



# Enel Chile 1Q 2017 results

May 5<sup>th</sup>, 2017



# 1Q 2017 results

Chilean highlights of the year



## **Enel Chile**

- ✓ EBITDA in line with our expectations, amounting to 258 million dollars.
- ✓ Net Income attributable to shareholders increased 17%, amounting to 178 million dollars.
- ✓ 140 million dollars cash generation improving net financial position.

## **Generation Business**

- ✓ Good performance of our well diversified portfolio.
- ✓ Lower operating margin of 15%, amounting to 241 million dollars.
- ✓ Sale of 42.5% ownership in Electrogas, non core business, generating a gain of 118 million dollars.

## **Distribution Business**

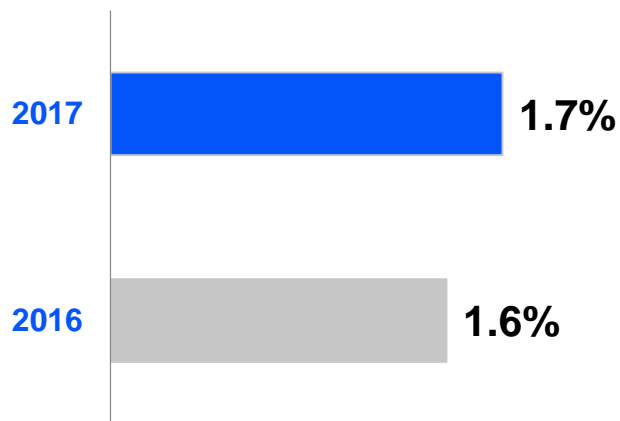
- ✓ Customers increased by more than 50 thousand to 1.8 million.
- ✓ Operating margin increased 5%, amounting to 102 million dollars.
- ✓ Non-regulated businesses gross margin increased 5 million dollars.

# 1Q 2017 results

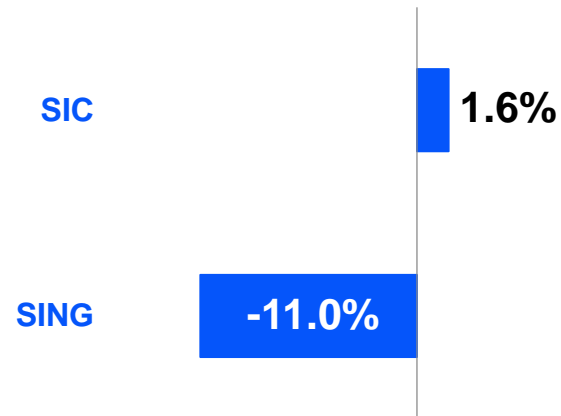
Market context in the period



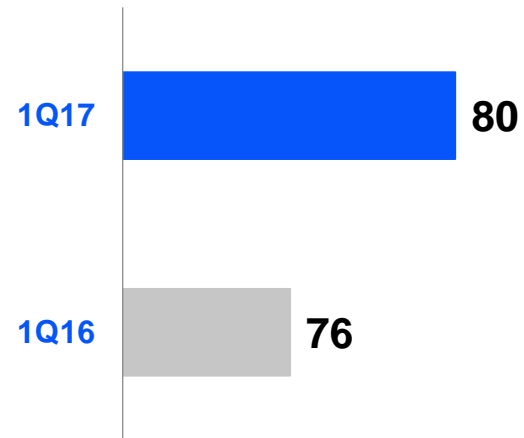
Chile Annual GDP Growth (%)<sup>1</sup>



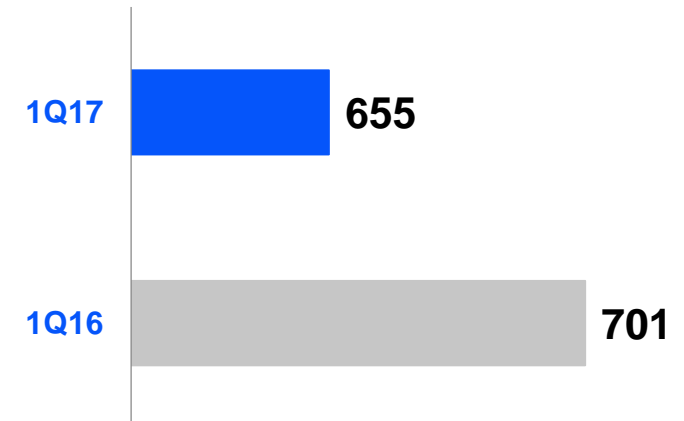
Energy Demand Growth (1Q17 %)



