilometer	15	3	Lo Blanco - Las Acacias
PA6	Kilometer	18	4	Las Acacias - A. Vespucio
PA7	Kilometer	26.2	5	Departamental - C. Valdovinos
PA9	Kilometer	31.4	6	Alameda - Río Mapocho
PA10	Kilometer	32.5	7	Río Mapocho - Jorge Hirmas
PA12	Kilometer	40.2	8	G. Velásquez - A. Vespucio Norte

**General Velasquez Avenue Axis
(South –north direction)**

	Location approximately(*)		Sector (**)	Portion (**)
PA14	Kilometer	0.7	9	Ruta 5 Sur - Lo Espejo
PA15	Kilometer	5.7	10	Américo Vespucio - Lo Ovalle
PA16	Kilometer	10.7	11	Carlos Valdovinos - Alameda
PA17	Kilometer	12.4	12	Alameda-J. J.Pérez/Mapocho
PA19	Kilometer	19.5	13	Dorsal - Ruta 5 Norte

**General Velasquez Avenue Axis
(North – South Direction)**

	Location approximately(*)	Sector (**)	Portion (**)
PA13	kilometer 2.3	9	Ruta 5 Sur - Lo Espejo
PA15	kilometer 5.7	10	Américo Vespucio - Lo Ovalle
PA16	kilometer 10.7	11	Carlos Valdovinos - Alameda
PA17	kilometer 12.4	12	Alameda - J.J. Pérez/Mapocho
PA18	kilometer 17.1	13	Río Mapocho - Dorsal

(*) Reference point (km. 0,0) for the North –South Axis, corresponds to the Northern curb angle of the bridge over Maipo River. For the General Velásquez Avenue Axis, km. 0,0 corresponds to the Street Las Acacias at it Southernmost end.

(**) Correspond to the sectors and strands subject to toll collection per tables 14 and 15 under Article 1.14 of the Public Bid Requirements.

During the Concession term, the Concession Holder may change both the location and the amount of collection points, prior authorization from the Fiscal Inspector.

The Concession Holder may only collect toll for the expressway of the strands composing the North-South System, as specified in Articles 1.9.2.7, 1.10.1 and 1.14.

The Concession company is authorized to collect from all vehicles circulating on the concession road a one-price toll rate. If this system is elected, the single rate to be collected is that charged according to vehicle type 1 specified in the table below, and income is accounted for on this single rate for all vehicle types. Notwithstanding the above, the Concession Holder may elect to collect differentiated rates per vehicle type per the following tables:

Type	Classification
1	Motorbikes and scooters Cars and pick ups Cars and pick ups with trailers
2	Buses and trucks
3	Trucks with trailers

In accordance with Article 1.14.1 of the Public Bid Requirements, the Concession Holder is entitled to collect three types of maximum rates as detailed below:

TBFP : Maximum base toll during non-peak hours in \$/km.

TBP : Maximum base toll during peak hours in \$/km.

TS : Maximum toll during peak hours applicable in high traffic conditions on the roadway in \$/km.

To determine maximum toll per vehicle types, the above mentioned maximum rates are to be multiplied by the factor indicated in the following table:

Type	Vehicle type	North-South Axis factor	General Velásquez Avenue Axis
1	Motorbikes and scooters		
	Cars and Pick ups	1.0	1.0
	Cars and Pick ups with trailers		
2	Buses and trucks	2.0	1.5
3	Buses and trucks with trailers	3.0	2.0

Maximum Rates (expressed in Chilean pesos on 01.01.97) will be:

TBFP : 20 Ch\$/km.

TBP : 40 Ch\$/km.

TS : 60 Ch\$/km.

Maximum tolls per point of collection shall be calculated in accordance with Article 1.14.5 in the Public Bid Requirements.

These rates will be restated on the basis of the rate adjustment formulas specified under Article 1.14.7 in the Public Bid Requirements.

