CORPORATE RESTRUCTURING PROCESS AGREEMENT

Background

On April 22, 2015, the Board of Directors of Endesa Chile acknowledged a Significant Event released by its controlling shareholder, the Italian company Enel SpA, which refers to the desirability that the Board of Directors of Enersis, Endesa Chile and Chilectra analyze a process of corporate restructuring intending for the separation of the activities of generation and distribution of electric energy developed in Chile from those activities in the rest of the countries where the Enersis Group has presence in Latin America (Argentina, Brazil, Colombia and Peru). On this same day, and after an extraordinary meeting of its Board of Directors, Endesa Chile issued another Significant Event in which it reported that the Board had taken note of the Significant Event and had agreed that, once the Board of Directors was renewed, it would examine the possible desirability of initiating the study of a corporate restructuring initiative. On April 28, 2015, the Board of Directors meeting, which took place following the conclusion of the Ordinary Shareholders' Meeting of Endesa Chile, through a Significant Event of the same date, announced beginning the analysis of corporate restructuring, and directing management to that effect.

As part of the recommended analytical work, on May 18, 2015, the management of Enersis sent a request to the Superintendency of Securities and Insurance ("**SVS**" in its Spanish acronym), in which they requested, among other things, confirmation that the spin-off proposed by Enersis, Endesa Chile and Chilectra: and subsequent merger of Enersis Américas. Endesa Américas and Chilectra Américas did not constitute an operation among related parties ("**OPR**" in its Spanish acronym) subject to Title XVI of Law 18,046, on Corporations, ("LSA, in its Spanish acronym). By Official Letter No.15,452 dated July 20, 2015 ("**Official Letter**"), the SVS confirmed to Endesa Chile that such corporate restructuring does not constitute an operation among related parties, and thus established that the norms in Title XVI of the LSA are not applicable, but only those exclusively established in Title IX of such law.

Notwithstanding the foregoing, SVS said that: *"The Board of Directors must have sufficient, comprehensive and timely information when making their decisions on the "corporate restructuring" as a whole, with its various stages, and that (...) the spin-offs and mergers cannot be analyzed as independent nor autonomous."* Therefore, the Official Letter found that among the information that must be made available to the shareholders who are to decide on the spin-offs, aside from the usual information for this type of transaction, was information regarding any merger, particularly (i) information regarding the purpose and expected benefits of the merger; (ii) reports issued by independent experts on the reference value of the entities that would be merged and (iii) estimates of the exchange ratio of the corresponding shares. Similarly, the SVS said that the management of the companies involved may consider other measures so that shareholders have more elements for a proper analysis of the transaction, *"such as an*

express decision by the Directors Committee with respect to the aforementioned corporate reorganization which is the object of your inquiry." Within this scenario of analysis, in addition to hiring Deutsche Bank ("DB") as advisor to the Board for the restructuring process, the Extraordinary Meeting of the Board of Directors of July 27, 2015, in line with the provisions of the Official Letter, agreed by unanimous vote of its members, to request that the Directors Committee of the Company decide on the corporate restructuring transaction described in the Significant Event released on that same day. In order to have support in carrying out its work, and comply with information and substantiation requirements regarding the restructuring operation under the terms recommended by the SVS, on August 13, 2015 the Directors Committee agreed by majority to designate "**Asesorias Tyndall Limitada**" as their financial adviser. Also, in compliance with the provisions of the Official Letter dated September 15, 2015, the Board of Directors agreed by the majority of its members, to designate Colin Becker as independent expert. Finally, it is reminded that the previous April 28, it was agreed to hire the law firm "Claro y Cia" as outside counsel to analyze the transaction from a legal point of view.

Since being appointed, both, the expert and the advising bank DB, have performed an analysis of the corporate reorganization, which concluded with the delivery of Mr. Collin Becker's expert report on October 30th, 2015 and DB's report on November 2nd. In addition, the Directors Committee has received the report of its independent advisor, **Asesorias Tyndall Limitada**, and has held several meetings with the support of its advisor **Asesorias Tyndall Limitada** which led to the issuance and delivery on November 4, 2015 of the report requested by the Board of Directors.