SIC Average Spot Price (USD/MWh)



Average Exchange Rate CLP vs USD<sup>2</sup>



**Challenging market scenario**

1. Expected GDP for 2017. Source: Latin America Consensus Forecast as of April 2017.

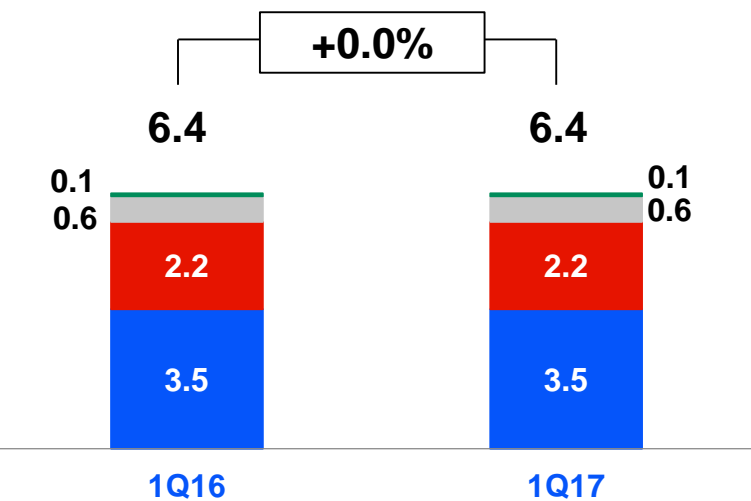
2. Average exchange rate for the period.

# 1Q 2017 results

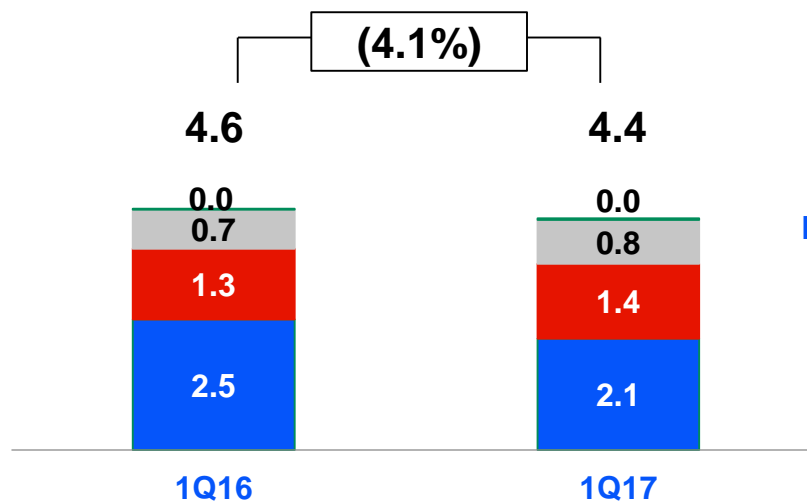
Generation business – Operating highlights