7 In accordance with provisions under Article 16 letters c) and h) of DL 825 dated 1974, 80% of total operating income shall be allocated to pay the construction service price, and remaining 20% for payment of maintenance, repair, and operation price, as set forth under Article 1.12.3 in the Public Bid Requirements.

8 As set forth in Article 1.12.1.1., the Successful Bidder Group shall pay the amount of UF 3,952,500 (three million nine hundred and fifty two thousand and five hundred Unidades de Fomento) to the Government for the concept of Assets or Rights Used in the Concession.

The amount shall be paid with a bankers' draft at sight in the name of DGOP, prior to the incorporation of the company committed in the Technical Offer, specified in 1.5.5 letter A), 4 of the Public Bid Requirements. It is understood that upon non-payment of this amount, the Successful Bidder may not legally incorporate the Concession Company, according to the provisions under Article 9 of the Public Works Concession Law. Further, the Ministry of Public Works is authorized to execute the Performance Bond guaranteeing payment for Assets or Rights Used in the Concession included in the Economic Offer. Similarly, the Ministry of Public Works will execute the guarantee if the Successful Bidder does not renew the Performance Bond within the term set by the DGOP. This payment may not be allocated to the Concession Company nor included in its capital, nor recorded in its accounting during the whole concession period, as specified in 1.7.2 in the Public Bid Requirements.

- 9 In conformity with provisions under Article 1.12.1.2 in the Public Bid Requirements, the Concession Holder shall issue the Government the following payments:
- Annual payment to the Ministry of Public Works for the administration, inspection and control of the Concession Contract. The Concession Holder shall pay during the construction phase defined in Article 1.9.2 of the Public Bid Based, UF 25,800 (twenty-five thousand eight hundred Unidades de Fomento) on a yearly basis, or the corresponding proportion, at a ratio of UF 2,150 (two thousand one hundred and fifty Unidades de Fomento) monthly. During the operating phase, the amount payable for this concept will be UF 5,460 (five thousand four hundred and sixty Unidades de Fomento) yearly, or the corresponding proportion at a ratio of UF 455 (four hundred and fifty five Unidades de Fomento) per month. These amounts are to be paid on the last business day in January each year, for all the calendar year.
 - The amount of UF 490,000 (four hundred and ninety thousand Unidades de Fomento) is due to the Ministry of Public Works in four equal installments of UF 122,500 each (one hundred and twenty two thousand five hundred Unidades de Fomento) over a period of 3, 6, 9 and 12 months, respectively, effective from the inception of the Concession period, established in Article 1.7.5 of the Public Bid Requirements. This amount shall be paid to the Ministry of Public Works for the following concepts:
 - UF 380,000 (three hundred and eighty thousand Unidades de Fomento) in payment for studies on the design of the reference engineering projects, Environmental Impact Studies, Supply Studies, and other expenses in connection with the Project.

- UF 50,000 (fifty thousand Unidades de Fomento) for the completion, improvement, and changes to supplementary roads carried out by the MOP as a result of the new works standard in the road system under concession.
 - UF 60,000 (sixty thousand Unidades de Fomento) for territory compensation to individuals moved or relocated due to the project site.
- 10 The Concession Holders' obligations and rights are those established in the above mentioned legal texts and in all current legal legislation, in the Public Bid Requirements, in its explanatory circulars, and in the Technical and Economic Offer presented by the Successful Bidder Group of the concession in the manner approved by the MOP.

