



# Enel Chile

## Strategic Plan 2019-21

Paolo Pallotti  
CEO

Marcelo De Jesus  
CFO



# Agenda



Paolo Pallotti (CEO)

2018 Enel Chile Today

2016-18 Our Journey

2019-21 Our Pillars

Marcelo De Jesus (CFO)

2019-21  
Our Plan

Capital allocation

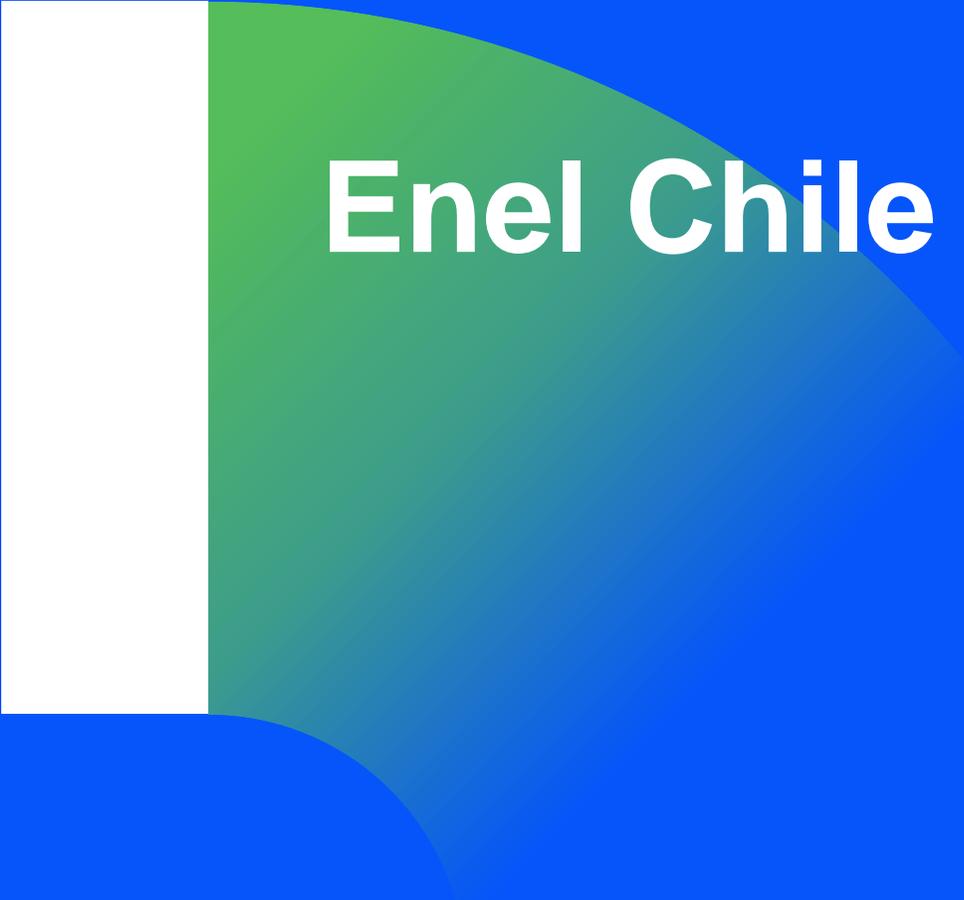
Financial management

Earnings & targets

Paolo Pallotti (CEO)

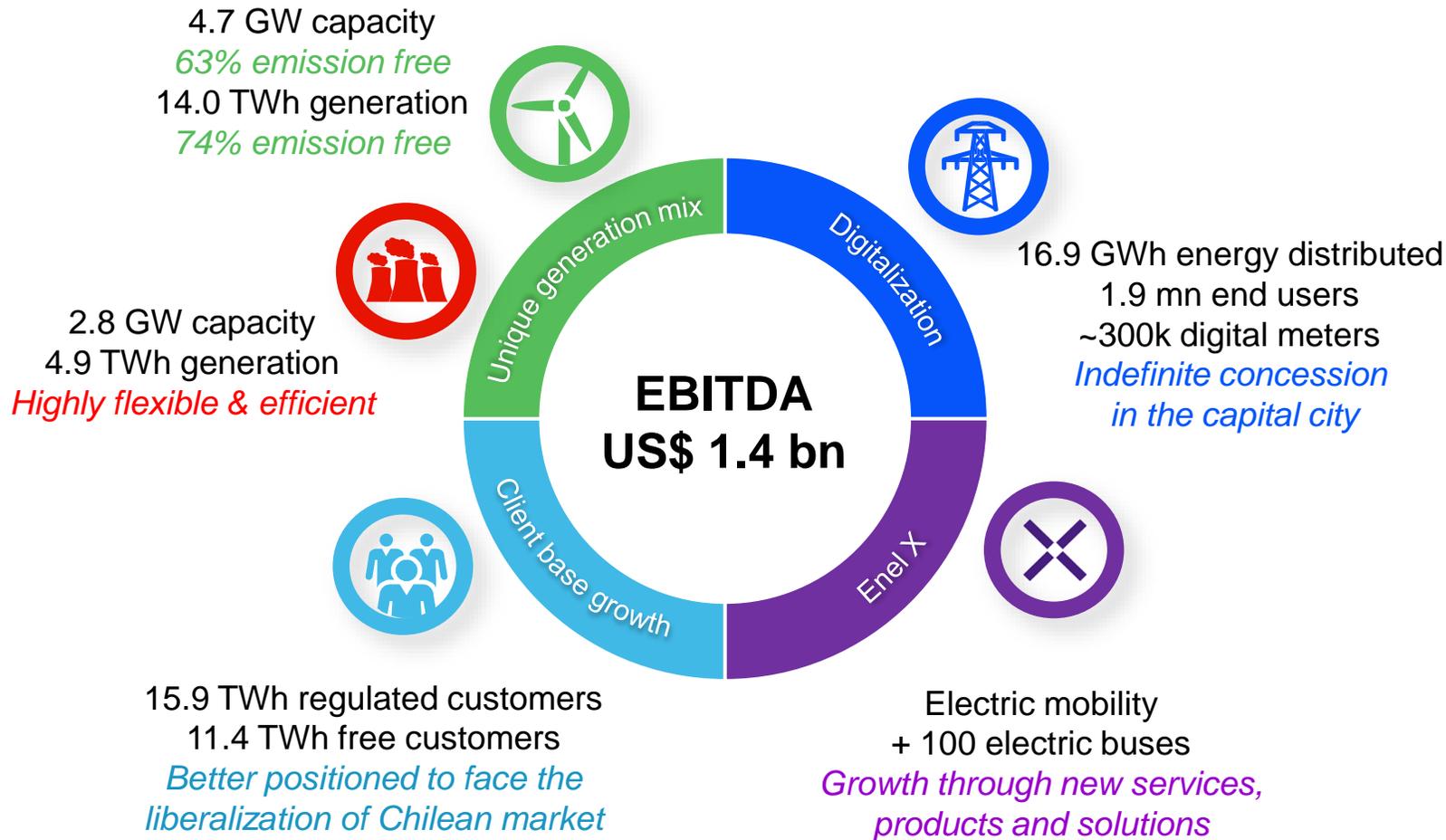
Closing Remarks

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# Enel Chile Today

# We are the largest private utility in Chile with a strong and unique portfolio of assets to capture the coming opportunities



	2018E
EBITDA (US\$ bn)	1.4
Capex (US\$ bn)	0.6
Net Income* (US\$ bn)	0.6
Net Debt (US\$ bn)	3.3
Net Debt/EBITDA	2.3x
Payout Ratio (%)	60%
Dividend Yield (%)	4.9%
EPS (Ch\$/Sh)	5.7