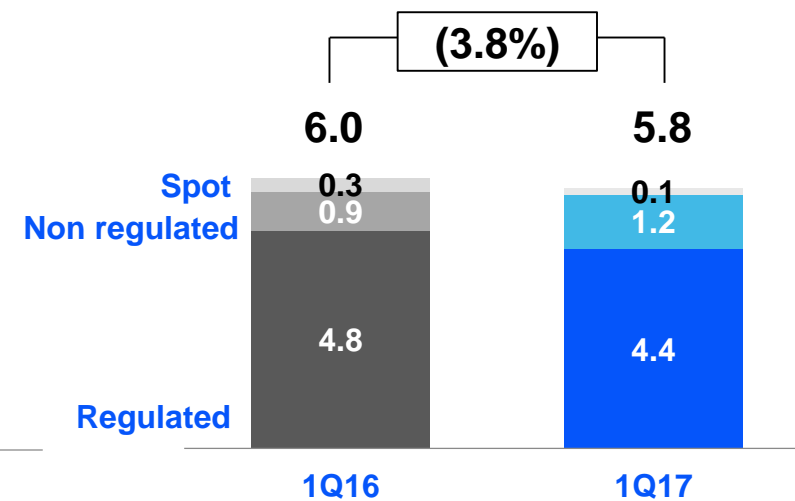
Installed capacity: 6.4 GW



Net production: 4.4 TWh



Energy Sales: 5.8 TWh



■ Hydro   
 ■ Oil-Gas   
 ■ Coal   
 ■ NCRE

**Leveraging on thermal capacity to offset lower water availability**

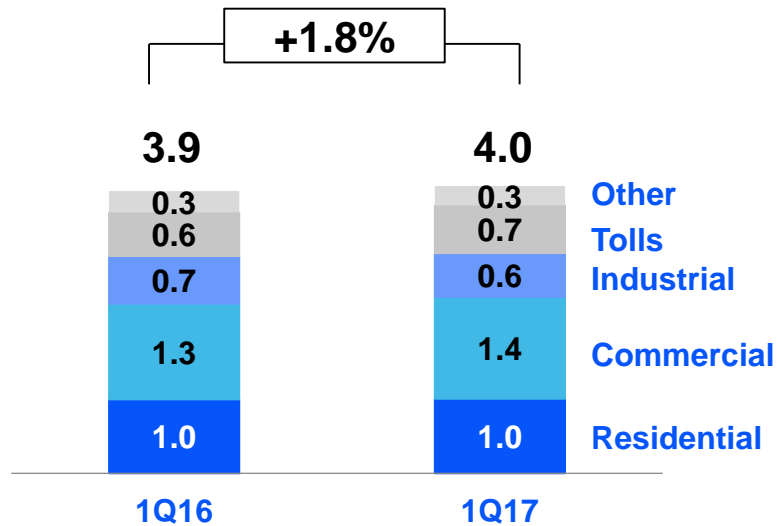
\* Proforma Financial Statement includes 3 months in 1Q16 for a better understanding and only for information purpose.

# 1Q 2017 results

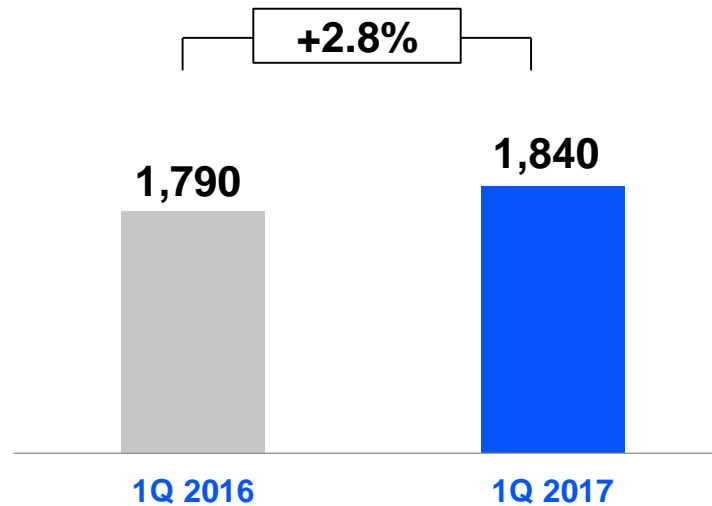
Distribution business - Operating highlights



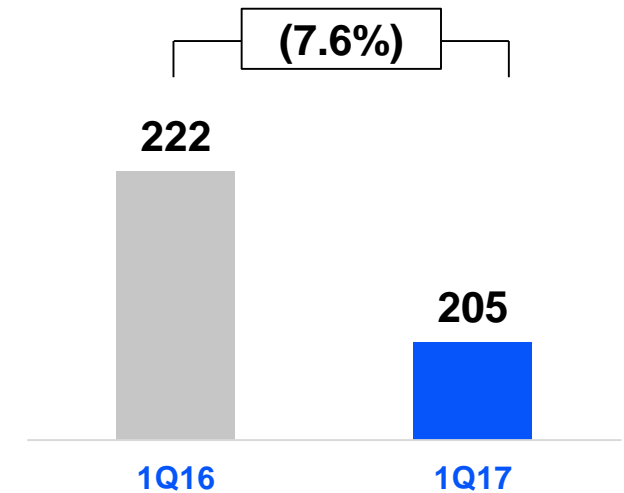
## Electricity Distributed: 4.0 TWh



## Number of customers: 1.8 mn



## SAIDI<sup>1</sup>: 205 minutes



**Stable growth with improvement in KPI's**

1. SAIDI: System Average Interruption Duration Index

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# 1Q 2017 results

Financial highlights (constant US\$ mn<sup>1</sup>)



