



Enel Chile 2017 results

February 28, 2017



2017 results

Chilean highlights



Enel Chile

- ✓ EBITDA decreased 3%, amounting to US\$ 1,139 mn.
- ✓ Net Income attributable to shareholders decreased 9%, amounting to US\$ 538 mn, due to a lower positive extraordinary gain from the sale of assets and higher tax expenses.
- ✓ Simplification: Reduction in the numbers of companies and Elqui reorganization process ongoing with Tender Offer started on February 16th.

Generation Business

- ✓ EBITDA decreased 2%, amounting to US\$ 895 mn, driven by higher green tax payment.
- ✓ Hydro generation increasing of 0.6 TWh vs previous year, totalling an amount of 9.7 TWh.
- ✓ Projects pipeline revision accomplished.

Distribution Business

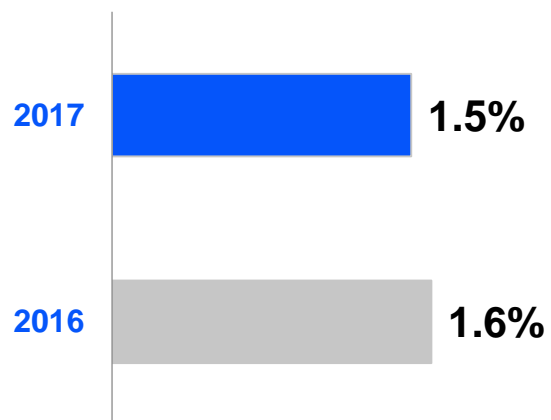
- ✓ Customers increased by 3% to 1.9 mn.
- ✓ EBITDA decreased 8%, amounting to US\$ 273 mn. Net from extraordinary effects would have increased 5%.
- ✓ VAS gross margin increased by US\$ 4 mn amounting to US\$ 33 mn.

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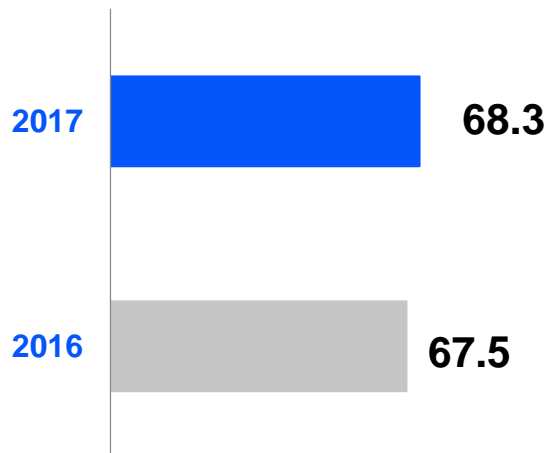
Market context in the period



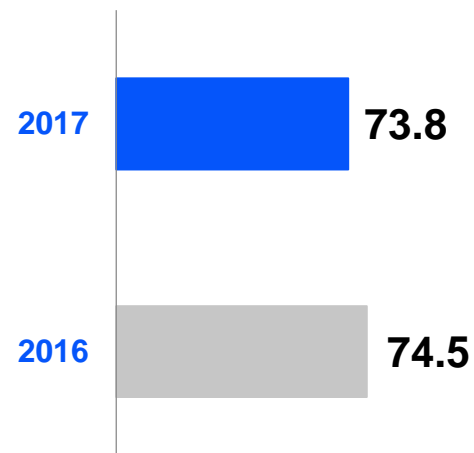
Chile Annual GDP Growth (%)¹



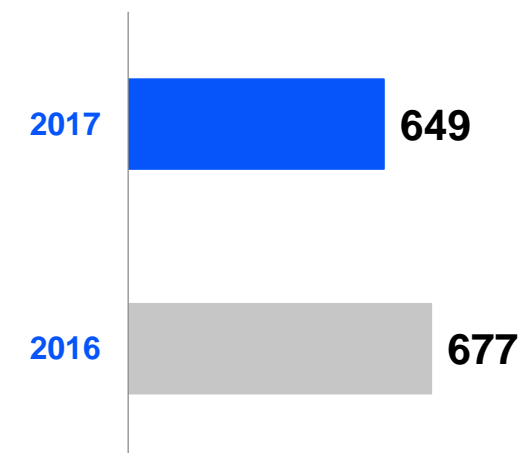
System Energy Sales (TWh)



SIC Average Spot Price (USD/MWh)



