



# 1H 2017 Results Emgesa and Codensa

July 25<sup>th</sup>, 2017



Grupo Enel

## Disclaimer



## IFRS adoption

- 1. Financial statement figures shown in this presentation as of June 30<sup>th</sup>, 2017 were prepared in Colombian pesos (COP) under IFRS officially applied in Colombia since January 2015.*
- 2. Figures, originally in COP, which is the functional currency for the companies of Enel in Colombia, have been converted into US Dollars (USD) for presentation purposes. We have used the average Fx rate for the first half of 2017 (\$2.921 COP/USD) to convert all P&L, cash flow figures as well as prices, including those of previous periods, and the Fx rate as of June 30<sup>th</sup>, 2017 (\$3.038,26 COP/USD) to convert all balance sheet figures, including those of previous periods. This is in order to avoid any Fx effect in the percent variations among periods.*

# 1H 2017 results

Highlights of the period



Grupo Enel

**Aggregated Net Income for 1H2017 of USD\$250 MM up by 3,9%** (Gx:-3.4% and Dx:+15.7%) reflecting EEC merger into Codensa at the end of 2016, lower spot prices for Gx business, efficient cost management in both Gx and Dx and lower average cost of debt

**Fitch Ratings affirmed Emgesa's long term foreign and local currency IDR at "BBB" (stable) and National long and short term ratings in "AAA" and "F1+",** reflecting its solid business model and strong competitive position

**According to a study carried out by the Superintendency of Public Services, the energy service provided by Codensa in Bogota is one of the most competitive in the country.**

**Successful local bond placement by Codensa in June**  
USD\$60 million equivalent in a 7-year tenor at a 6,46% fixed yield in COP

# 1H 2017 results

## 2Q Regulation Update - Colombia

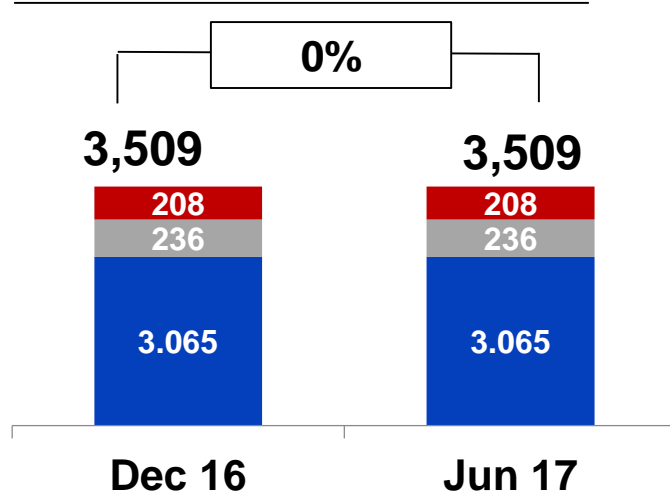
<p><b>Distribution</b></p>	<ul style="list-style-type: none"> <li>▪ <b>Decree 884 of 2017- MME : New guidelines for Rural Electrification</b> <ul style="list-style-type: none"> <li>✓ Defines the applicable rules for rural electrification within the peace agreements context</li> </ul> </li> <li>▪ <b>Decree 1116 of 2017- MICIT- : Electrical Vehicles</b> <ul style="list-style-type: none"> <li>✓ Reduces tariff to generate incentives in the use of lower CO2 emission vehicles (hybrid or full electric)</li> </ul> </li> </ul>
<p><b>Generation</b></p>	<ul style="list-style-type: none"> <li>▪ <b>Res. CREG 26/17 LNG Plant</b> <ul style="list-style-type: none"> <li>✓ Establishes the convening mechanism and main guidelines for the operation of the Pacific LNG plant.</li> </ul> </li> <li>▪ <b>Decision CAN 816/2017</b> <ul style="list-style-type: none"> <li>✓ New regulatory framework for electricity transactions among Andean Countries.</li> </ul> </li> <li>▪ <b>FENOGE Bylaw</b> <ul style="list-style-type: none"> <li>✓ Establishes the regulation of the Renewable Energy Fund and Efficient Energy Management, provided in Law 1715 of 2014.</li> </ul> </li> </ul>

# 1H 2017 results

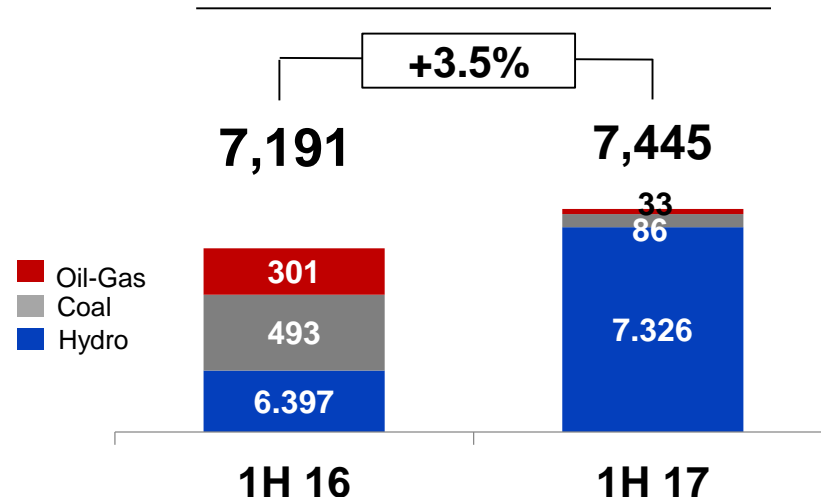
## Operating Highlights

Generation

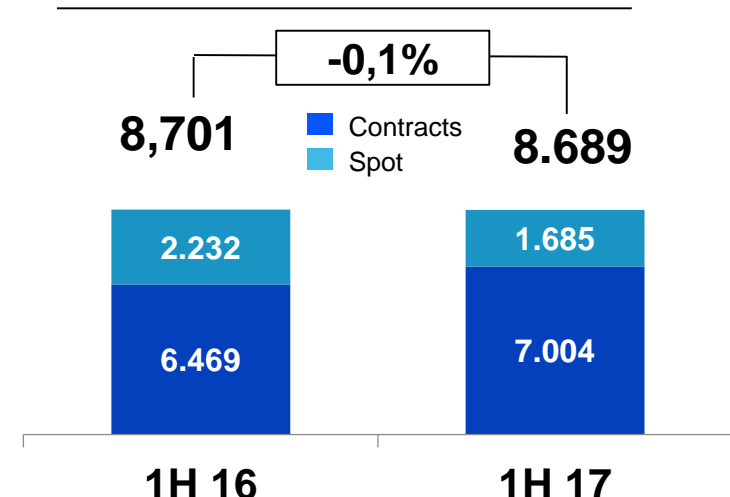
### Installed capacity (MW)