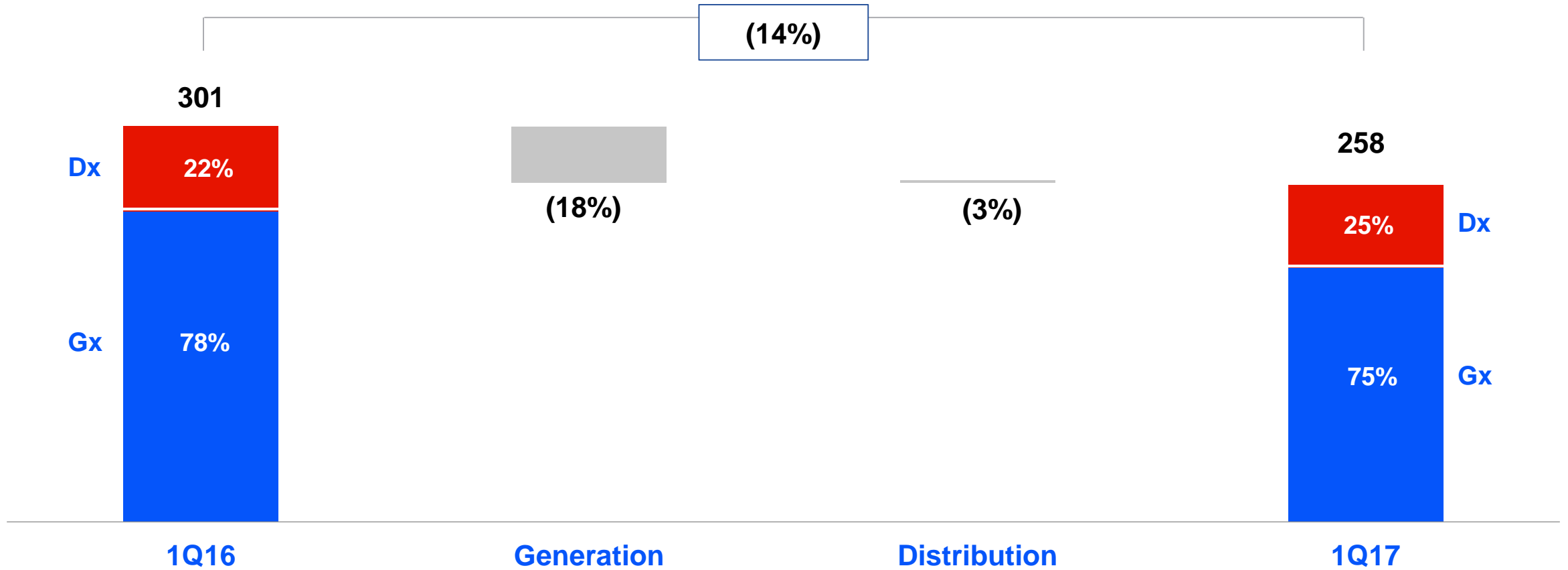
	1Q16	1Q17	Var.
Revenues	961	907	(5.6%)
Contribution Margin	381	343	(10.0%)
<b>EBITDA</b>	301	258	(14.3%)
EBIT	239	197	(17.5%)
Net Financial Income	5	(6)	(216.1%)
Related Company Results	4	159	-
Taxes	(24)	(77)	216.4%
Group Net Income	224	273	21.8%
<b>Attributable net income</b>	152	178	16.9%
Gross Capex	54	54	-
Net Debt	906	738	(18.5%)

1Q16 Financial Statements Proforma

1. Comparisons between periods are made using the average exchange rate for the period 655.49 CLP/USD and for the Balance Sheet using the closing exchange rate 663.97 CLP/USD.

# 1Q 2017 results

EBITDA by business (constant US\$ mn<sup>1</sup>)



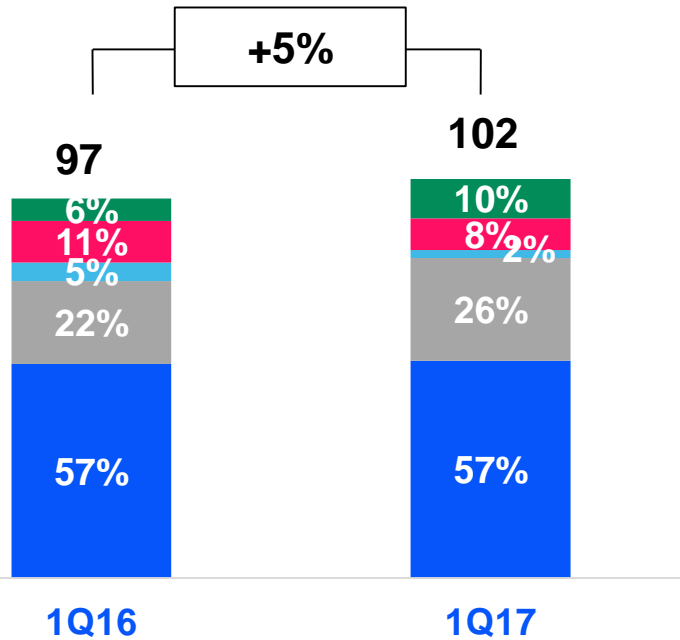
<sup>1</sup> Comparisons between periods in the Financial Income Statements are made using the average exchange rate for the period 655.49 CLP/USD.  
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# 1Q 2017 results