Average Exchange Rate CLP vs US\$



Challenging market scenario

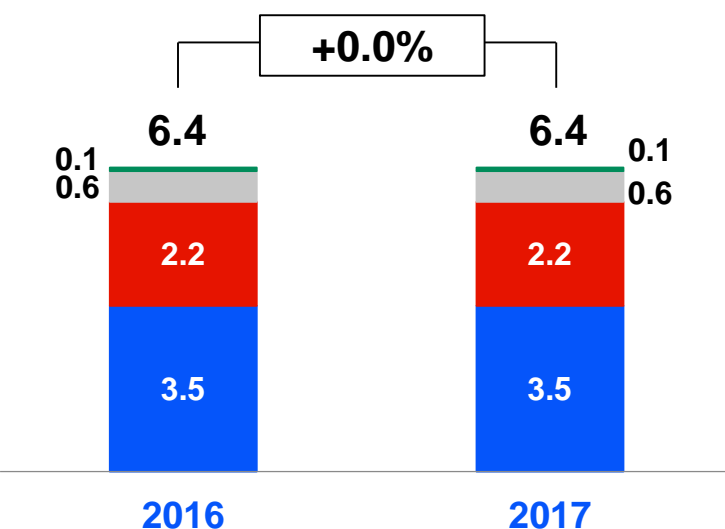
1. Expected GDP for 2017. Source: Latin America Concensus Forecast as of February 2018.

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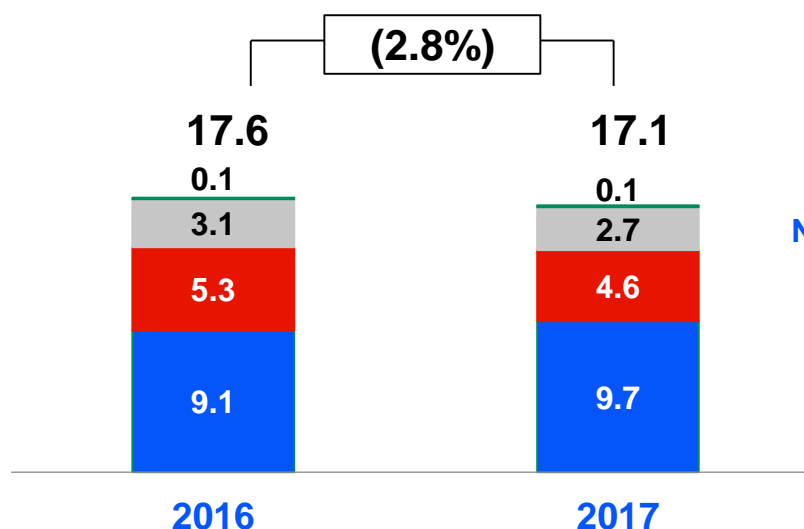
Generation business – Operating highlights



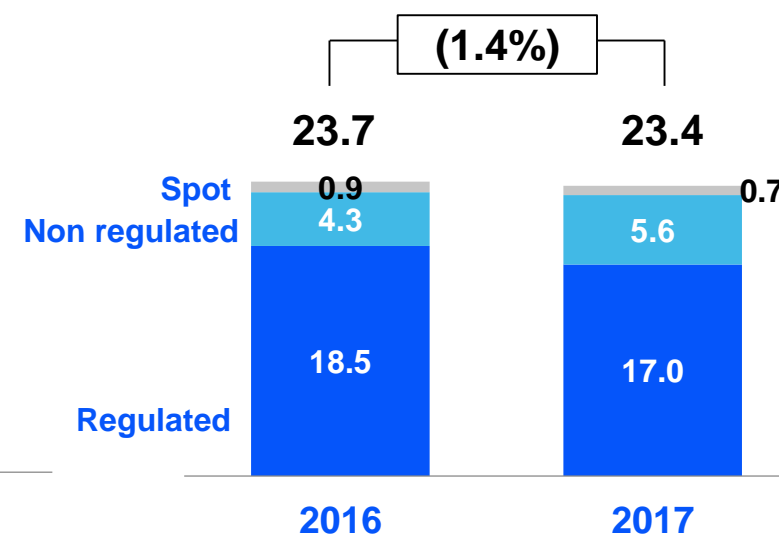
Installed capacity: 6.4 GW



Net production: 17.1 TWh



Energy Sales: 23.4 TWh



■ Hydro
 ■ Oil-Gas
 ■ Coal
 ■ NCRE

On November 2nd, 2017 Enel Gx has been awarded 54% of the last auction to meet the energy demand of their regulated customers, starting 2024.

* Proforma Financial Statements include 12 months in 2016 for a better understanding and only for information purposes.