### Net Production (GWh)

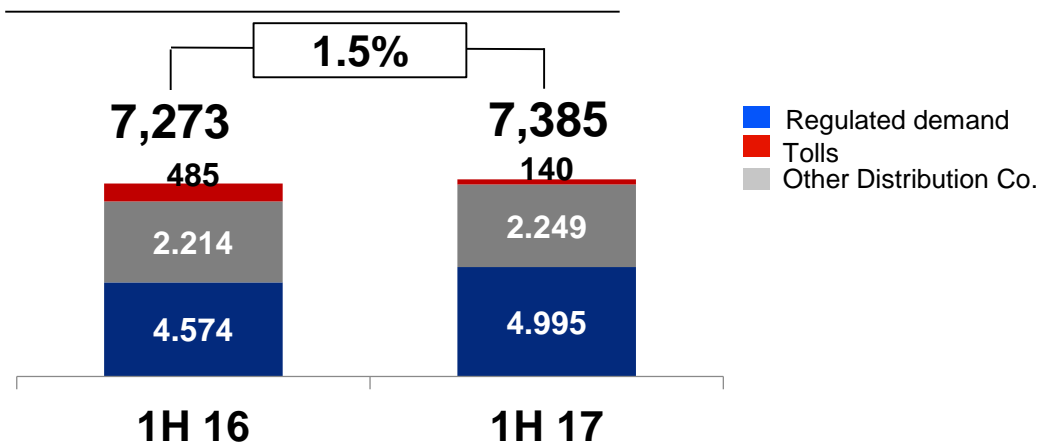


### Electricity Sales (GWh)

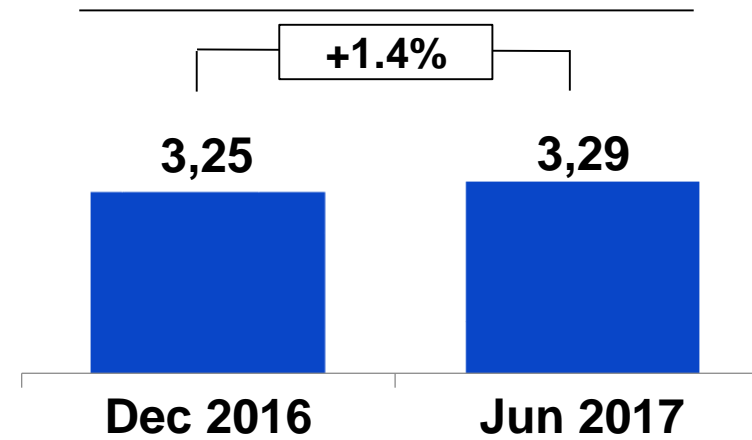


Distribution

### Electricity Distributed (GWh)



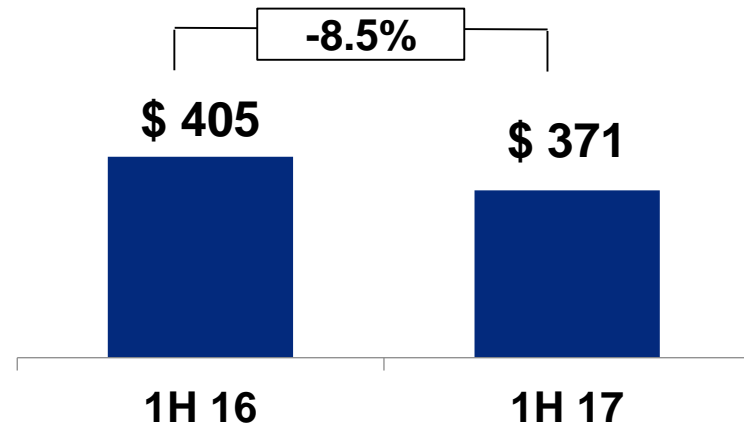
### Number of Customers (Mn)



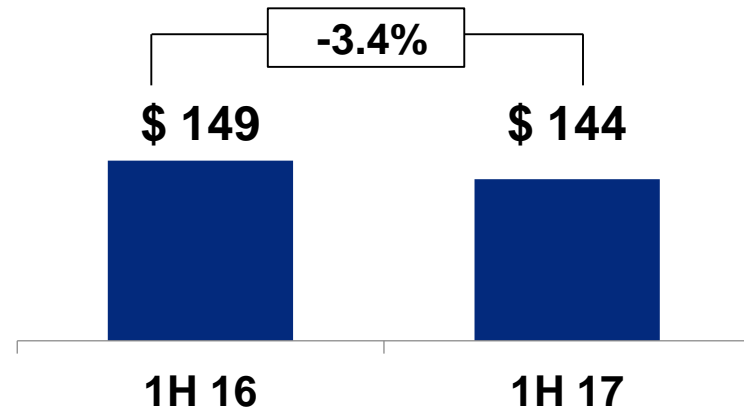
# 1H 2017 results

Gx: Emgesa's Financial highlights (US\$ mn<sup>1</sup>)