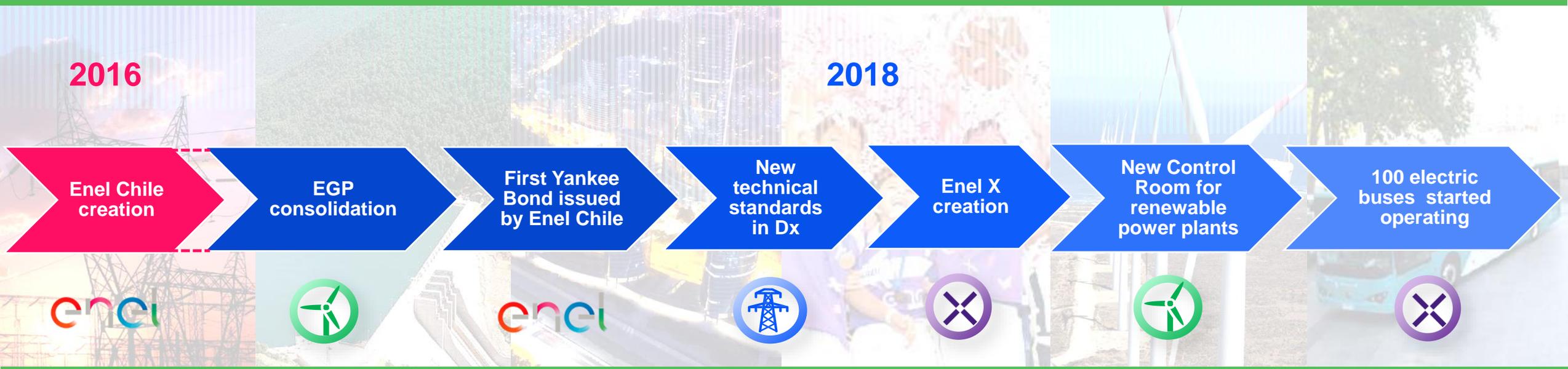
\* Attributable Net Income to shareholders

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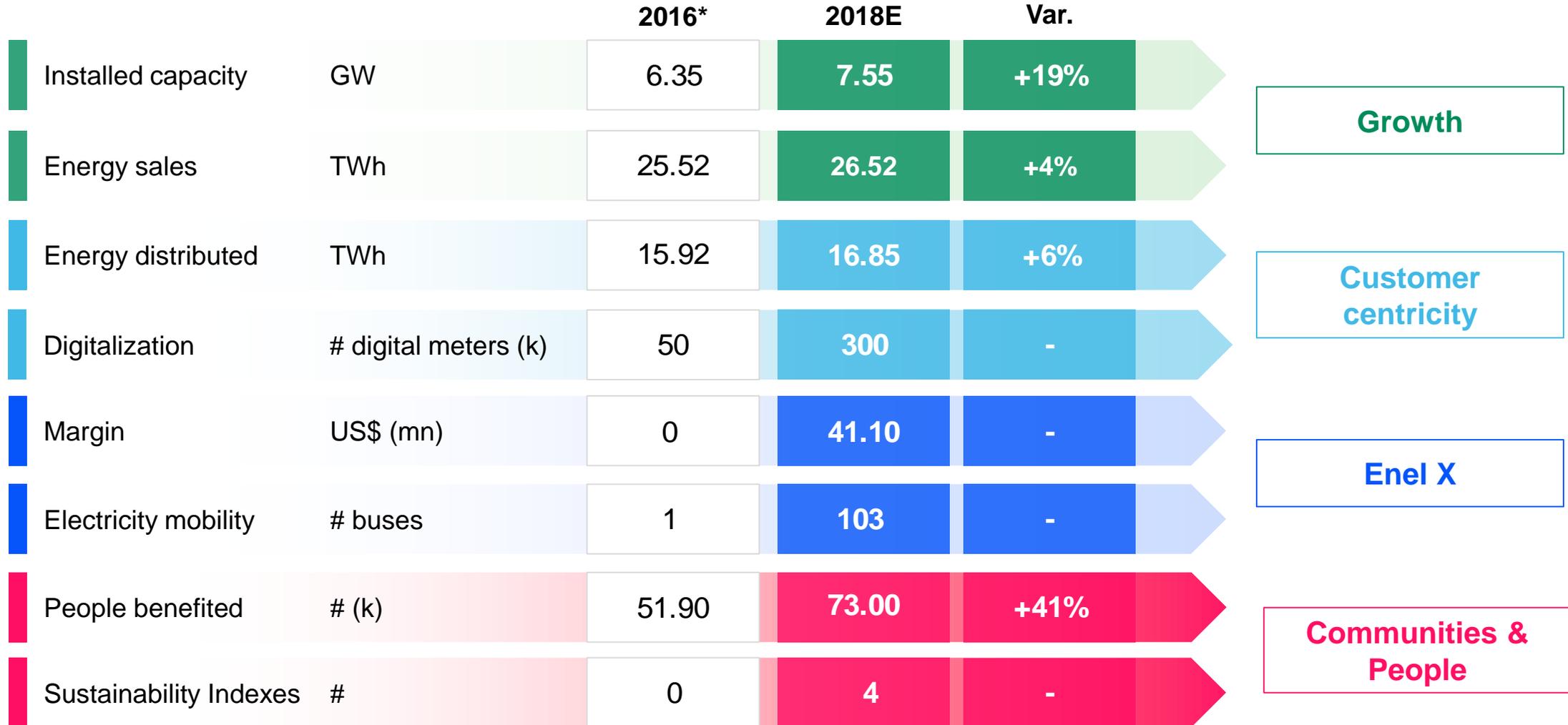


# 2016-2018 Our Journey

# Recent milestones paved the way to a sustainable business model



# A path that shaped the company as a key player in a new energy market

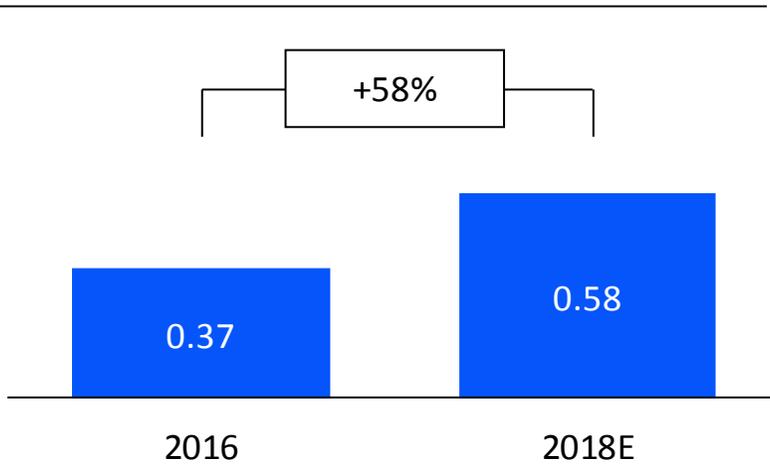


\* 2016 proforma and includes 12 months of operations

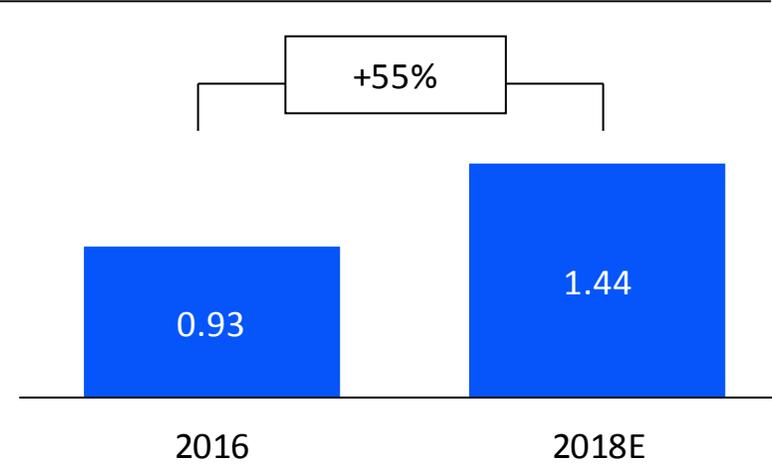
# Strategy delivered with solid cash flow, sustainable investment and value creation to all shareholders