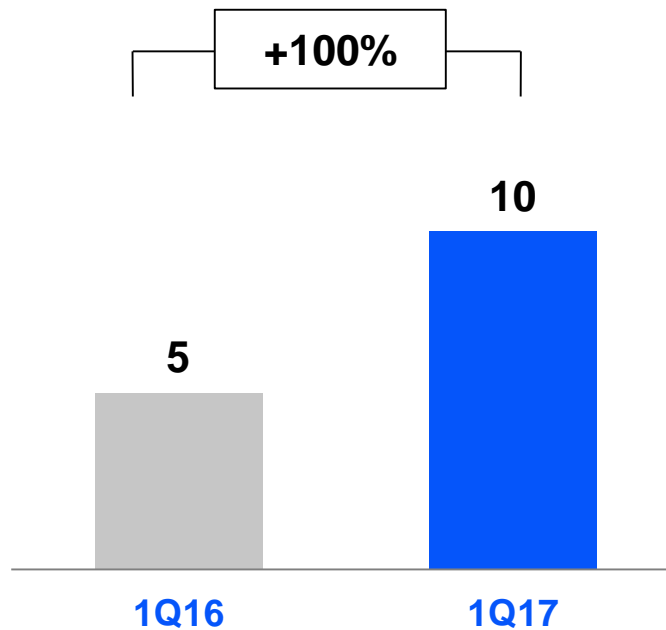
Distribution margin breakdown (constant US\$ mn<sup>1</sup>)