As a result of the foregoing, it can be concluded from this background that the process of corporate reorganization has been thoroughly discussed by the Board of Directors in meetings dated: April 28; May 19; June 17; July 27; August 28; September 15; October 13; October 30; and the present one on November 5, 2015, particularly in the last meetings where the independent expert and various advisers have informed on the progress of the work before issuing their respective final reports, which allows stating that this Board of Directors has received enough substantial background and advice to decide on the corporate reorganization process.

The Board member Isabel Marshall requested to record on the Board meeting minute her opinion regarding the corporate reorganization proposed by Enel for Enersis, Endesa Chile and Chilectra. She stated, first: In order to have an opinion I have:

- Analyzed the background information presented and have participated in all general and extraordinary Board Meetings that have covered economic, financial and legal aspects of this subject, asking questions and requesting clarifications.

- Participated in all Director Committees to review this subject that I have been invited to, asking questions and requesting clarifications.
- Reviewed the various documents presented by Deutsche Bank titled Project Carter II Board Discussion Materials.
- Reviewed the Expert Report and the Economic Valuation Report performed by the expert Colin Becker from PriceWaterhouseCoopers.
- Reviewed the Corporate Reorganization Report prepared by Endesa Administration.
- Reviewed the Report prepared by Asesorias Tyndall Ltda hired by the Directors Committee as financial advisor to analyze the proposed operation.
- Reviewed the Memorandums and the legal Due Diligence Report prepared by Claro y Cia, as well as the Memorandums of Chadbourne & Parke that were distributed.
- Reviewed the document titled Enersis Group Corporate Reorganization Proposal
- Held numerous meetings with Deutsche Bank and Endesa executives to solve doubts, ask questions and request further information.
- Learned about the valuations performed by independent analysts that have been made public regarding the proposed reorganization.

Second: Having analyzed all the above, I have formed my opinion regarding the implications of the proposed restructuring from the perspective of the social interest of Endesa Chile and all of its shareholders. I have met with the members of the Directors Committee and I fully agree with the content and endorse their report on the Corporate Reorganization.

Reasoning

In view of the above background information, and in line with the indications contained in the Official Letter, the following is analyzed (i) the objectives and expected benefits of the corporate reorganization, (ii) the terms and conditions thereof and (iii) the consequences, implications or contingencies relating to it.

With regard to the **expected benefits and objectives of the reorganization**, some of which are already contained and developed in the presentation called "Expected Benefits of the Reorganization", will be made available to the Extraordinary Shareholders' Meeting, the first of all to be recalled was that it intends to eliminate some of the inefficiencies detected in the past, potential conflicts of interest, duplications or the existence of various layers in the decision-making process. In this regard, one of the main benefits of the corporate reorganization process comes from separating the businesses in Chile from the businesses in other countries, which allows a more diligent and efficient decision making process. On the other hand, the new structure, resulting from the reorganization, leads to the elimination of cross-holdings and therefore simplifies the structure and increases the visibility of Endesa Chile investments, a new geographic and organizational approach to the business. Such separation of the

businesses in Chile from the businesses in other countries will also increase the visibility of cash flows received, which in the case of Endesa Chile whose geographical scope will be Chile, translates into greater stability to activity related cash flows in a more stable market.
In addition, the respective industrial approaches of the business will offer a new corporate structure, more simple and diligent resulting from the reorganization, increasing the focus of employees and management on their respective geographical area and therefore leading to staff optimization.
In more concrete terms, the corporate restructuring process will provide a real reduction in operational costs. To summarize, the efficiencies for Endesa Chile are estimated to amount to 50 million dollars in operating costs. Efficiencies for Endesa Américas are quantified at 44 million dollars of which 6 million dollars are obtained through operating costs, 8 million in staff and services expenses and tax savings for roughly 30 million dollars.
Derived from the figures detailed above, once the corporate restructuring is completed, in the 2016-2020 horizon, it will be possible to implement a new dividend policy that progressively increases the pay-out of these companies. In this regard, the Board of Directors of Endesa Chile considers that, if the reorganization process takes place, it intends to modify the current dividend policy of the company to progressively increase dividend distribution as follows: 2016: 50%; 2017: 55%; 2018: 60 %; 2019: 65%; and 2020: 70%.