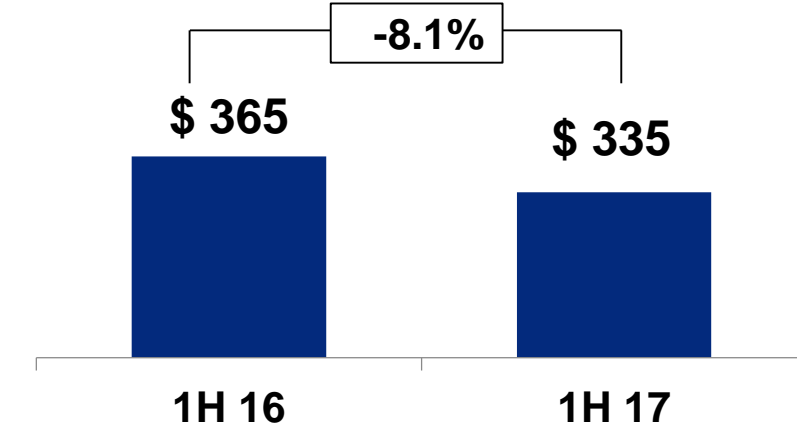
## Gross Margin



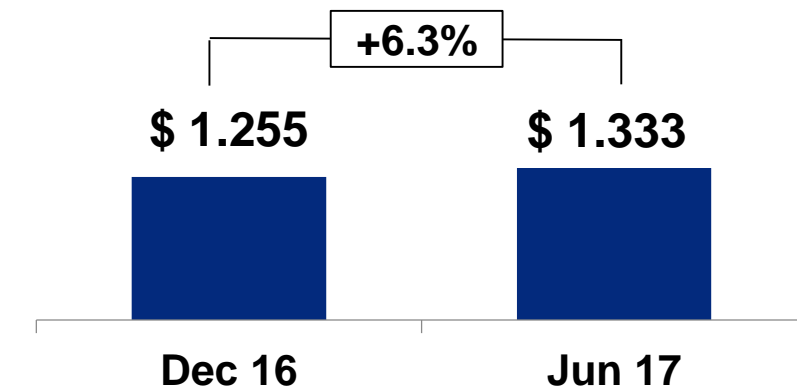
## Net Income



## EBITDA



## Net Debt<sup>2</sup>

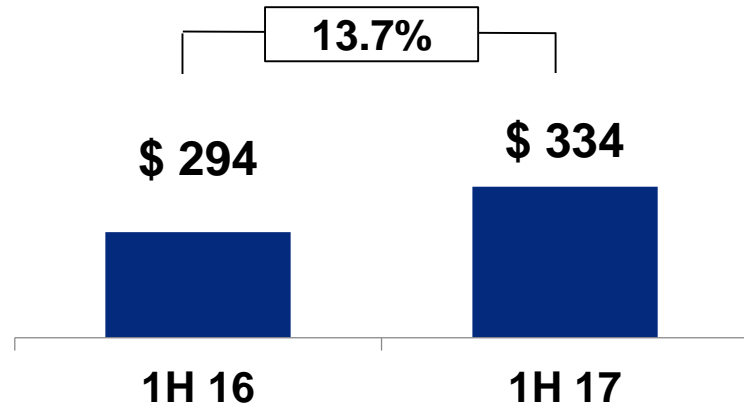


1. The average exchange rate for the period January-June 2017 was \$2.921 COP/USD and the exchange rate as of June 30<sup>st</sup>,2017 was 3.038,26 COP/USD.  
 2. Comparisons between periods are made based on figures in Colombian pesos.

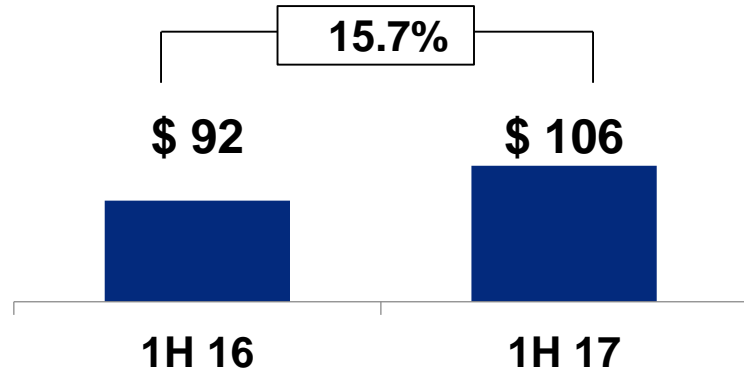
# 1H 2017 results

Dx: Codensa's Financial highlights (US\$ mn<sup>1</sup>)