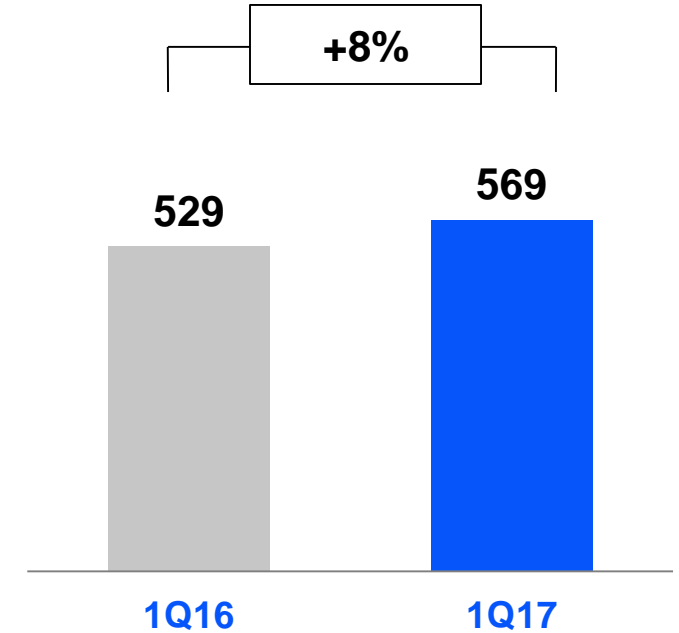
### Recurrent Margin



### VAS Gross Margin



### Free Market Energy Sales (GWh)



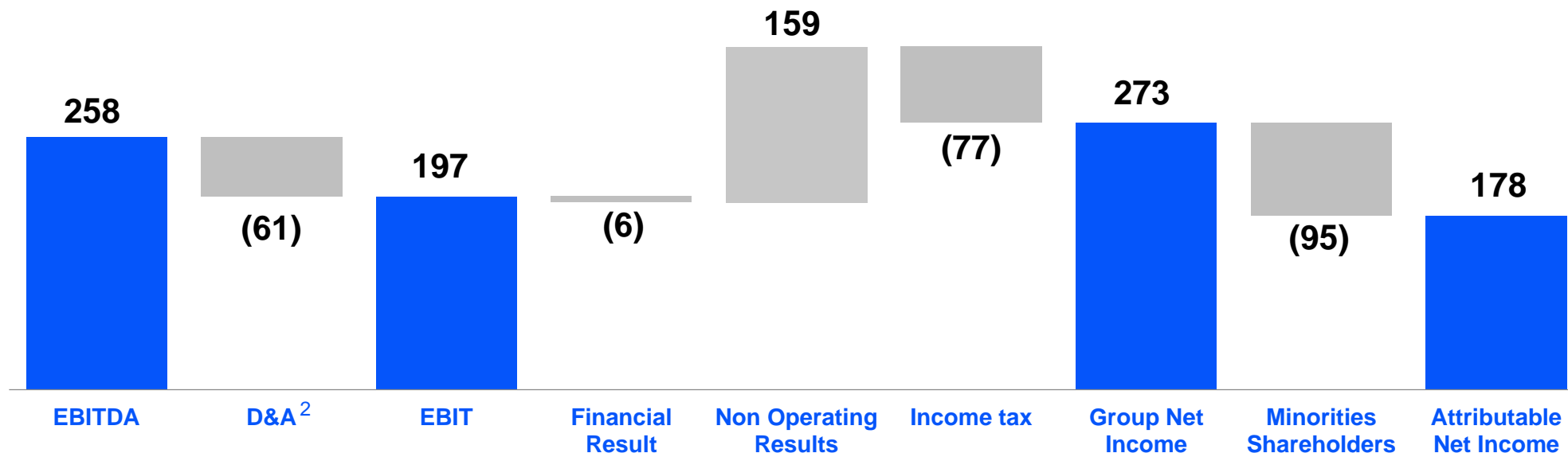
■ Dx regulated  
 ■ Subtransmission  
 ■ Other businesses  
■ Free Market  
 ■ VAS

**Growth in recurrent margin, driven by Public Lighting and better standards in Infrastructure projects**



# 1Q 2017 results

EBITDA to Net Income (constant US\$ mn<sup>1</sup>)



1Q16 (US\$ mn)	301	(62)	239	5	4	(24)	224	(72)	152
Change	(14.3%)	(2.3%)	(17.5%)	(216.1%)	-	+216.4%	+21.8%	+32.1%	+16.9%

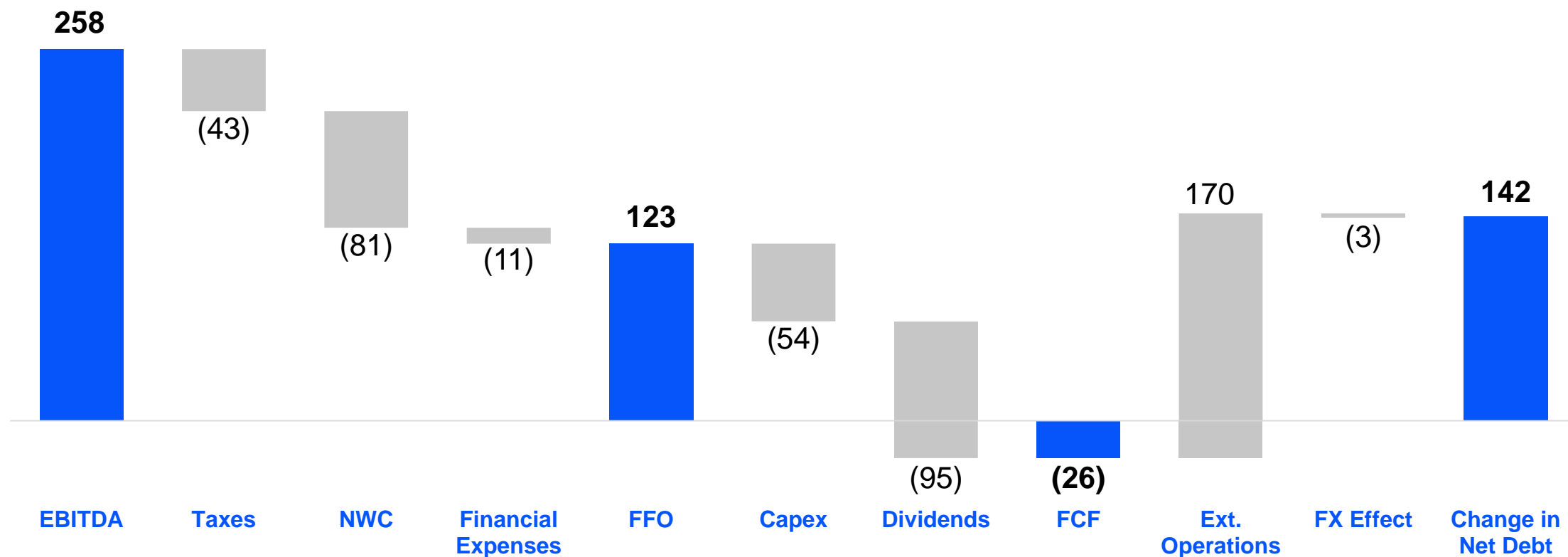
1. Comparisons between periods in the Financial Income Statements are made using the average exchange rate for the period 655.49 CLP/USD.