In concluding this section, state that the benefits from the corporate restructuring could be expected to basically come from: reducing inefficiencies, optimizing means and resources, a more efficient structure with improved visibility, reduction in costs and increased quantified efficiencies.

Regarding the **terms and conditions of the corporate restructuring,** they are included in detail in the document named "Descriptive Document of the Corporate Reorganization Proposal" that will be available to shareholders and that explains the legal aspects and mechanics of this operation regarding the terms and conditions of the spin-off of Enersis, Endesa Chile and Chilectra, as well as the subsequent merger of Endesa Américas and Chilectra Américas into Enersis Américas.

Concerning this subject, the uniqueness of this operation stems from the fact that the Official Letter determines that the "*reorganization should be analyzed as a whole, with its various stages, since (...) the spin-offs and mergers cannot be analyzed as independent or autonomous*." This is reflected particularly in the need to provide information in addition to that ordinarily provided in a spin-off, referring to a future merger in which some companies will participate, that do not yet exist and obviously do not participate in the spin-off, as detailed in said "Descriptive Document of the Corporate Reorganization Proposal". In this regard there are two items related to the merger that could be especially relevant for shareholders that must first decide on the spin-off: how it will deal with the right of withdrawal in the subsequent merger, and what would be the "estimated exchange ratio" on which the Official Letter of the SVS has requested

advance notice be given. Regarding the first item, the merger of Endesa Américas and Chilectra Américas into Enersis Américas, would give withdrawal rights to shareholders of the three companies involved in the merger. In line with normal practice in such transactions, the exercise of withdrawal rights by unlimited partners or with a very high limit, is considered to not be in the best interest of the company, because it would detract significant company funds to pay shareholders for their shares, alter the percentages of voting rights of the remaining shareholders for not being able to exercise the power of the treasury shares until their sale (if they are not amortized) and, precisely, the sale of a treasury share within the legal one year term could significantly impact the course of trading of the shares of the companies affected. In addition, not setting limits on the right of withdrawal leads to a risk of infringement of the limits of concentration and dispersion of capital with voting rights that are provided for in Article 112 of Title XII of DL 3500 of 1980 and reflected in the bylaws of Endesa Américas and Enersis Américas, resulting from the deprivation of voting rights which is inherent in companies that are part of a treasury.

It is therefore considered necessary to set a limit on that right of withdrawal. After analyzing the precedents of recent transactions in Chile and based on the nature of the companies involved in the corporate reorganization process, it is appropriate to communicate expressly to the shareholders' meeting regarding the spin-off that it is predicted that the subsequent merger would be conditioned on the establishment of a limit on exercise of the right of withdrawal of up to 7.72% in the case of Endesa Américas. This percentage is the maximum that would allow Enersis Américas to remain in compliance with the limits of concentration and dispersion of capital with voting rights that are provided for in Article 112 of Title XII of DL 3500 of 1980. This condition could, however, be waived if the shareholders' meeting regarding the merger so authorizes, provided that this is the best interest of the company. Hopefully, Enersis Américas will establish a similar condition, being lower in the case of Chilectra Américas, logically, so that the merger agreements of the three companies would be mutually conditioned on compliance with such conditions.

In this respect, it is considered convenient to inform that, in relation to shares which would eventually be acquired due to the exercise of withdrawal rights, it has been stated in advance that, once the merger becomes effective, Enersis Américas will, within the shortest time reasonably possible, amortize such shares instead of selling them, in order to avoid that the securities issued by this company are affected by a possible sale of the outstanding shares in the market which could negatively impact their price.

Regarding the eventual proposals of limitations on the right of withdrawal in Enersis Américas and Chilectra Américas, once such proposals have been informed by their respective Boards of Directors, they will be included in the Descriptive Document of the Operation.

On the other hand, and regarding the "*estimated exchange ratio*" below are the ranges of estimates presented by the expert, Mr. Collin Becker; those included in the report of the banking advisor DB, Tyndall.