Notwithstanding the above, some of these obligations are illustrated below:

OBLIGATIONS OF THE CONCESSION HOLDER

- a) Legally incorporate the Concession Company convened in the Technical Offer in conformity with Article 1.7.3 of the Public Bid Requirements within the deadline of 60 days from the publication of the Supreme Decree of Award of the Concession Contract in the Official Gazette. In addition, within 75 days from the same date, the Successful Bidder shall subscribe, before the Notary, three transcriptions of the Supreme Decree of Award as evidence of acceptance of the contents, and authenticate before the same, one the copies, as required under Article 1.7.4 in the Public Bid Requirements.
- b) Upon issue of the Concession Company's incorporation deed, total capital of the company shall be subscribed, which may not be less than Ch\$ 58,000,000.000 (fifty eight billion Chilean pesos) with a minimum of Ch\$ 12,500,000 (twelve thousand five hundred million Chilean pesos). The balance of such capital shall be paid, in cash, within a period of 18 months from the date of the Concession Company's incorporation public deed, in conformity with provisions under Article 1.7.3 in the Public Bid Requirements.
- c) Within 60 days from its incorporation, the Concession Company shall have requested its enrollment in the Register of the Superintendency of Stock Corporations and Insurance Companies, which should be evidenced by way of the inherent certificate. Once the enrollment process in said Register is completed and within the following five days at the latest, the

Concession Company shall submit the Fiscal Inspector, a certificate confirming such enrollment, in accordance with Article 1.7.3 in the Public Bid Requirements.

- d) Construct, maintain, and operate the works which are required of the Concession Company in virtue of the documents composing the Concession Contract, in the manner and terms specified in said documents.
- e) Collect tolls in conformity with Number 8 above of this decree.
- f) The Concession Holder shall take out Civil Responsibility insurance for damages to third parties, and a Catastrophe insurance as specified under 1.8.15 and 1.8.16 in the Public Bid Requirements.

CONCESSION HOLDERS' RIGHTS

- a) Operate works on the basis of the authorization on Provisional Service Start-up for the same, until the Concession's expiration, in conformity with Article 1.10 in the Public Bid Requirements.
- b) Collect toll from all concession users in accordance with provisions under Article 1.13, 1.14 and 1.15 in the Public Bid Requirements. The toll adjustment and collection systems may be subject to review upon request of the Concession Holder as provided under Article 1.14.7 in the Public Bid Requirements.
- c) Operate supplementary services as indicated in Article 1.10.9.2 in the Public Bid Requirements, following the procedure specified in said Article.

CONSTRUCTION GUARANTEES

- a) Within 30 days prior to the starting up construction of the works, the Concession Holder shall present the Construction Guarantee, which shall include ten performance bonds issued by a bank for equal amounts, payable at sight, and issued by a bank with offices in Santiago, Chile, in the name of the Director General of Public Works, for a total amount of UF 684,000 (six hundred and eighty four thousand Unidades de Fomento). The effectiveness of each shall be 48 months from its submittance date.

- b) The Offer Commitment Guarantee will be redeemed within 15 days subsequent to the review of the Construction Guarantee by the MOP, as long as the Concession Holder has complied with all formalities required in the by the Public Bid Requirements.
- c) Once 30% of the works' execution has been accredited by way of the inherent statement of progress provided under Article 1.9.2.6 in the Public Bid Requirements, the Construction Guarantee shall be replaced by ten performance bonds issued by a bank, of equal value, for a total of UF 550,000 (five hundred and fifty thousand Unidades de Fomento). The effectiveness of each of the latter will that resulting from the difference between 36 months from the beginning of the construction works, and the period elapsed until the inherent progress statement, plus 3 months.
- d) Once 50% of the works' has been accredited through the inherent statement of progress provided under Article 1.9.2.6 in the Public Bid Requirements, the Construction Guarantee shall be replaced by ten performance bonds issued by a bank, for equal amounts, for a total value of UF 400,000 (four hundred thousand Unidades de Fomento). The effectiveness of each of the latter will be that resulting from the difference between 36 months from the beginning of construction of the works and the period elapsed until the inherent statement of progress, plus 3 months.
- e) Upon execution of 70% of the works, which is to be accredited by the respective Statement of Progress provided under Article 1.9.2.6 in the Public Bid Requirements, the guarantee referred to in the preceding paragraph shall be replaced by ten performance bonds issued by a bank, for equal amounts , for a total of UF 230,000 (two hundred and thirty thousand Unidades de Fomento). Effectiveness of each of the latter will be that resulting from the difference between 36 months from the inception of the construction works, and the period elapsed until the related Statement of Progress, plus 3 months.
- f) All construction performance bonds shall be payable at sight and be effective during the complete period of the works construction, plus 3 months, notwithstanding that the Concession Holder has submitted the Performance Bond for operation issued by the bank, as specified under Article 1.8.1.2 in the Public Bid Requirements.
- g) The Works' Construction Guarantee will be redeemed by the Concession Company upon full completion of the works and materialization of the final works received, al long as the total