2. Consider Depreciation, Amortization and Impairment profit (impairment's reversal).

\* Proforma Financial Statement includes 3 months in 1Q16 for a better understanding and only for information purpose.

# 1Q 2017 results

Free cash flow (constant US\$ mn<sup>1</sup>)



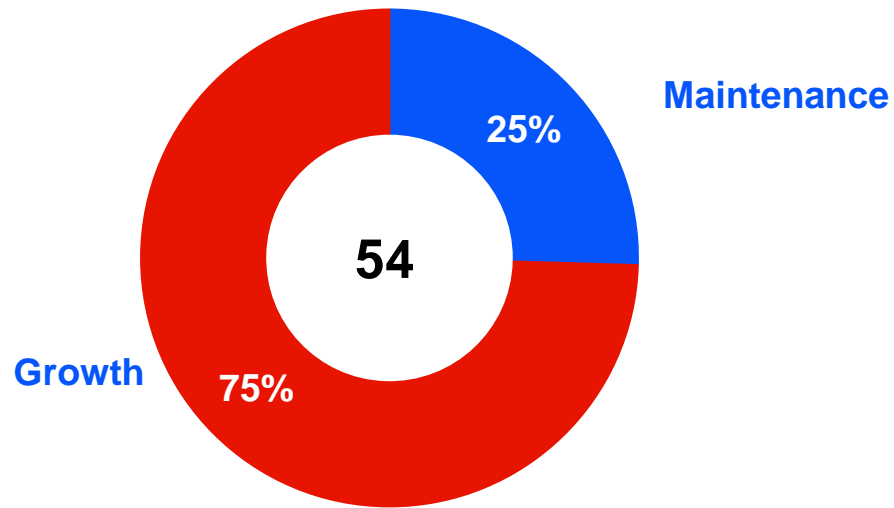
1. Comparisons between periods in the Financial Income Statements are made using the average exchange rate for the period 655.49 CLP/USD.

# 1Q 2017 results

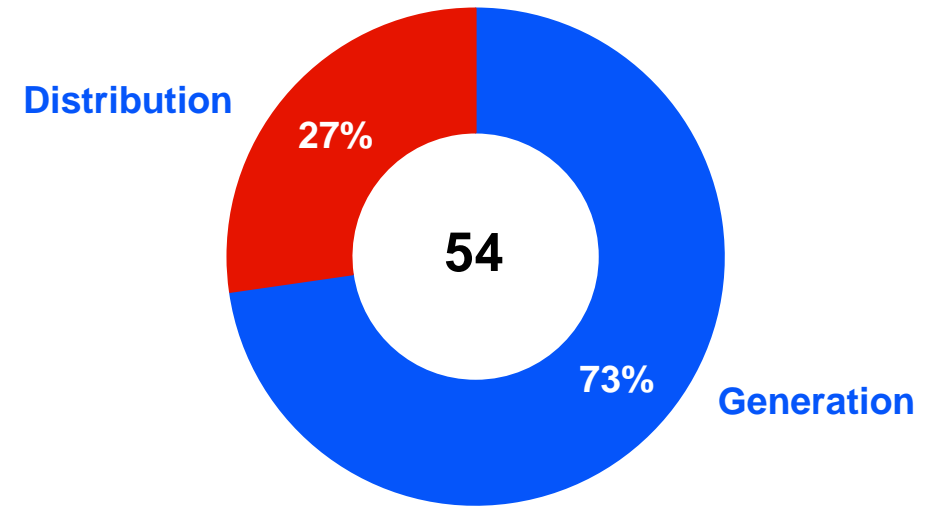
Gross Capex<sup>1</sup> (constant US\$ mn<sup>2</sup>)