ENDESA CHILE	Exchange Ratio Range (ENI)		Exchange Ratio Range (EOC Min)	
	Min	Max	Min	Max
Expert Colin Becker	84.6%	86.2%	13.8%	15.3%
Tyndall	83.3%	85.0%	15.0%	16.7%
Deutsche Bank	84.1%	87.2%	12.6%	15.8%

As it has been stated before, it was recalled that the percentage limit of the withdrawal right, as well as the "estimated exchange ratio" are elements that are to be decided by the shareholders meetings of the companies that participate in the merger, not those companies that decide about the spin-off, although, per the recommendation of the SVS to provide the maximum amount of information to the market through the Official Letter, it is considered appropriate to facilitate such actions described above. In addition, it is therefore not possible for the Company to guarantee that due to various objective circumstances, for example, material changes in the markets, such parameters which are disclosed to the shareholder meeting regarding the spin-off are the same parameters on which the shareholder meeting regarding the merger actually votes.

To conclude this section, regarding the consequences, implications or contingencies related to the corporate restructuring, they have all been discussed in detail in the reports of the expert, as well as in the report of the Banking Advisor of the Board of Directors, the Financial Advisor of the Directors Committee, and by the Directors Committee in its own report, although, the intention is to highlight the tax implications of the transaction and the consequences of the fact that the spin-off and merger are two different legal operations, despite the Official Letter considering in its analysis that they may not be carried out separately, which is the source of the risk that the merger not take place.

As to the first of these items, and precisely as it has been exhibited to the Board of Directors in the presentation on tax effects, the spin-offs will only generate taxes in Peru (and in Argentina, although due to the valuation of the companies, the impact is irrelevant), which is estimated to be a cost of $251 million dollars for Endesa Chile, although 60 million should be subtracted due to tax deductions in Chile. Even

so, the spin off itself has a positive fiscal impact on Endesa Chile due to an increase in tax credit, which in present value is estimated to amount to 332 million dollars for Endesa Chile. Finally, it was noted that although the SVS in its Official Letter has considered that the spin-off and merger cannot be analyzed separately, the two transactions are unquestionably legally distinct. In this respect, it is not possible to legally guarantee that once the spin-off has been agreed upon, that the merger will take place, because, among other reasons, two of the three entities that are intended to participate in the merger still do not exist as they will be created as a result of the spin-offs.

Notwithstanding the foregoing, due to the background described above and the analysis performed, it is possible to anticipate in the case of Endesa Chile this Board of Directors considers that, due to the reasons described above, the execution of the merger under the terms proposed in the process of the corporate restructuring, would be in the best interests of the company. Thus, unless there are significant adverse supervening events, if the spin-off is approved, the Board of Directors of Endesa Chile intends to perform the necessary legal actions to promote and submit the merger of Endesa Américas and Chilectra Américas into Enersis Américas to the Shareholders' Meeting of Endesa Chile in the shortest time period possible that be in the best interest of the Company, when it is legally possible.

The board members, Sirs Atton, Cibié, Lamarca and Mrs. Marshall, in a minority vote, propose that in order to protect the value of Endesa, and for the corporate reorganization to be beneficial to all Endesa shareholders, the following conditions should also stand:

a. If for any reason should the merger not take place, Endesa Chile should be held harmless of the the taxes to be paid on the capital gains resulting from the spin-off.
b. Mitigate other risks related to the approval of the spin-off and that later the merger does not take place or that it is approved with an exchange ratio that is less favorable than the exchange ratio used as a reference when the spin off was approved.
c. Define an exercise price of the withdrawal right of the merger of Endesa Américas and Enersis Américas that is equivalent to the market price of Endesa when the spin-off takes place.
d. Satisfactorily regulate conflicts of interest with regard to Endesa Chile by means of obligations that are readily controllable and binding, that represent the activities carried out by Enel Green Power in the country and that Endesa Chile be the main vehicle of growth in generation.
e. Protect the investment value of Endesa Chile after the spin-off, incorporating norms permanently into bylaws, that at least assure the following:
    1. That full advantage will be taken of the growth potential of Chile and of the financial capacity of the company, setting strategic criteria and financial goals to develop investment projects.