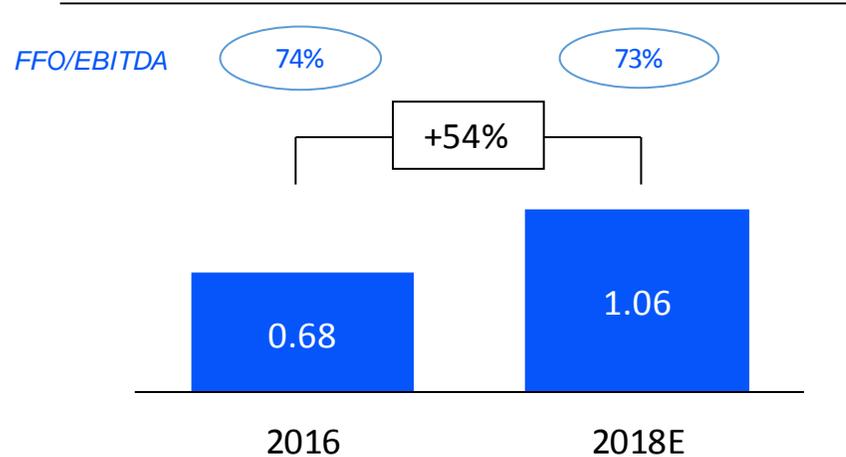
Gross Capex (US\$ bn)



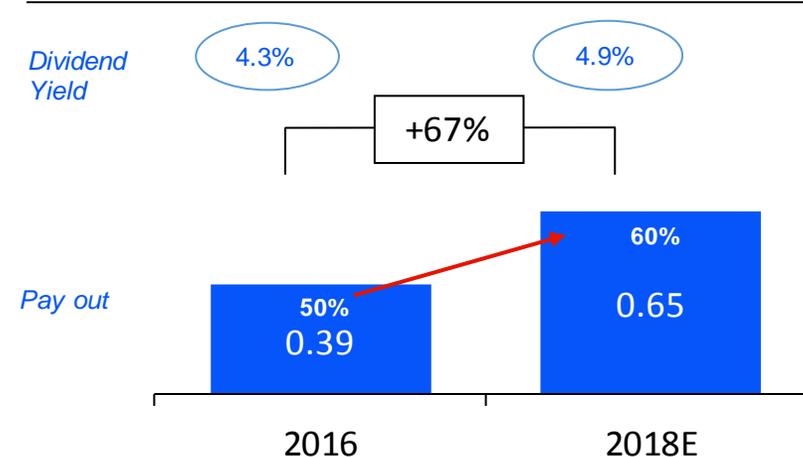
EBITDA (US\$ bn)



FFO (US\$ bn)



Net Income\* (US\$ bn)



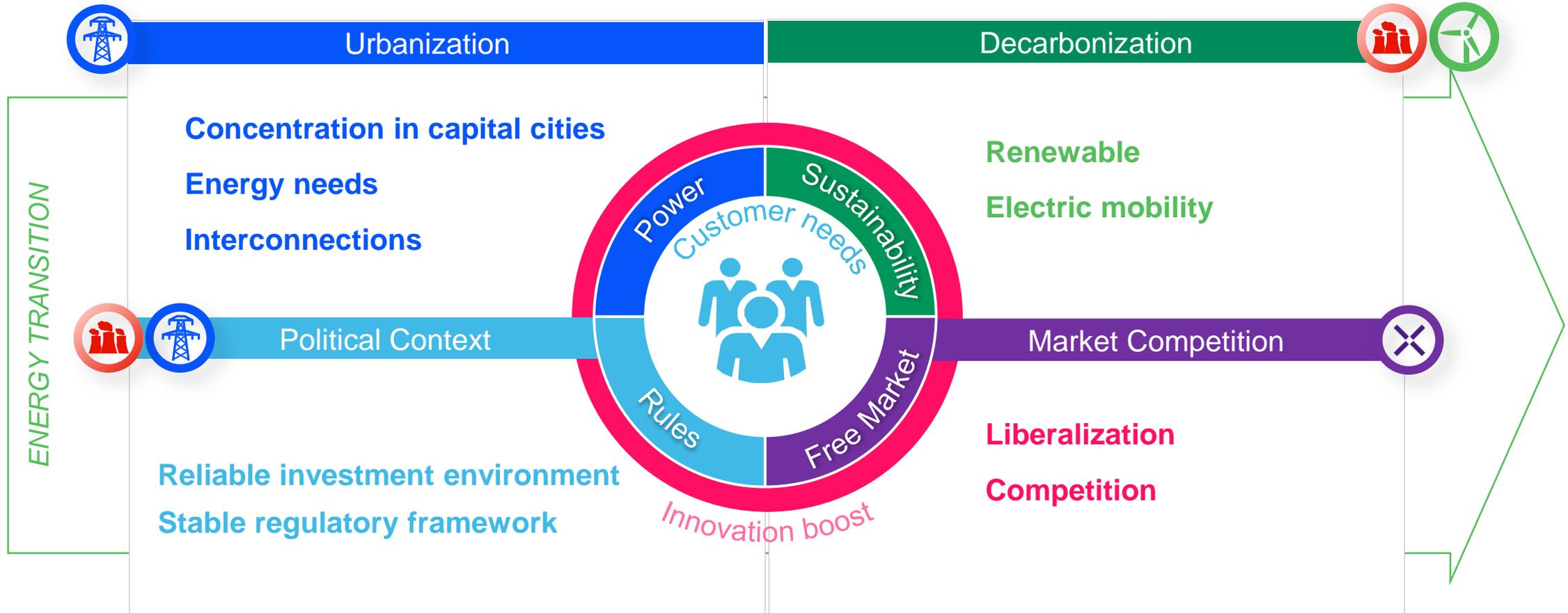
\*Ordinary Net Income excluding one-off effects