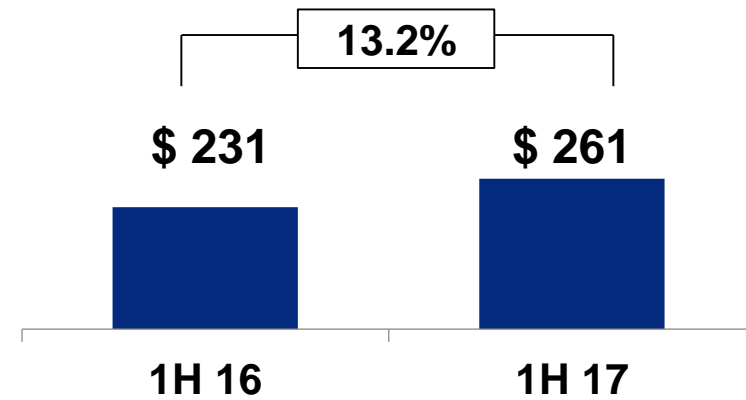
## Gross Margin



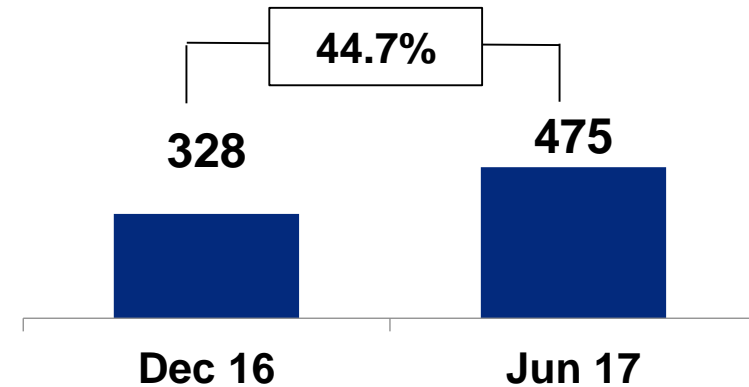
## Net Income



## EBITDA



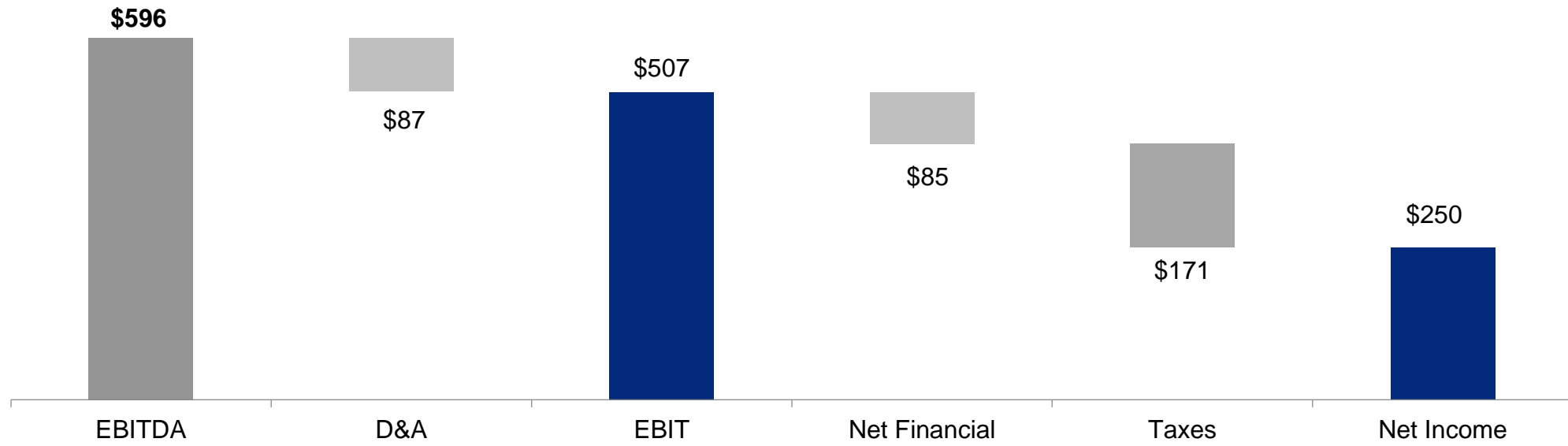
## Net Debt<sup>2</sup>



1. The average exchange rate for the period January-June 2017 was \$2.921 COP/USD and the exchange rate as of June 30<sup>st</sup>,2017 was 3.038,26 COP/USD.  
 2. Comparisons between periods are made based on figures in Colombian pesos.

# 1H 2017 results

Colombia- From EBITDA to Net Income (US\$ mn<sup>1</sup>)



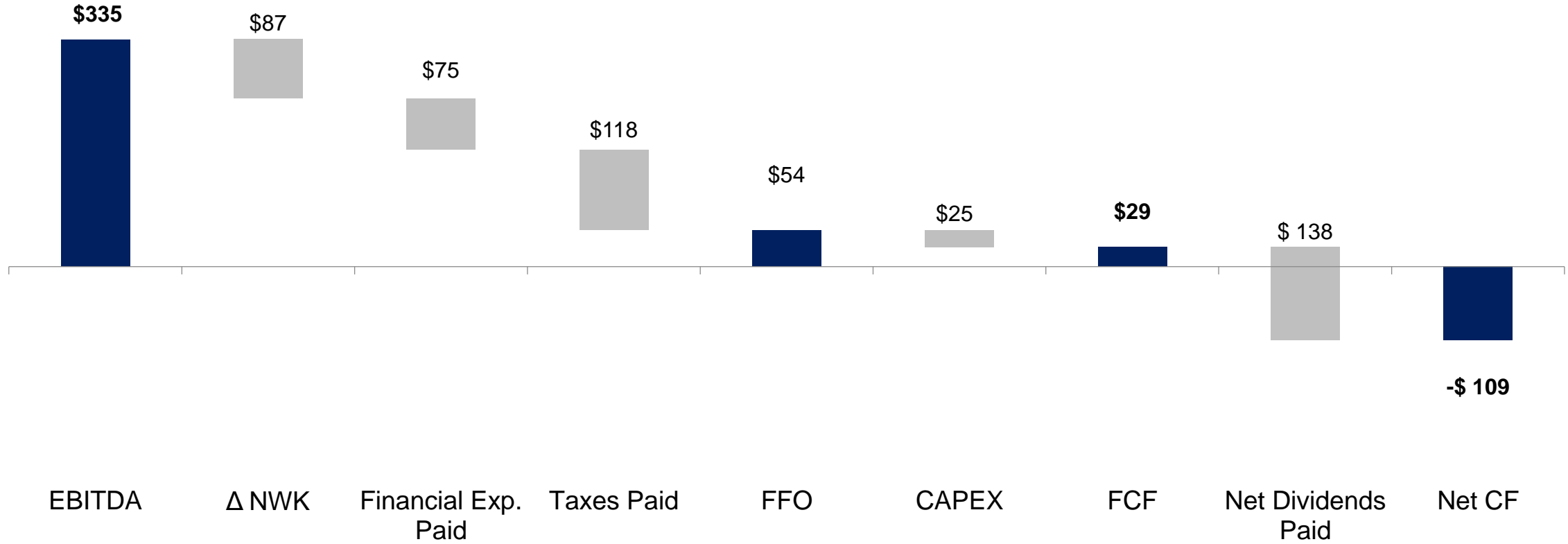
<b>1H 2016</b>	<b>595</b>	<b>-75</b>	<b>518</b>	<b>-100</b>	<b>-172</b>	<b>241</b>
<b>Change YoY</b>	<b>0.2%</b>	<b>16.5%</b>	<b>-2.2%</b>	<b>-15.2%</b>	<b>-0.8%</b>	<b>3.9%</b>

1. Comparisons between periods are made using the average USD FX rate as of June 30<sup>st</sup> 2017 equal to \$2.921 COP/USD only for information purposes. Original data in Colombian pesos.