2017 results

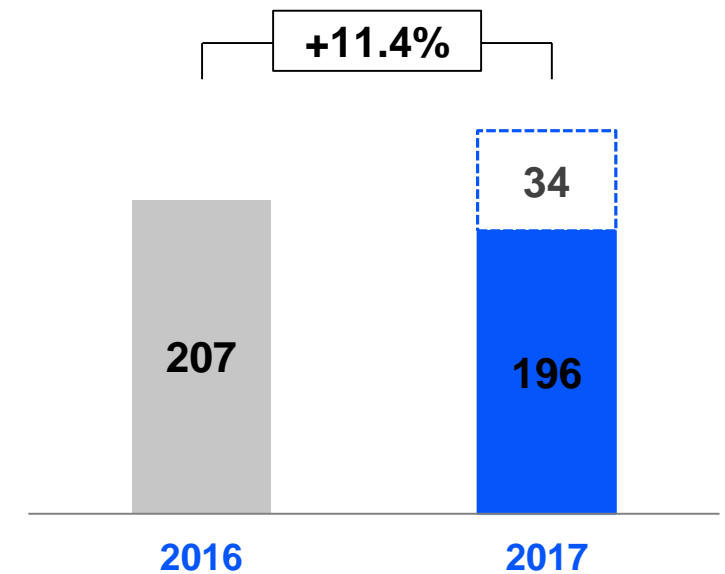
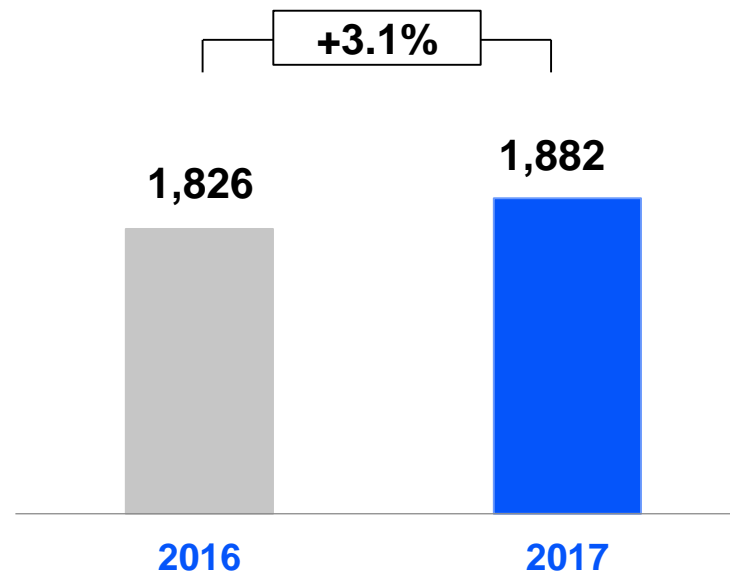
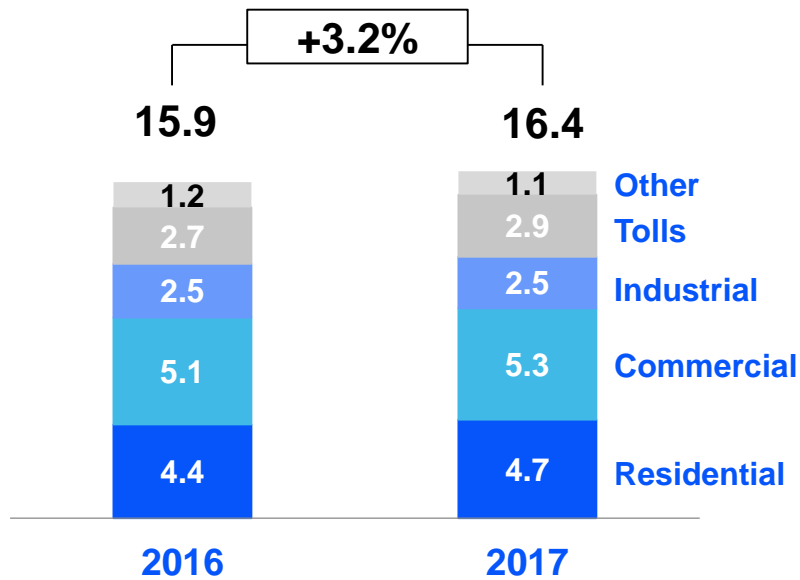
Distribution business - Operating highlights