Operation Guarantee has been delivered in conformity with the MOP and as provided under the Concession Law regulations. Upon compliance with all the above, the MOP shall deliver the Construction Guarantee within a maximum period of 30 days.

OPERATION GUARANTEE

Guarantees to be submitted by the Concession Holder for operation of the works are the following:

Within 30 days prior to the provisional start-up of service in each sector of the works specified under Article 1.9.2.7 in the Public Bid Requirements, the Concession Holder shall submit the works' Operation Guarantee to the MOP. The Operation for each sector shall consist of ten performance bonds issued by a bank, for equal amounts, issued by a Bank with offices in Santiago, in the name of the Director General of Public Works. The total value of the operation performance bonds for each sector of the Lanes North – South Lanes and General Velásquez Avenue is stated in the following Tables:

Total value of the Operation Performance Bonds for the sectors of the North- South Lanes:

Sector	Number	Total value of performance bonds UF
Río Maipo - Las Acacias	1	57,000
Las Acacias - Río Mapocho	2	66,000
Río Mapocho - A. Vespucio Norte	3	45,000

Total value of Operation Performance Bonds for the sector of General Velásquez: Avenue Lane:

Sector	Number	Total value of performance bonds UF
Ruta 5 Sur - Carlos Valdovinos	1	24,000
Carlos Valdovinos - Río Mapocho	2	90,000
Río Mapocho - Ruta 5 Norte	3	34,000

Each performance bond shall have an effectiveness equal to the period of operation, plus 12 months. However, the Concession Holder may elect to provide performance bonds with a shorter

effective period, with a term of no less than 5 years, renewable 90 days prior termination of its effectiveness, as long as it is accepted by the DGOP, and each document is delivered prior the latter's expiration. To this effect, the Concession Holder shall request the requisite authorization in writing to the DGOP. Within 30 days subsequent to the date the request is received by the DGOP's Reception Office, the latter will notify in writing its rejection or acceptance decision. In the latter case, the term of the last performance bonds will be that corresponding to the remaining period of operation, plus twelve months.

Within 30 days prior to the Provisional Service start-up of the complete concession, the Concession Holder may replace the Operation Performance Bonds for the various strands by ten performance bonds issued by a bank, for equal amounts, corresponding to total value of UF 316,000 (three hundred and sixteen thousand Unidades de Fomento), which effectiveness will be equal to the remaining period of operation, plus 12 months. However, the Concession Holder may elect to provide performance bonds with a shorter effective period, with a term of no less than 5 years, renewable 90 days prior termination of its effectiveness, as long as it is accepted by the DGOP, and each document is delivered prior the latter's expiration. In the latter case, the term for the last performance bonds will be the remaining period of operation, plus 12 months.

The MOP will not issue an authorization for provisional service start-up for the sectors stated in Article 1.9.2.7 in the Public Bib Requirements, if delivery of the Operation Performance Bond is not complied with.

Further, 24 months prior to termination of the Contract, the Concession Holder shall deliver ten performance bonds issued by a bank, for equal amounts, issued by a bank with offices in Santiago, Chile in the name of the Director General of Public Works, for a total amount equivalent to UF 316,000 (three hundred and sixteen thousand Unidades de Fomento). This additional guarantee will be effective for 3 years.