## By activity



## By business



**Los Cóndores will add 150 MW to the SIC**

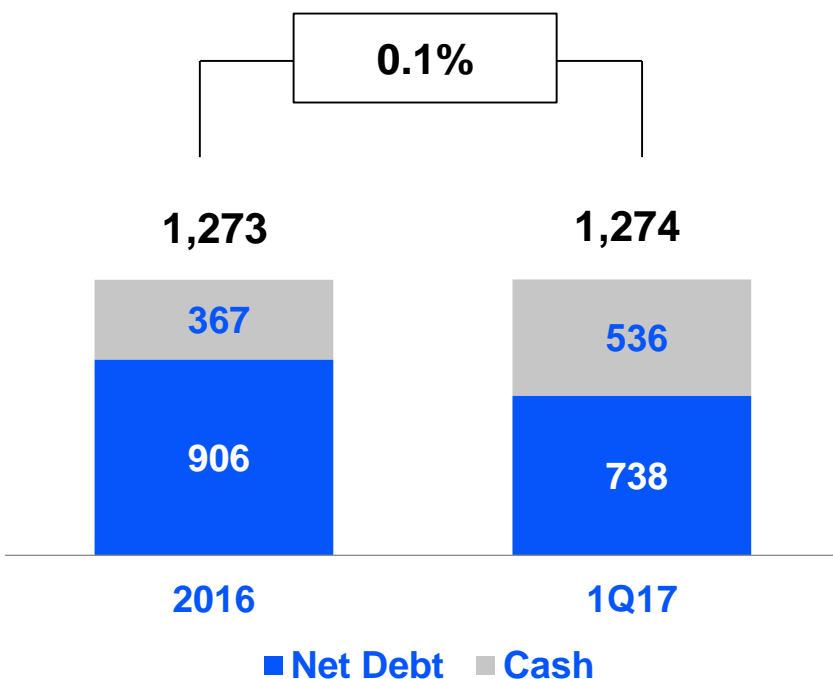
1. Gross of contributions and connections fees, accrued capex during 2016, including FX conversion effects.  
2. Comparisons between periods in the Financial Income Statements are made using the average exchange rate for the period 655.49 CLP/USD.

# 1Q 2017 results

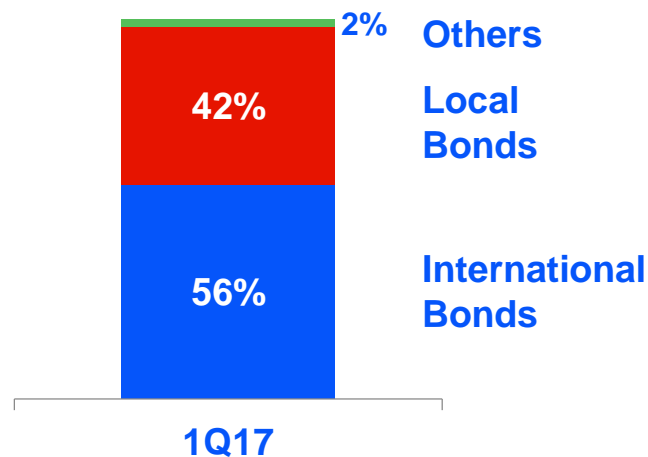
Financial situation (US\$ mn)



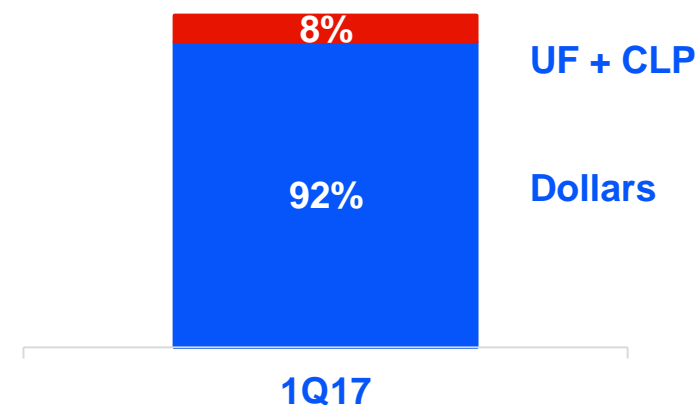
## Gross and Net Debt



## Gross Debt<sup>1</sup> by type



## Gross Debt by currency<sup>2</sup>



### Liquidity breakdown;

- Cash: US\$ 536 MM
- Committed Credit Lines: US\$ 314 MM
- 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 1Q17 closing exchange rate 655.49 CLP/USD.

# 1Q 2017 results

Closing remarks



EBITDA in Generation in line with our expectations and below 1Q16 results

Stable EBITDA in Distribution with an increased contribution from non regulated activities

Increase in Net Income due to the gain from the sale of Electrogas

Solid positioning to cope with new market scenario

Solid financial position

# 1Q 2017 Results

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# 1Q 2017 Results

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