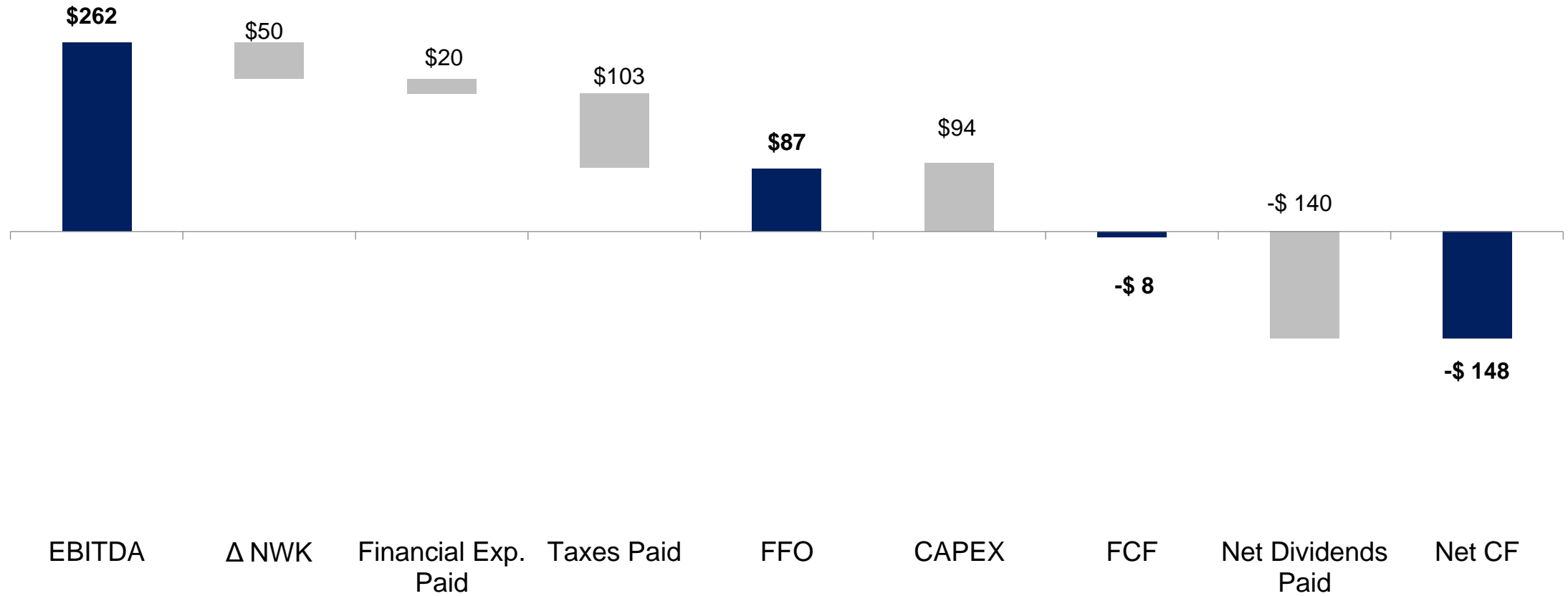
# 1H 2017 results

Emgesa- Cash Flow (US\$ mn)



# 1H 2017 results

Codensa- Cash Flow (US\$ mn)

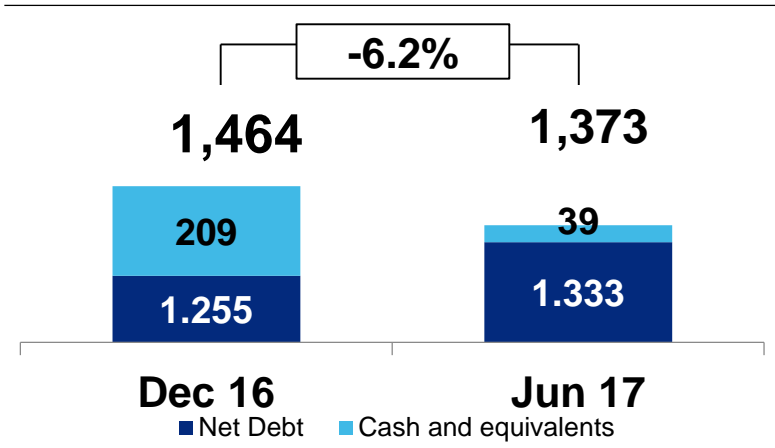


# 1H 2017 results

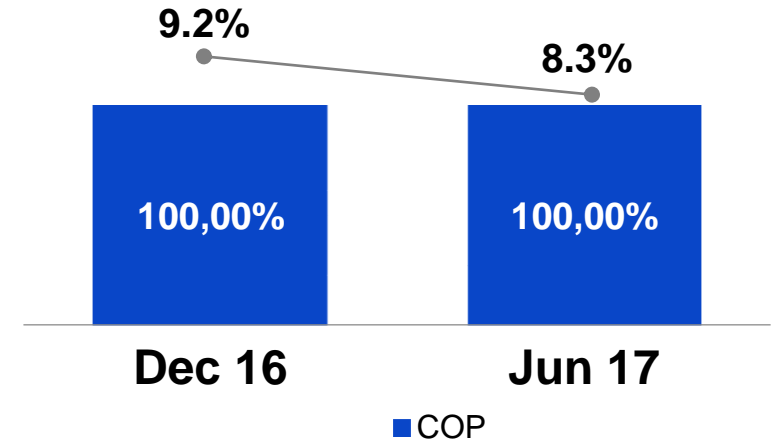
Gross debt breakdown (US\$ mn)

Generation

Gross and Net Debt (US\$ mn)