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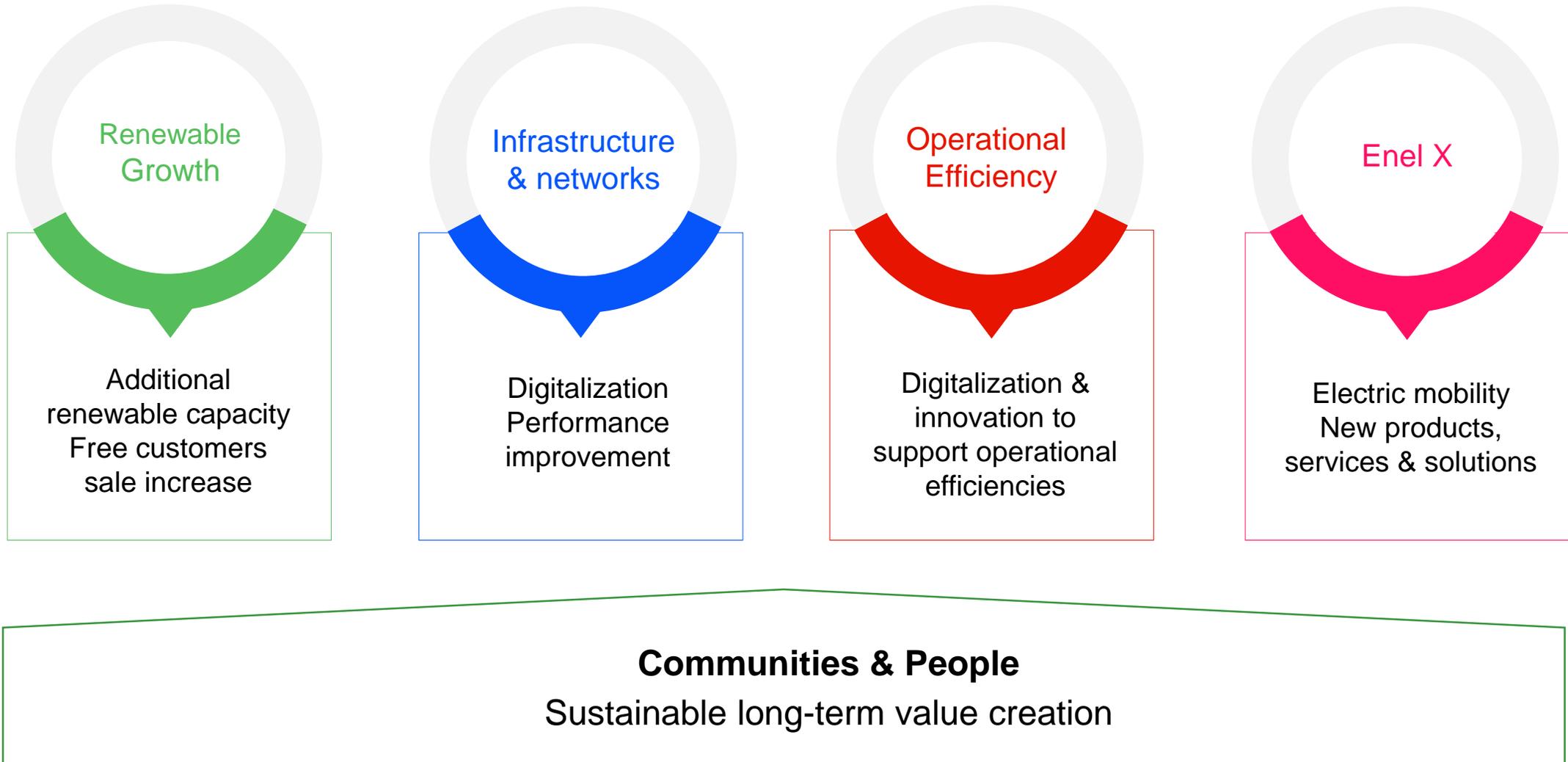


# Enel Chile Our Pillars 2019-2021

# New opportunities arising from the energy transition



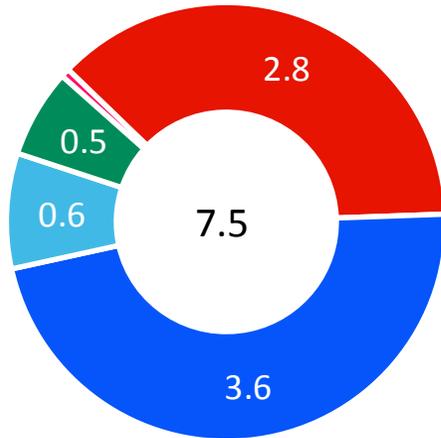
# Sustainable value creation to all stakeholders over the long term



# Enhanced generation through addition of low carbon capacity, improving diversification and mitigating risks

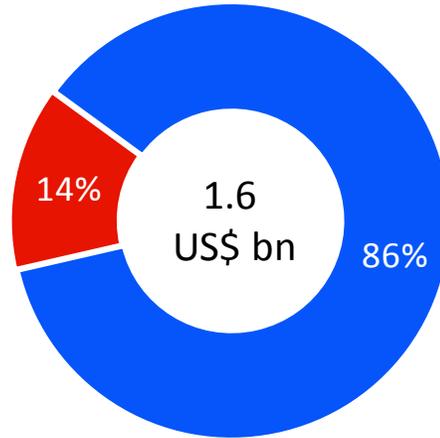


Installed Capacity 2018E (GW)



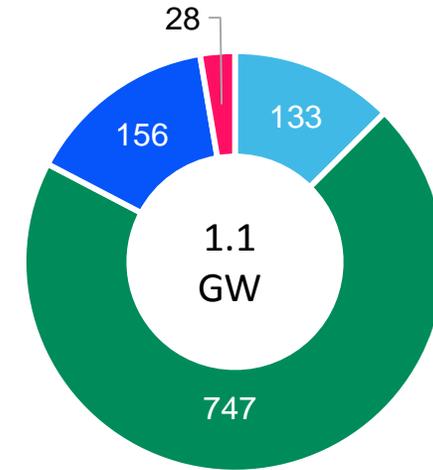
■ Thermal ■ Hydro ■ Wind ■ Solar ■ Geothermal

Gross Capex 2019-21



■ Asset Management  
■ Asset Development

Renewable Projects 2019-21



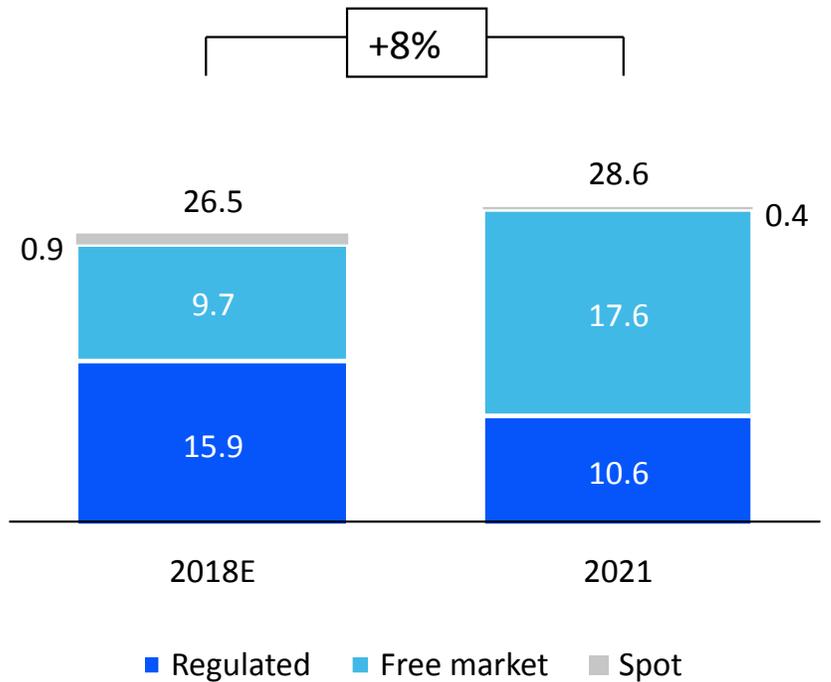
■ Wind ■ Solar ■ Hydro ■ Geothermal

Growth devoted to projects that boost operational efficiencies and positions the company for the future and continue growing

