

Santiago, October 22, 2014

GG No. 77/14

Mr.

Carlos Pavez Tolosa

Superintendent of Securities and Insurance

Av. Libertador Bernardo O'Higgins No 1449

Ref.: Essential Fact

Colbún S.A.,

Inscription in the Securities Registry No.295

Dear Sirs:

By virtue of what is set forth in Articles 9 and 10, paragraph two of the Securities Market Act No. 18,045 and what is established in the General Norm No.30 of the Superintendence chaired by you, and being duly empowered for this, I hereby communicate the following essential fact of COLBÚN S.A. (the "Company"):

By means of an Essential Fact sent on October 3, 2014, the Company reported an approximate impact of US\$210 million in its Income Statement and Distributable Net Income corresponding to the 2014 period as a result of the increase in the first category tax (Law 20,780) over net deferred tax liabilities, according to what is provided in accounting standard IAS 12.

However, on October 17 the Superintendence of Securities and Insurance by means of the Official Newsletter 856 established that the net liability differences from deferred taxes coming out of the tax increase mentioned above would have to be registered against equity.

Therefore, and pursuant to the Official Newsletter mentioned above, the effect on deferred taxes resulting from the increase in first category tax rate will not affect the Income Statement or the Distributable Net Income for the 2014 period, but instead it will be directly charged against equity, which will be included in the Financial Statements as of September 30, 2014.

Kind regards,

COLBÚN S.A.

Thomas Keller Lippold

General Manager

cc.: Stock Exchange of Santiago, Securities' Exchange
Brokers' Exchange, Securities' Exchange
Electronic Stock Exchange of Chile, Securities' Exchange