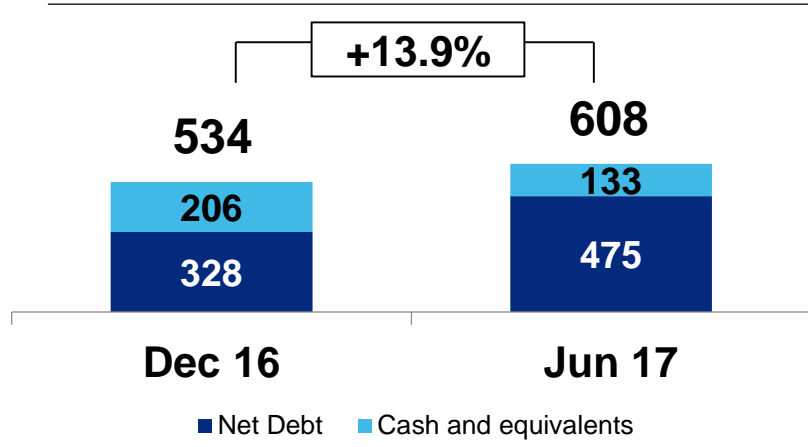


Gross debt breakdown by currency and Average Cost of Debt

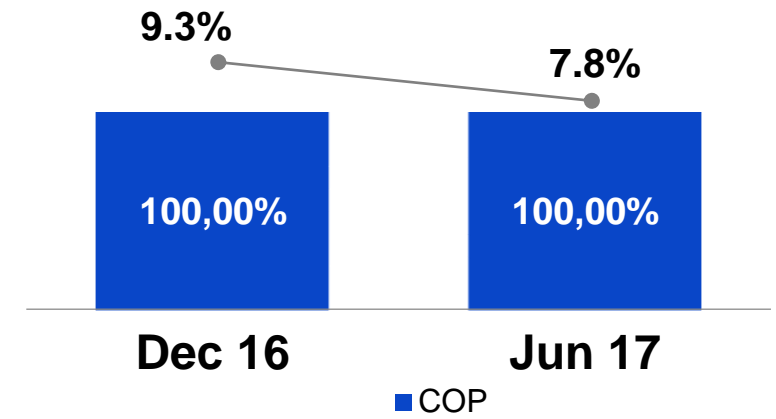


Distribution

Gross and Net Debt (US\$ mn)



Gross debt breakdown by currency and Average Cost of Debt



(1) 100% of principal and interest payments hedged to COP through derivatives

# 1H 2017 results

## Closing Remarks



Grupo Enel

**Dx results showing growth during 1H 2017**, explained mainly by Codensa's incorporation of EEC's market, introduction of cost efficiencies into the absorbed operation, and beginning to show recovery signs in demand growth.

**Operating Margin decreasing in Gx** as a result of a change in hydrology, from El Niño phenomenon in 1H2016 to an above average hydrology in 1H2017, but mitigated at Net Income level thanks to additional operational efficiencies and strong financial expenses reduction.

Important **Capex execution in Colombia totaling US\$ 119 million** largely focused in organic growth, modernization and improvement of quality of service in the Dx business.

**Codensa highlighted as one of the most efficient companies in the country** with one of the lowest costs to users and competitive quality of service

# Investor Relations Team



Grupo Enel



El Reconocimiento Emisores - IR otorgado por la Bolsa de Valores de Colombia S.A. no es una certificación sobre la bondad de los valores inscritos ni sobre la solvencia del emisor

**[IR.Emgesa@enel.com](mailto:IR.Emgesa@enel.com)**  
**[IR.Codensa@enel.com](mailto:IR.Codensa@enel.com)**

**Daniele Caprini**  
CFO

[daniele.caprini@enel.com](mailto:daniele.caprini@enel.com)

**Leonardo Lopez Vergara**  
Finance and Insurance Officer  
[leonardo.lopez@enel.com](mailto:leonardo.lopez@enel.com)

**Carolina Bermúdez Rueda**  
Deputy Finance Officer  
[carolina.bermudez@enel.com](mailto:carolina.bermudez@enel.com)

**Daniel Correa Londoño**  
Head of Investor Relations and Financing  
+57 1 601 6060  
[daniel.correa@enel.com](mailto:daniel.correa@enel.com)

**Alejandra Mendez Chaves**  
Investor Relations and Financing  
+57 1 601 5564  
[alejandra.mendez@enel.com](mailto:alejandra.mendez@enel.com)

**Ana Cristina Garavito Parra**  
Investor Relations and Financing  
+57 1 6016000  
[ana.garavito@enel.com](mailto:ana.garavito@enel.com)

**Cristian Mauricio Gacha**  
Investor Relations and Financing  
+57 1 601 5559  
[cristian.gacha@enel.com](mailto:cristian.gacha@enel.com)

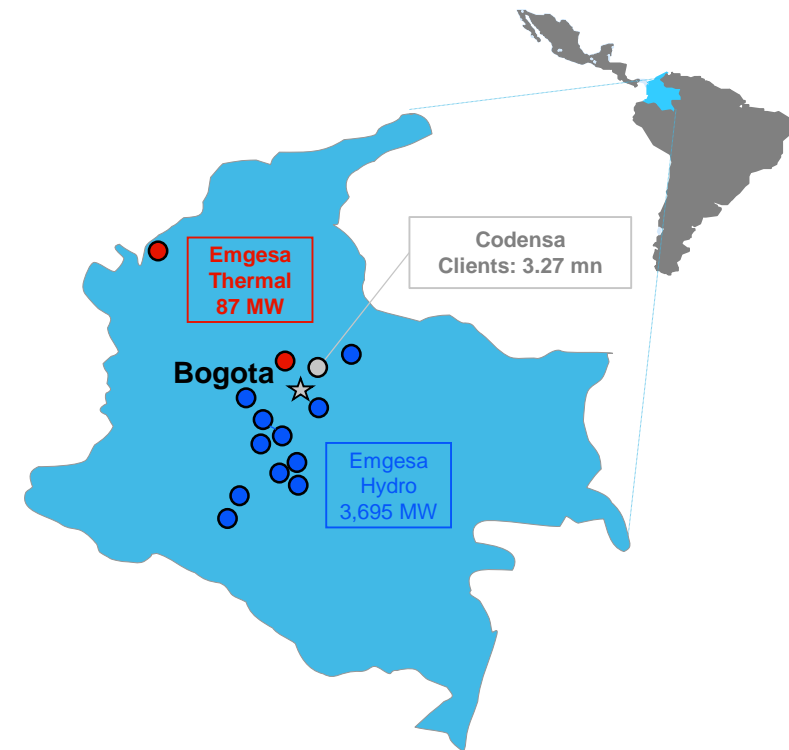


# Exhibits

# 1H 2017 results

Snapshot of Operating and Financial results (US\$ mn) <sup>(1)</sup>

	Generation			Distribution			Total		
	jun-16	jun-17	%	jun-16	jun-17	%	jun-16	jun-17	%
	Revenues	\$ 671	\$ 550	-18,0%	\$ 689	\$ 760	10,4%	\$ 1.360	\$ 1.311
EBITDA	\$ 365	\$ 335	-8,1%	\$ 231	\$ 261	13,2%	\$ 595	\$ 596	0,2%
CAPEX	\$ 22	\$ 25	12,7%	\$ 102	\$ 94	-7,9%	\$ 124	\$ 119	-4,3%
Net Production (GWh)	7.191	7.445	3,5%	-	-	-	7.191	7.445	3,5%
Energy Sales (GWh)	8.701	8.689	-0,1%	7.273	7.385	1,5%	15.974	16.074	0,6%
Clients (mn)	-	-	-	3,20	3,29	2,8%	3,20	3,29	2,8%