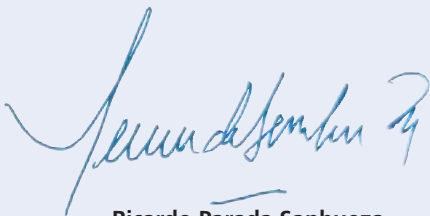
All Operation performance bonds shall be payable at sight.

The performance bonds issued by the bank shall be redeemed within 15 days from the date on which the Fiscal Inspector of operations certifies that the Concession Holder has complied with all obligations undertaken with the MOP.

- 11 The Concession Company and the MOP will make the payments established in the contract in the terms stated in the Public Bid Requirements. In the event of delay, these payments will accrue a real interest of 0.0198% daily, as specified under Article 1.12.4 in the Public Bid Requirements. Notwithstanding the above, delay in payments due by the Concession Company to the Government will be subject to collection of the inherent performance bond by the MOP, as provided under 1.8.1 letter j) in the Public Bid Requirements.
- 12 Applicable penalties shall be in conformity with provisions under the Public Bid Requirements, explanatory circular, D.S. MOP 900 dated 1996, which sets forth the text of the DFL MOP 164 dated 1991, Public Works Concessions Law and under the D.S. MOP 956 dated 1997, Concession Law Regulations.
- 13 The General Bureau of Public Works is the service from the Ministry of Public Works that is responsible for supervising the various aspects relative to the Concession Contract.

Note 24 - Recoverable Taxes

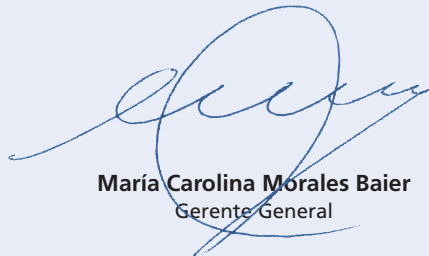
At December 31, 2001 Recoverable taxes correspond to VAT Fiscal Credit on the prepayment for construction, works and other services rendered, amounting to ThCh\$ 3,007,752.



Ricardo Parada Sanhueza
HEAD OF THE ACCOUNTING DEPARTMENT



Antonino Castellucci di Vito
ADMINISTRATIVE AND OPERATIONS DIRECTOR



María Carolina Morales Baier
Gerente General

RATIO ANALYSIS OF THE FINANCIAL STATEMENTS

At December 31, 2001.

1. Valuation of Assets and Liabilities

Assets and liabilities are shown in conformity with generally accepted accounting principles in Chile and Superintendency of Stock Corporations and Insurance Companies regulations and instructions.

In relation to the main Asset items, the following should be noted:

CURRENT ASSETS

At December 31, 2001 the main balance of this caption corresponds to investment in securities purchased under resale agreements, amounting to ThCh\$ 5,147,414. These instruments were valued at restated purchase cost plus interest accrued at year end.

In addition, it includes an account receivable to the Ministry of Public Works for ThCh\$ 3,007,752 for disbursements by the Company on account of the MOP, relative to the transportation of drainage and cable ducts services.

FIXED ASSETS

Fixed assets total ThCh\$ 26,967,112 and correspond to activities included under the caption Construction and infrastructure of the public work denominated Sistema Norte Sur, amounting to ThCh\$ 26,717,858, Machinery and equipment for ThCh\$ 102,619, and Other fixed assets for ThCh\$ 195,780. Accumulated depreciation at December 31, 2001 amounts to ThCh\$ 49,145.

OTHER ASSETS

This caption includes a long-term account receivable from Constructora Norte Sur S.A. in the amount of ThCh\$ 10,411,232 for a construction contract prepayment.

CURRENT LIABILITIES

The main item of this caption is Obligations with banks for a loan with Citibank N.A. denominated in United States dollars, amounting to ThCh\$ 21,764,465, which includes interest accrued at year end; Accounts payable to Suppliers, amounting to ThCh\$ 748,553. In addition, it includes Notes and accounts payable to related companies, amounting to ThCh\$ 1,826,512 for administrative services and provisions for the work performed and advice rendered.