Electricity Distributed: 16.4 TWh

Number of customers: 1.9 mn

SAIDI¹: 230 minutes



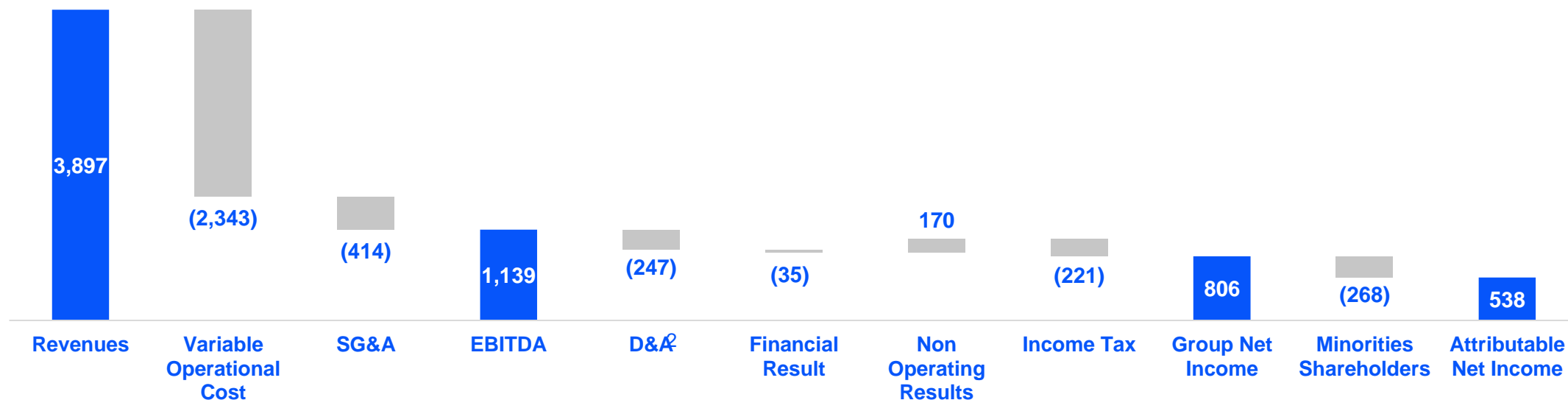
Stable organic growth driven by residential segment

1. SAIDI: System Average Interruption Duration Index

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Financial highlights (constant US\$ mn¹)

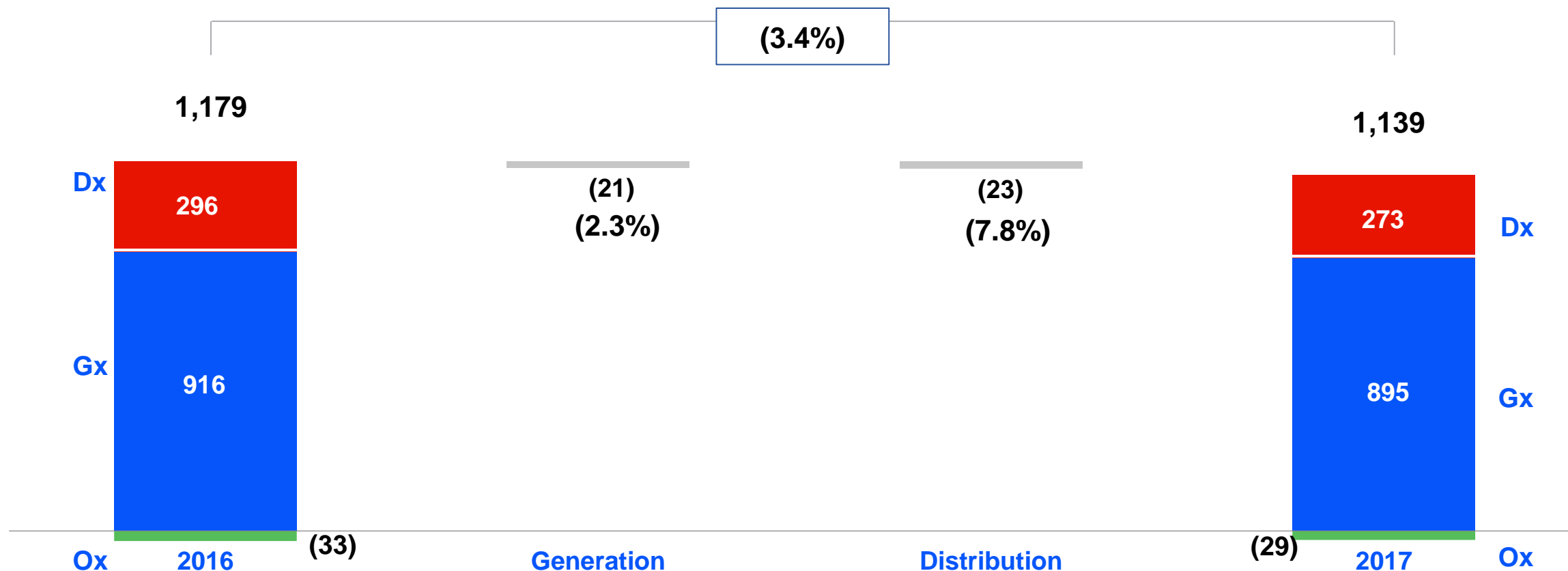


	2016 (US\$ mn)	Change
Revenues	3,915	(0.5%)
Variable Operational Cost	(2,307)	1.6%
SG&A	(429)	(3.5%)
EBITDA	1,179	(3.4%)
D&A ²	(304)	(18.7%)
Financial Result	(32)	9.4%
Non Operating Results	199	(14.6%)
Income Tax	(172)	28.7%
Group Net Income	871	(7.4%)
Minorities Shareholders	(279)	(3.9%)
Attributable Net Income	592	(9.1%)

1. Comparisons between periods in the Financial Income Statements are made using the average exchange rate for the period 649.11 CLP/USD.
 2. Consider Depreciation, Amortization and Impairment profit (impairment's reversal).
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2017 results

EBITDA by business (constant US\$ mn¹)



¹ Comparisons between periods in the Financial Income Statements are made using the average exchange rate for the period 649.11 CLP/USD.