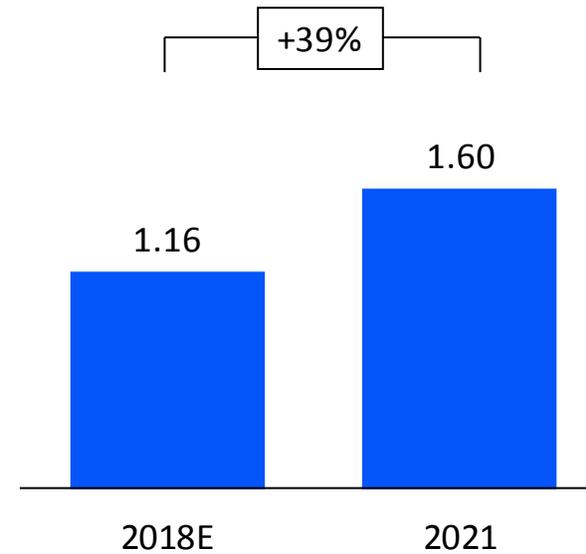
# Capturing opportunities from energy demand and free market growth



Energy Sales (TWh)



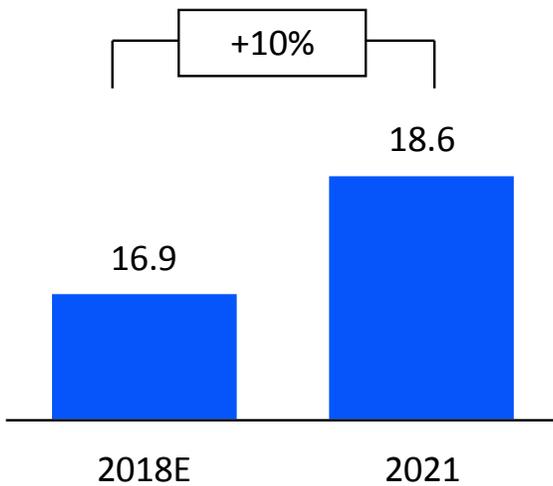
EBITDA (US\$ bn) - Generation Business



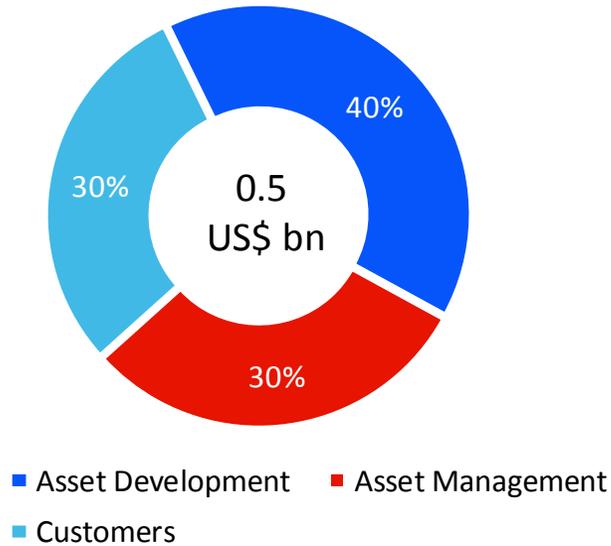
# Recent technical regulation enhances new opportunities for Infrastructure & Networks



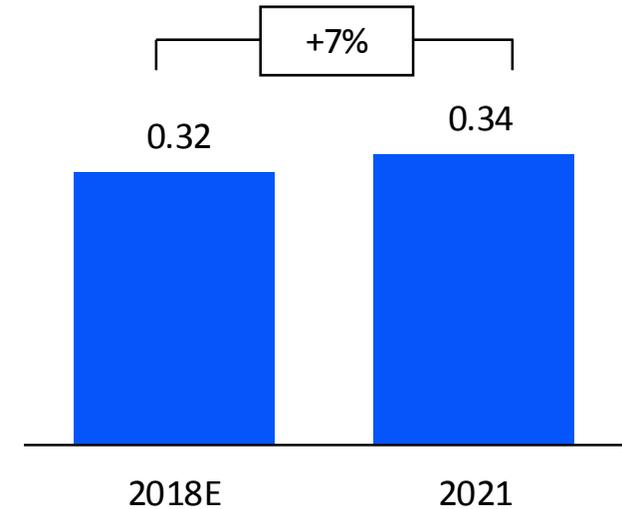
Energy Distributed (TWh)



Gross Capex 2019-21

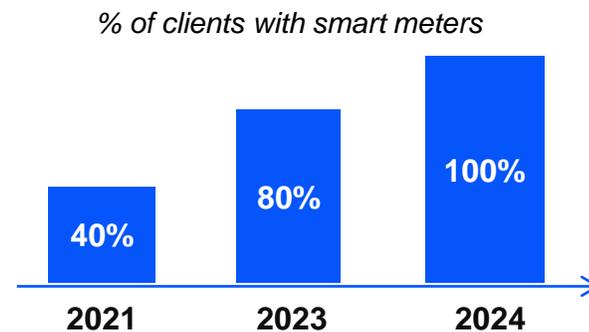


EBITDA (US\$ bn) - Distribution Business



## Smart Meters Requirements

Implementation of “Smart Meters” systems in a maximum period of 7 years



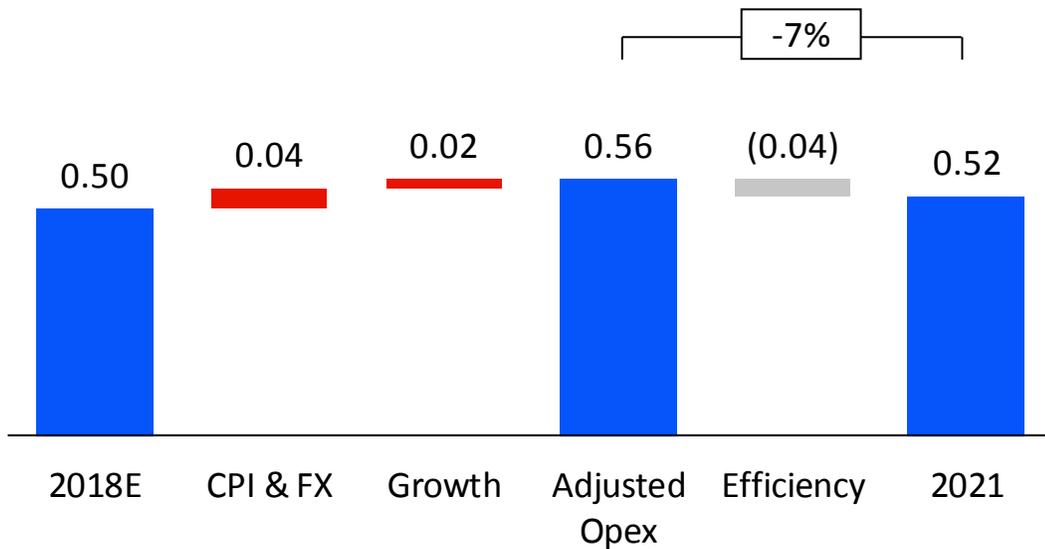
### Minimum functionalities:

- Remote measurement of consumption
- Warning of lack of supply (required from 2022)
- Remote connection / disconnection

# Operational efficiencies and digitalization to support growth



Opex evolution (US\$ bn)



Digitalization main driver

	<ul style="list-style-type: none"> <li>✓ Control room</li> <li>✓ Predictive maintenance</li> </ul>
	<ul style="list-style-type: none"> <li>✓ Smart meters</li> <li>✓ Telecontrol</li> <li>✓ Network resilience</li> </ul>
	<ul style="list-style-type: none"> <li>✓ Support activities</li> <li>✓ Robot process automation</li> </ul>