LONG-TERM LIABILITIES

The main item of this caption is Other liabilities totaling ThCh\$ 741,228 and corresponds to Insurance payable.

SHAREHOLDERS' EQUITY

The balance of this account reflects paid-in capital of Sociedad Concesionaria Autopista Central S.A. at December 31, 2001, amounting to ThCh\$ 23,142,193. The proportional amount of equity restatement is included under shareholders' equity.

2. Balance Sheet Analysis

The main captions included under Assets and liabilities in the balance sheet at December 31, 2001 are the following:

	ThCh\$	%
Assets		
Current assets	9,625,672	19.87
Fixed assets	26,967,112	55.66
Other assets	11,855,045	24.47
TOTAL ASSETS	48,447,829	100.00
Liabilities		
Current liabilities	24,553,506	50.68
Long-term liabilities	752,130	1.55
Shareholders' equity	23,142,193	47.77
TOTAL LIABILITIES	48,447,829	100.00

The main financial ratios in the balance sheet at December 31, 2001 are the following:

Current liquidity	:	0.39
Acid ratio	:	0.39
Leverage ratio	:	1.06
Working capital ThCh\$:	(14,927,834)
Short-term debt/total debt	:	0.97
Equity/total assets ratio	:	0.48
Total assets ThCh\$:	48,447,829
Financial income	:	424,715

3. Statement of Accumulated Deficit Analysis

In accordance with Circular 981 issued by the Superintendency of Stock Corporations and Insurance Companies, dated December 28, 1990, the Company is required to present a Statement of Accumulated Deficit during the development period. However, it resorted to come under the provision of Technical Bulletin N° 67 issued by the Chilean Institute of Accountants.



STATEMENT OF RESPONSIBILITY

La presente Memoria Anual es suscrita por los Directores de Sociedad Concesionaria Autopista Central S.A.:

Enrique Rey Monteagudo

PRESIDENTE

José Alberto Trujillo

VICEPRESIDENTE

José Antonio Estrada Fernández

DIRECTOR

Enrique Elgueta Gálmez

DIRECTOR

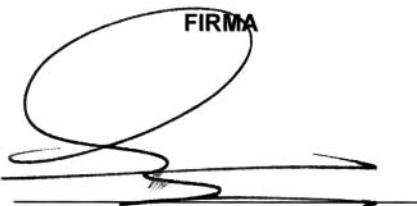
DECLARACIÓN JURADA

Los abajo firmantes, en su calidad de Directores y gerente general de la Sociedad Concesionaria Autopista Central S.A., respectivamente, domiciliados para estos efectos en Alcántara 200 Piso 5° oficina 501 declaramos bajo juramento que toda la información incorporada en la memoria anual es veraz.

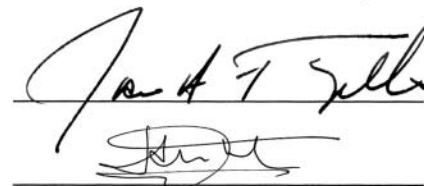
NOMBRE Y CARNET DE IDENTIDAD

Directores

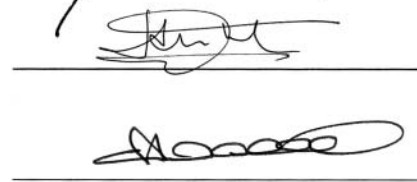
Enrique Rey Monteagudo
Presidente
RUT 48.077.011-0

FIRMA


José Alberto Trujillo
Vice Presidente



José Antonio Estrada
Director



Enrique Elgueta Gálmez
Director
C.N.I. N° 4.553.840-0

Gerente General

María Carolina Morales Baier
C.N.I. N° 11.347.757-1



Santiago, 27 de Febrero de 2002.

#124785 v1 -