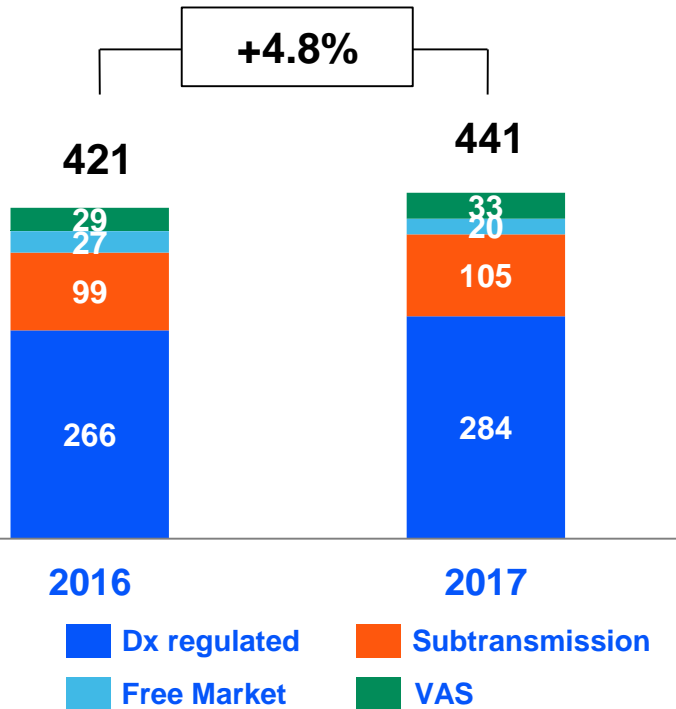
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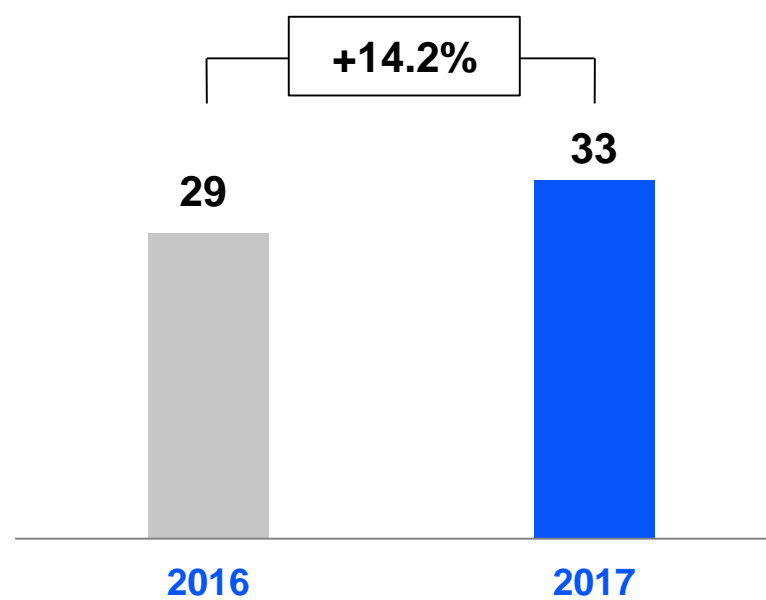
Distribution margin breakdown (constant US\$ mn¹)