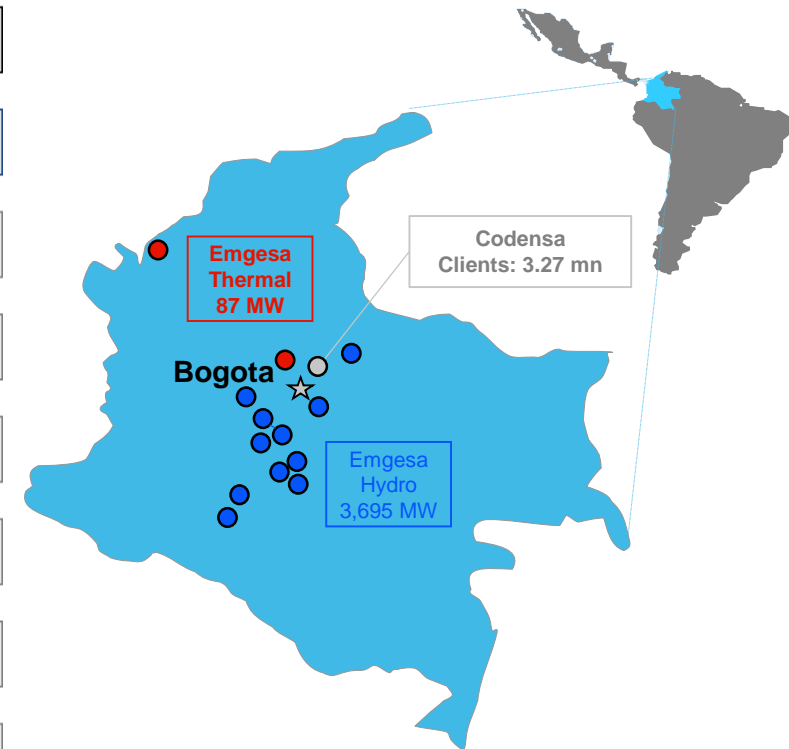


(1) The average exchange rate for the period January-June 2017 was \$2.921 COP/USD

# 2Q 2017 results

Snapshot of Operating and Financial results (US\$ mn) <sup>(1)</sup>

	Generation			Distribution			Total		
	2Q-2016	2Q-2017	%	2Q-2016	2Q-2017	%	2Q-2016	2Q-2017	%
Revenues	\$ 293	\$ 278	-5,2%	\$ 341	\$ 383	12,2%	\$ 634	\$ 661	4,2%
EBITDA	\$ 180	\$ 172	-4,3%	\$ 125	\$ 134	7,4%	\$ 305	\$ 306	0,5%
CAPEX	\$ 15	\$ 12	-20,4%	\$ 59	\$ 49	-16,0%	\$ 73	\$ 61	-16,9%
Net Production (GWh)	3.920	3.663	-6,6%	-	-	-	3.920	3.663	-6,6%
Energy Sales (GWh)	4.588	4.446	-3,1%	3.527	3.719	5,4%	8.115	8.165	0,6%
Clients (mn)	-	-	-	3,20	3,29	2,8%	3,20	3,29	2,8%

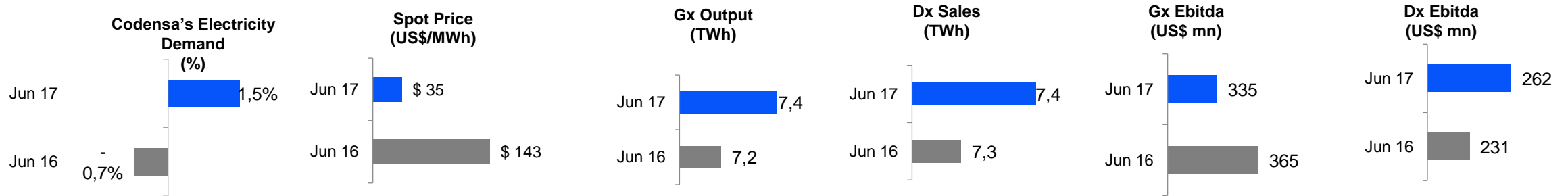


(1) The average exchange rate for the period January-June 2017 was \$2.921 COP/USD



# Operating Exhibits 1H 2017

## Business context



	GW	Hydro	Oil-Gas/ Coal	Total Capacity	Jan-Jun/17
Guavio		1.260			2.339
Pagua		600			1.661
Cartagena			187		33
Termozipa			224		86
Minor/ Run of the river		242			722
Betania		540			1.504
Quimbo		396			1.100
<b>Total</b>		<b>3.038</b>	<b>411</b>	<b>3.449</b>	<b>7.445</b>