2. That current water rights owned by Endesa Chile will be protected and taken full advantage of.
3. That in the absence of investment projects that satisfy the investment criteria defined, the excess cash flows that are generated yearly will be distributed to shareholders as dividends or as capital reduction payouts, avoiding that leverage (net debt/EBITDA) fall below a predetermined minimum level

Concerning the conditions mentioned, the board members Mr. Viale, Mr. Vaglisindi, Mr. Buresti and Mr. Mateo and Mrs. Gostinelli, want to state the following:

(i) Regarding the condition stated in part (b), it must be duly noted that the "estimated exchange ratio" is a decision that corresponds to the shareholder meetings of the companies that participate in the merger and not to the shareholder meetings that decide upon the spin-off, even though taking into account the recommendation made by the SVS to deliver as much information as possible to the market by means of the Official Letter, it is considered opportune to disclose the information according to the terms described above. Additionally and consequently it is not possible for the Company to guarantee that for several objective circumstances -for example, and among others, material changes in the market- such parameters disclosed to the shareholders meetings regarding the spin off, will be the parameters that will actually be voted in the shareholders meeting to vote the spin off. Therefore designing mitigation mechanisms results unseemly.

(ii) Regarding part c), implementing what was suggested in the minority vote is not appropriate, considering that the value to be paid per share to the shareholders that according to the law oppose the merger, is to be calculated and applied according to the LSA, and its Regulations and norms stated by the SVS; that is, if , as is expected, Endesa Américas stock is frequently traded, the price to be paid would be the weighted average of the stock market transactions of the share during the 60 trading day period between the 30^{th} and the 90^{th} day trading day prior to the date of the company's extraordinary shareholders meeting in which the merger is agreed. With regard to Endesa Américas' shares, in order to determine if they satisfy the market trade frequency condition that must be greater than or equal to 25%, which is one of the requirements in order to be considered as a frequently traded stock, the amount traded daily on the

stock market in which the shares are traded the days prior to the spin-off of Endesa Chile (that is, the day in which each spin-off takes place) will be the value resulting from multiplying the total daily stock market transactions of Endesa Chile shares, by the percentage the balance sheet equity of Endesa Américas represents of Endesa Chile, according to the SVS standard accounting principle Norm N°327 .

(iii) Regarding part (e) it is considered that it is not appropriate that elements and circumstances such as those referred to from parts (i) thru (iii) be included in the company By-laws, whose purpose is to rule operations and not "protect investment values" or other interests that could be related to the company's corporate governance rather than its management or activity. Additionally, and without getting into discussing if those goals are common or not, it is considered that it is not a matter of this operation to request that they be guaranteed within its context.

AGREEMENT No. 1507:

In light of that described above, considering the reports and opinions made available for the Directors and keeping in mind the expected benefits of the corporate reorganization, the terms and conditions of the same as well as its consequences, implications and contingencies, the Board of Directors, agreed with the vote of Mr. Viale, Mr. Vagliasindi, Mr. Gostinelli, Mr. Buresti and Mr. Mateo, subject to what is to be said about the reference exchange ratio, concluded that the transaction as described previously, does contribute to the best interest of Endesa Chile. The board members Mr. Cibie, Mr. Lamarca, Mr. Atton and Mrs. Marshall concur on this vote as long as the conditions stated in part 5 of the Director's Committee Report dated February 11, 2015 are included.

With regard to the reference exchange ratio, the board members opinions were not unanimous. Mr. Cibie, Mr. Lamarca, Mr. Atton and Mrs. Marshall consider that the minority shareholders should hold at least 16.7% of the capital of the company resulting from the merger, Enersis Américas. On the other hand, Mr. Viale, Mr. Mateo, Mr. Vagliasindi, Mr. Buresti and Mrs. Gostinelli consider that the minority shareholders should hold at least 15.5% of the capital of the company resulting from the merger, Enersis Américas.

Given this difference of opinion on the percentage that the minority shareholders should hold of the capital of the company resulting from the merger, the Board of Directors unanimously agreed to inform a range from between 15.5% and 16.7% and that the shareholders of Endesa Chile (that is, for each share of Endesa Américas, its shareholders will receive between 2.75 and 3 of shares of Enersis Américas) should decide based on the background information, reports and opinions that will be made available to shareholders prior to the shareholders meeting, when it comes the time, about the reference exchange ratio that is ultimately approved.