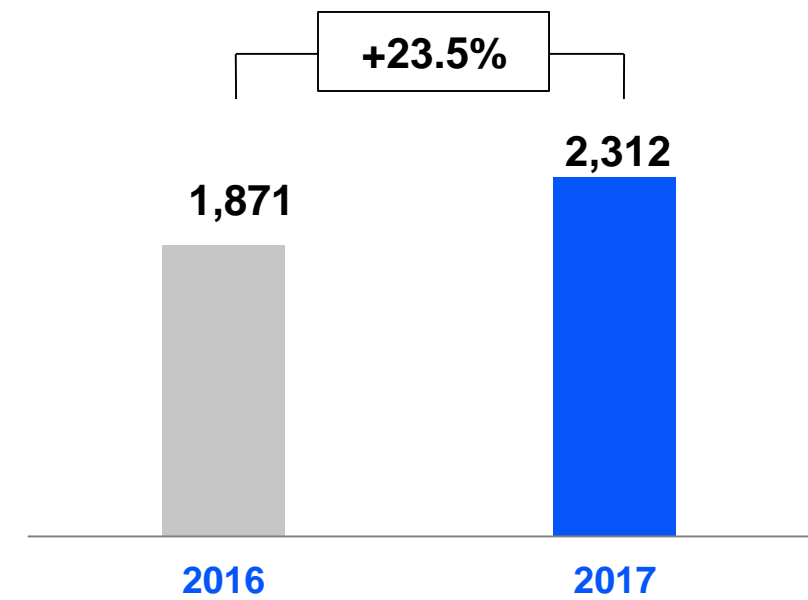
Recurrent Margin



VAS² Gross Margin



Free Market Energy Sales (GWh)



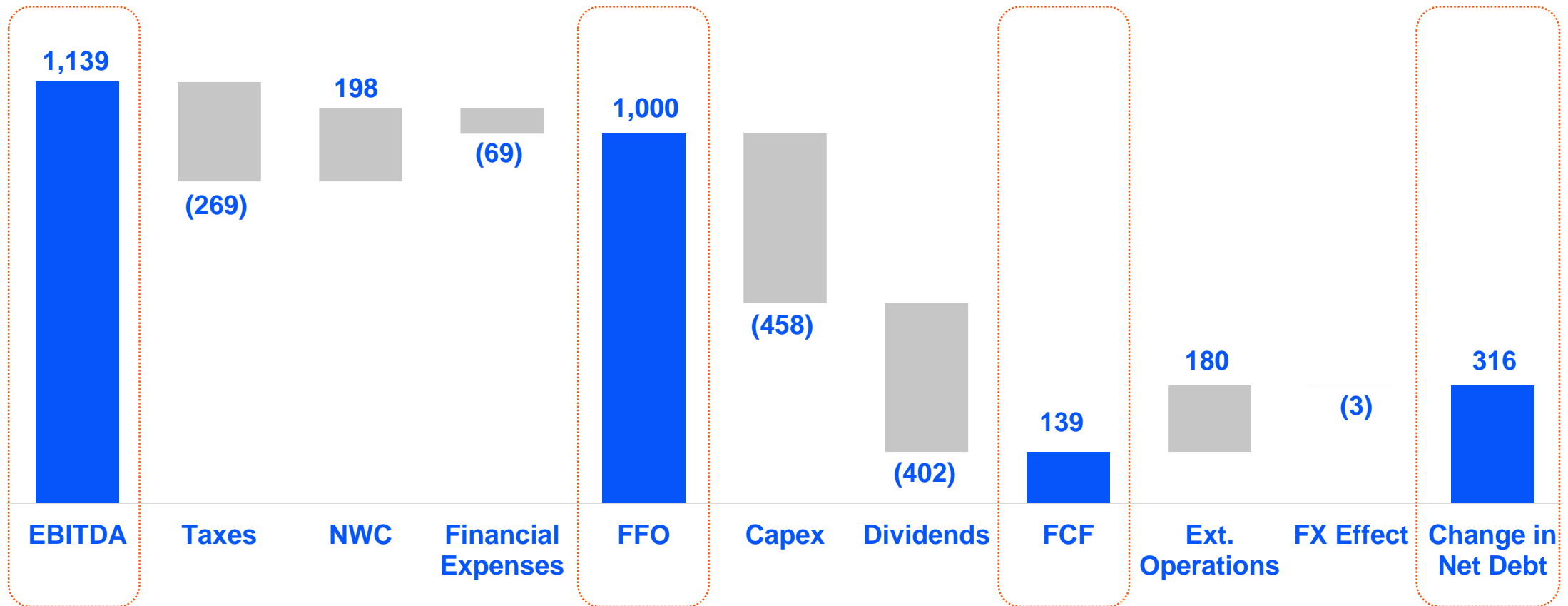
Growing volume in free market energy sales and VAS margin

1 Comparisons between periods in the Financial Income Statements are made using the average exchange rate for the period 649.11 CLP/USD.

2 Value added services.

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Free cash flow (constant US\$ mn¹)



1. Comparisons between periods in the Financial Income Statements are made using the average exchange rate for the period 649.11 CLP/USD.