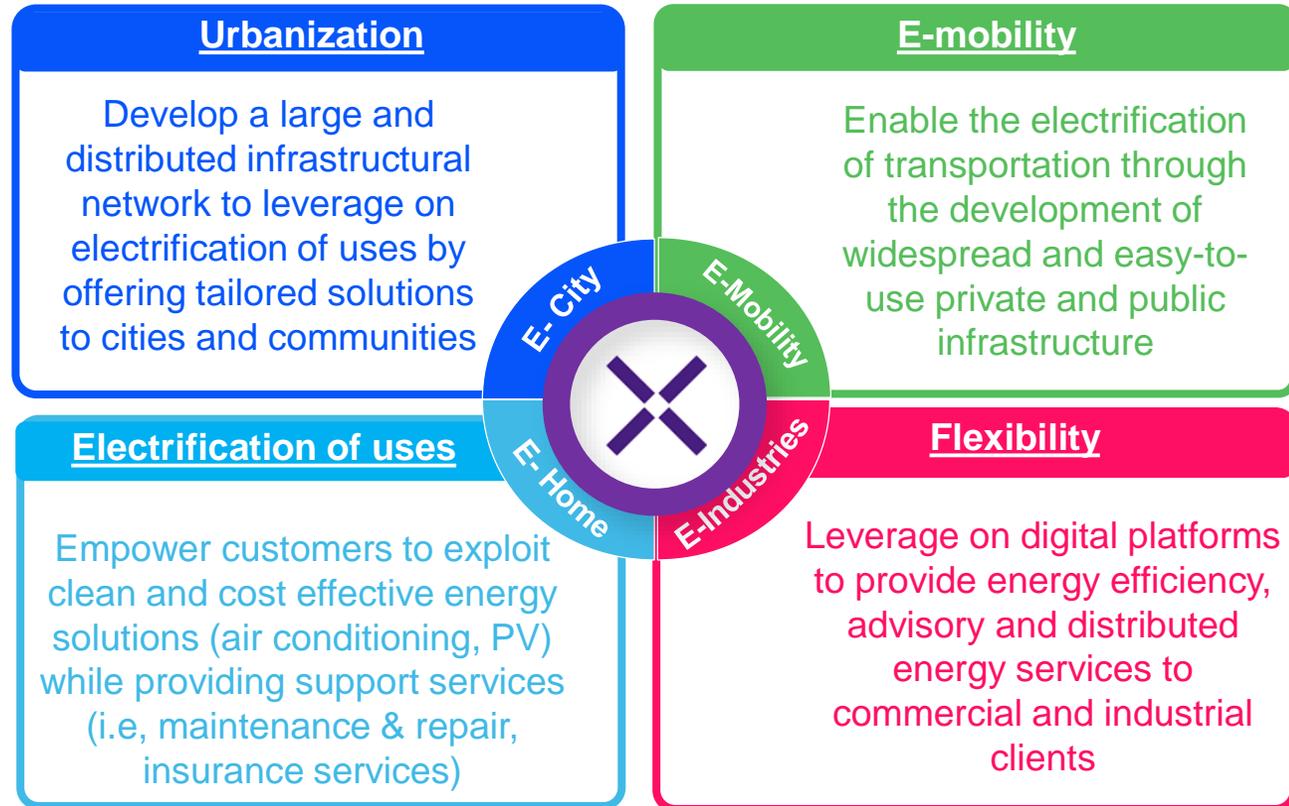
# Enel X addresses customers needs with new services and electric mobility



enel x

2018E 2021

	Public lighting (k points)	253	347
	Charging points (#)	13	412
	Demand response* (MW)	-	93
	PV* (MWp)	2	7
	Major appliances (k)	8	30



\* Accumulated figures

# Strong commitment to our SDG targets



		Enel Spa		Enel Chile	% Enel Chile/Group
		2018E <sup>1</sup>	2020 <sup>1</sup>	2018E <sup>1</sup>	
<b>Engaging local communities (mn beneficiaries)</b>					
	High-quality, inclusive and fair education	0.9	0.8	0.03	4%
	Access to affordable and clean energy mainly in Africa, Asia and Latin America	2.2 <sup>2</sup>	3.0	0.16	7%
	Employment and sustainable and inclusive economic growth	1.8	3.0	0.35	20%
<b>Climate change</b>					
	Reduction of CO <sub>2</sub> specific emissions (kg/kWh <sub>eq</sub> )	2018E	2020	2018E	
		0.39	<0.35	0.19	

1. Cumulated figures since 2015  
 2. In the whole Group perimeter, 4.9 mn beneficiaries were reached

Target already achieved before 2020

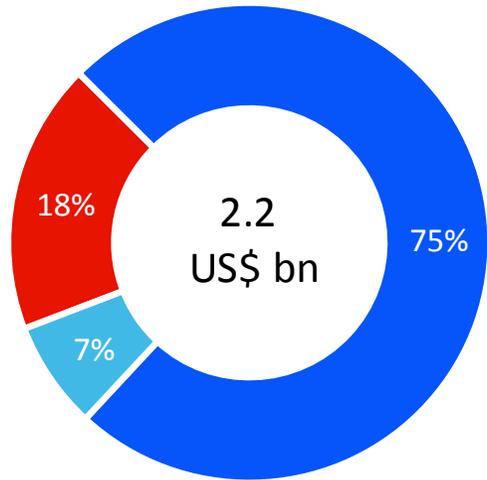


# Our Plan 2019-2021

# Capex allocation to shape our portfolio of assets and improve margins

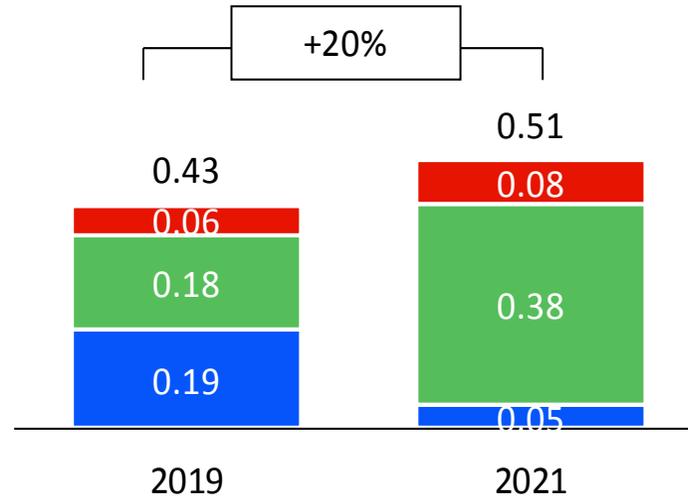


Gross Capex 2019-21



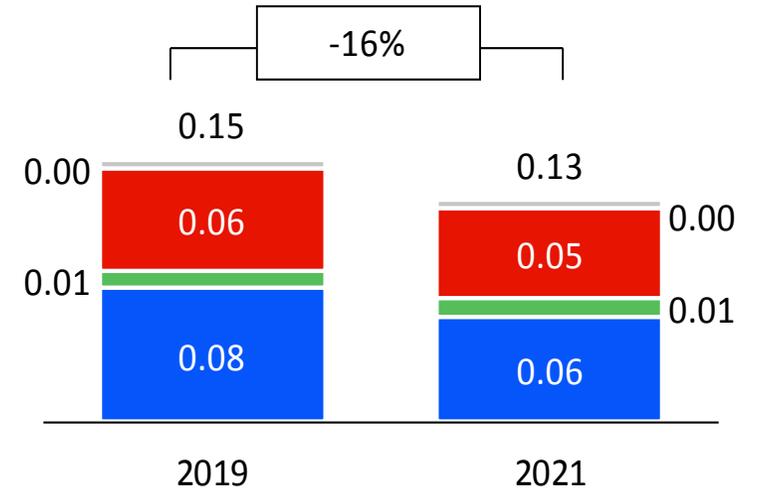
- Asset Management
- Asset Development
- Customers