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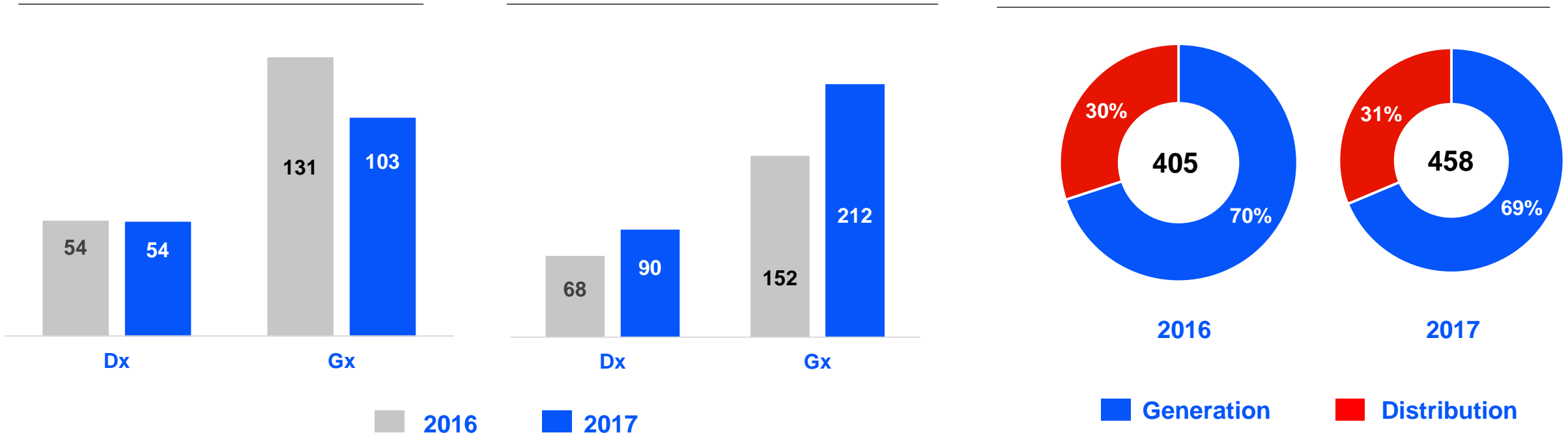
Gross Capex¹ (constant US\$ mn²)



Maintenance

Growth

Total



Progressive shift of Capex from Generation to Distribution business

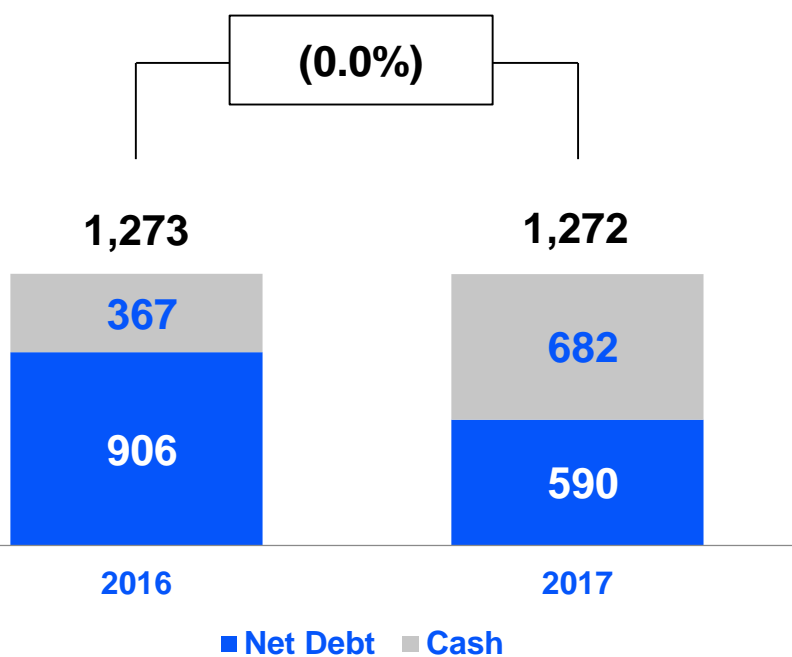
1. Gross of contributions and connections fees, accrued capex during 2016, including FX conversion effects.
 2. Comparisons between periods in the Financial Income Statements are made using the average exchange rate for the period 649.11 CLP/USD.

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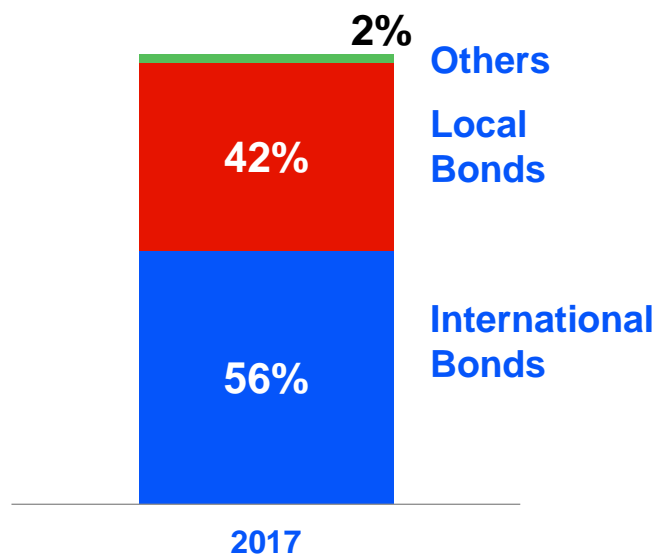
Financial situation (US\$ mn)



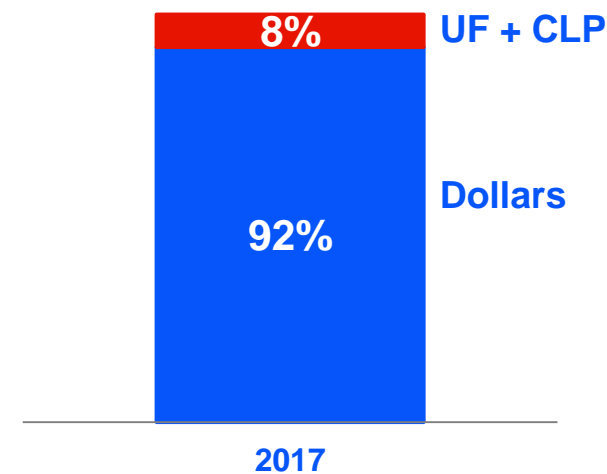
Gross and Net Debt



Gross Debt¹ by type



Gross Debt by currency²



Liquidity breakdown;

- **Cash:** US\$ 682 mn
- **Committed Credit Lines:** US\$ 324 mn
- **Average life of debt:** 10 years

1. Financial debt includes financial expenses, derivatives and other consolidation adjustments.
 2. Debt in UF and CLP its converted to US Dollars using the 2017 closing exchange rate 614.75 CLP/USD.

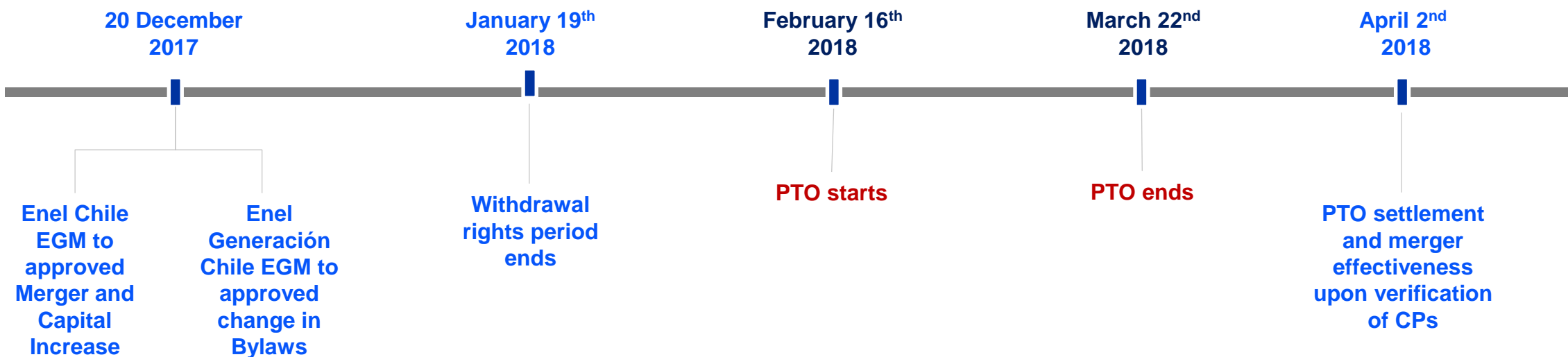
Restructuring transaction update

Transaction indicative timetable



Transaction approval (2017)

Transaction execution (2018)



The Tender Offer over Enel Gx and the Merger with EGP will occur simultaneously with the aim of completing Elqui on April 2nd, 2018.

2017 results

Closing remarks



2017 results in line with our guidance

Elqui, TO for Enel Generation ongoing and effectiveness expected on April 2nd

Generation, characterized by better hydrology in 4Q17, with better expectations for 2018

Important increase in free market segment in both businesses

Higher dividend payment expected, despite lower net income

2017 Results

IR Team



Susana Rey
Head of IR Enel Chile
+56 2 2630 9606
susana.rey@enel.com

Francisco Basauri
Investor Relations Associate
+56 2 2630 9585
francisco.basauri@enel.com

Catalina González
Head of IR Enel Generación Chile
+56 2 2630 9603
catalina.gonzalez@enel.com

Gonzalo Juarez
IR New York Office
+1 (212) 520 1025
gonzalo.juarezdelarasilla@enel.com

ir.enelchile@enel.com

For further information, visit our IR site at:
www.enelchile.cl

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