Asset development (US\$ bn)



- Enel Gx Chile
- EGP
- Enel Dx Chile

Asset management (US\$ bn)

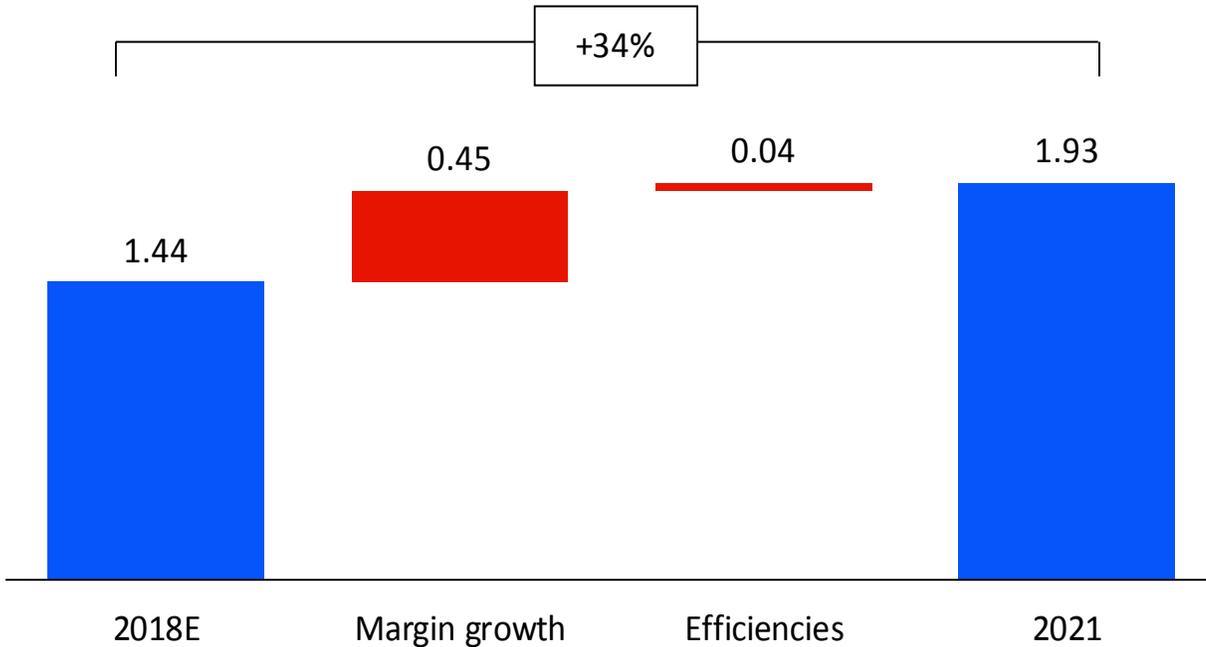


- Enel Gx Chile
- EGP
- Enel Dx Chile
- Holding

# Business model positioning allows to capture opportunities from energy demand and free market growth



EBITDA (US\$ bn)



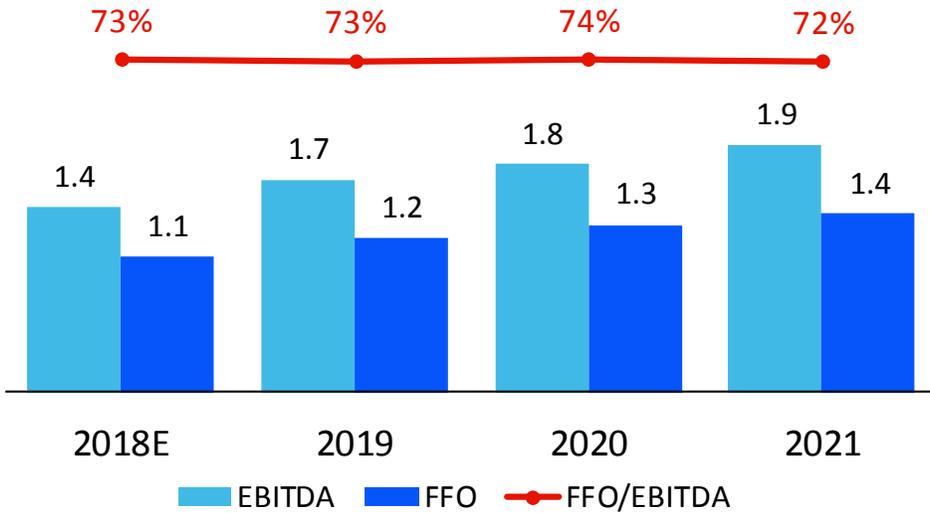
Main drivers

Capacity	New renewable capacity improving margin.
New services	E-City, E-Mobility, E-Home, E-Industries
Efficiencies	Efficiency plan allows an increased EBITDA, in a stable regulatory environment.
Free market development	Ambitious plan to capture new clients also outside our concession area.

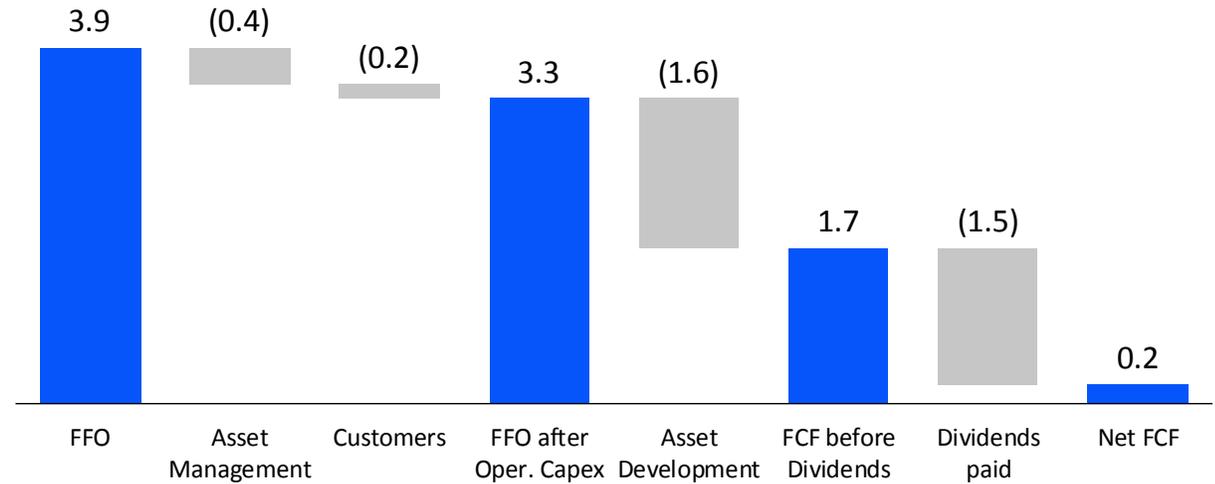
# Strong cash flow generation supports capex funding and value creation to shareholders



EBITDA & FFO (US\$ bn)



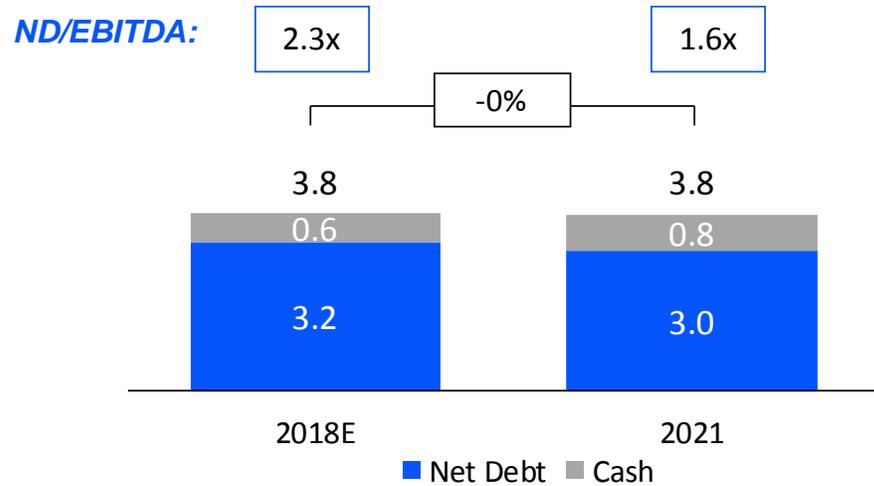
2019-21 Cash Flow generation (US\$ bn)



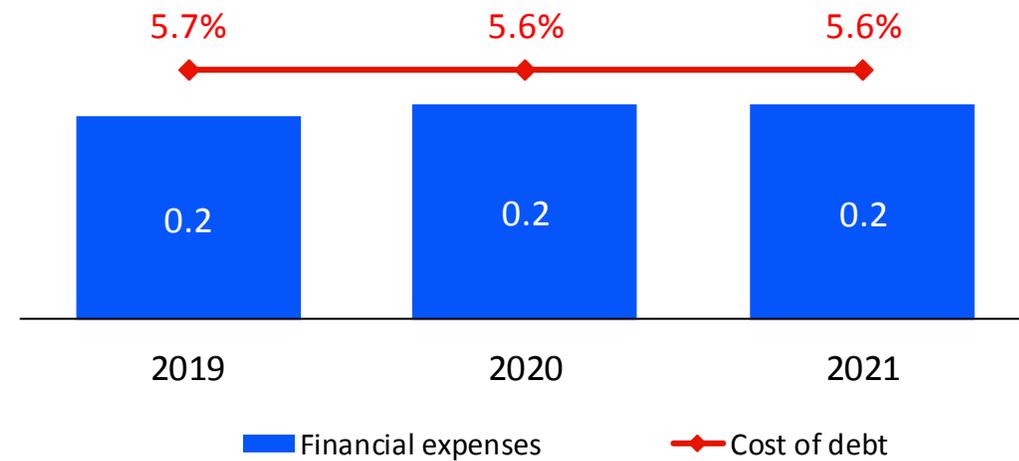
# Deleveraging over the period of plan will sustain strategy of continuing growth



Gross and Net Debt (US\$ bn)



Financial Expenses (US\$ bn)



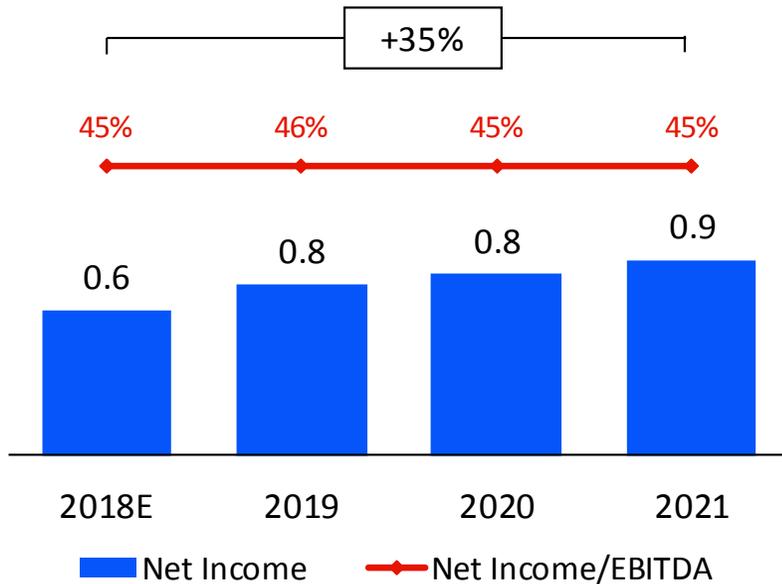
Long term credit rating

Standard & Poors		Moody's		Fitch	
BBB+	Stable	Baa2	Stable	BBB+	Stable

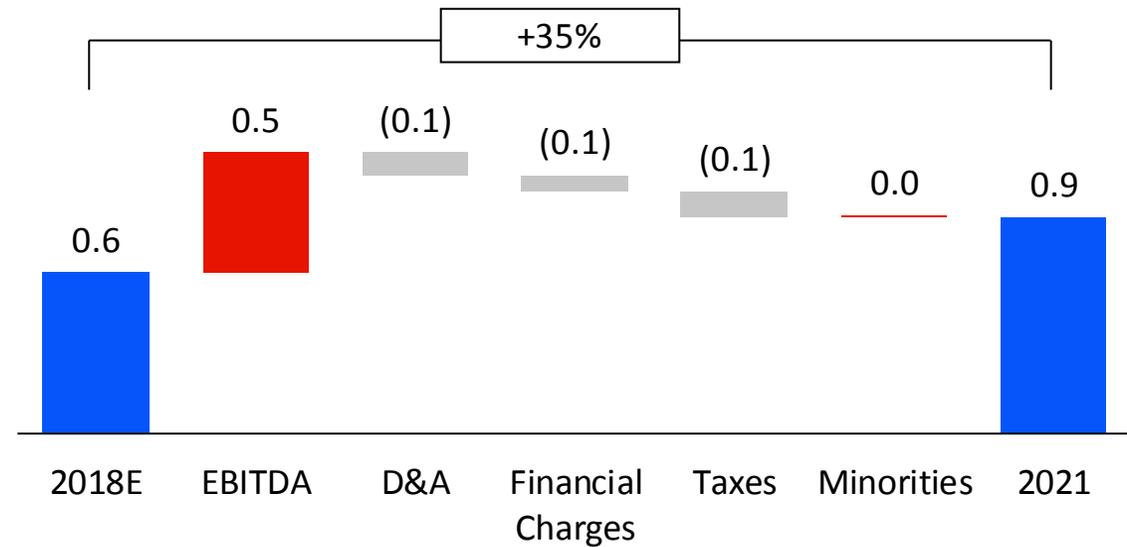
# Net income evolution supported by business growth drivers



Net Ordinary Income\* (US\$ bn)



2018E-21 Net Ordinary Income evolution\* (US\$ bn)



\* Attributable Net Income to shareholders

# Continuous business growth supports improvement in shareholders value creation



<b>Earnings growth</b>	<b>2018E</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>CAGR 18-21</b>
Ordinary EBITDA (US\$ bn)	1.4	1.7	1.8	1.9	+10%
Net Ordinary Income (US\$ bn)	0.6	0.8	0.8	0.9	+10%
<b>Value creation</b>					
Pay-out ratio	60%	65%	70%	70%	+5%
Implicit DPS (Ch\$/Sh)	3.4	4.4	5.0	5.4	+16%
Implicit EPS (Ch\$/Sh)	5.7	6.8	7.2	7.7	+10%

# Closing Remarks

## Closing remarks



Unique portfolio of assets in Chile

Growth focused on renewable capacity

Digitalization in all business lines

Enel X as an agent of the energy transition

Shareholder value creation improvement in a sustainable business model



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