# Financial Exhibits 1H 2017

Debt structure, liquidity and credit profile- Emgesa + Codensa

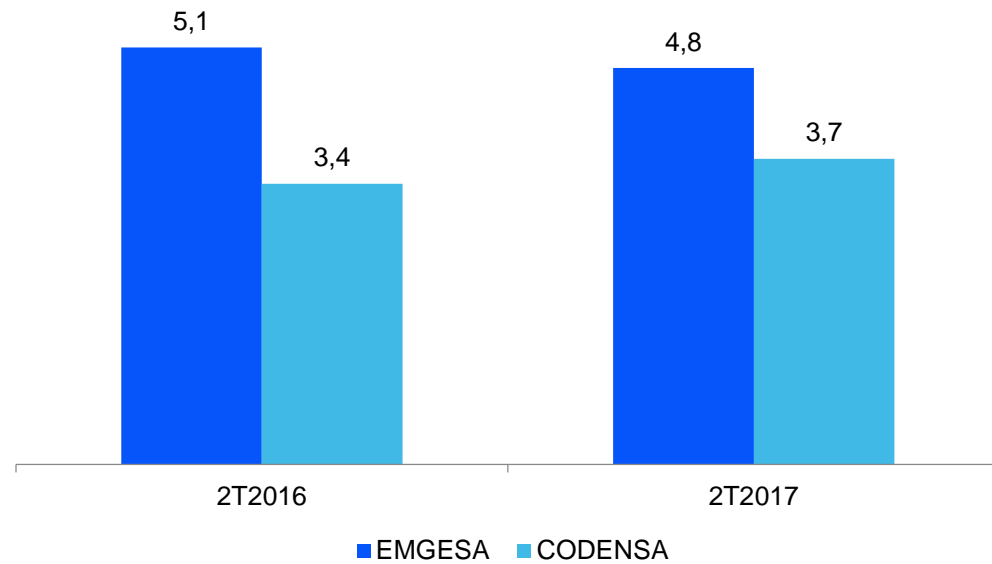
Liquidity (US\$MN)	Amount	Outstanding	Available
Committed credit lines	0	0	0
Cash and cash equivalents	39	0	0
Uncommitted lines	1.775	472	1.303
<b>Total Liquidity</b>	<b>1.814</b>	<b>472</b>	<b>1.303</b>

Company	Credit Profile as of June 2017	S&P	Fitch
Emgesa	LT international debt	BBB	BBB
	LT local debt	-	AAA(cl)
	Outlook (Int'l)	Negative	Stable
	Local Bonds Issuances		AAA(cl)
Codensa	LT local debt	-	AAA(cl)
	Local Bonds Issuances		AAA(cl)

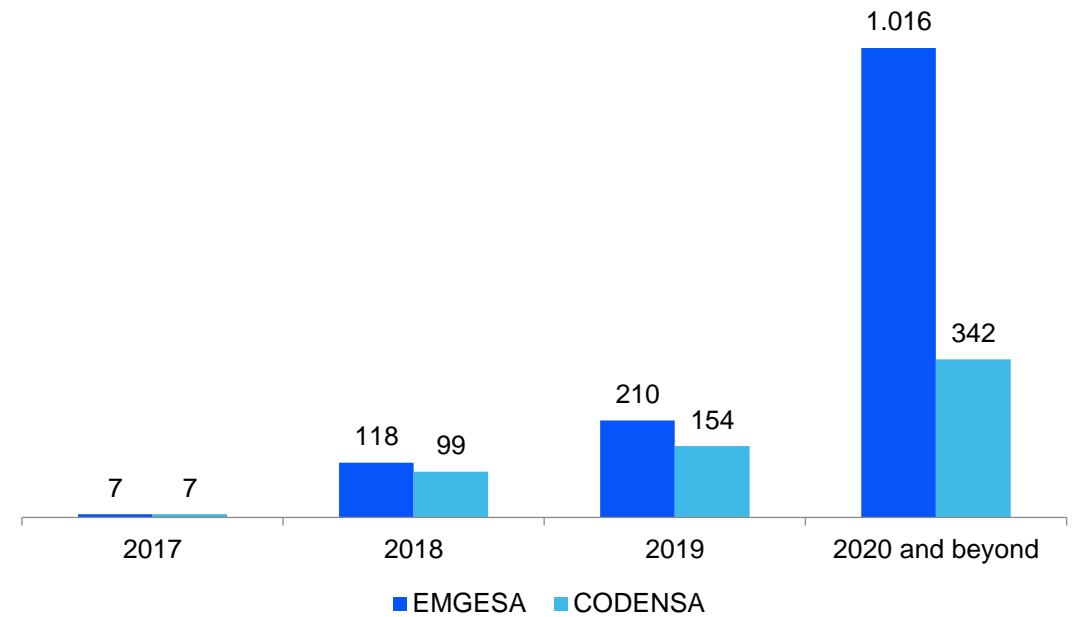
# Financial Exhibits 1H 2017

## Debt maturity

Average residual maturity (years)

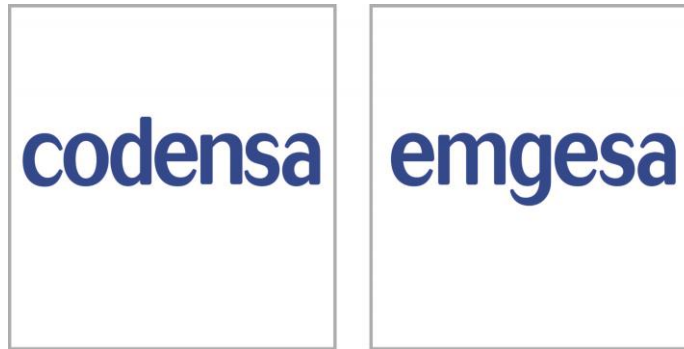


Debt profile (US\$ Mn)





Grupo Enel



Grupo Enel

*“Este documento es propiedad de EMGESA y CODENSA (las “Compañías”) en consecuencia no podrá ser divulgado ni hecho público sin el consentimiento previo y por escrito de las Compañías-*

*Su contenido es meramente informativo por lo que no tiene naturaleza contractual ni puede hacerse uso del mismo como parte de o para interpretar contrato alguno.*

*Las Compañías no asumen ninguna responsabilidad por la información contenida en este documento, ni constituye garantía alguna implícita o explícita sobre la imparcialidad, precisión, plenitud o corrección de la información o de las opiniones y afirmaciones que se recogen. Tampoco asume responsabilidad alguna por los daños y/o pérdidas que pudieran causarse sobre el uso de esta información.*

*Las Compañías no garantizan que las perspectivas contenidas en este documento se cumplirán en sus términos. Tampoco las Compañías ni ninguna de sus filiales tienen la intención de actualizar tales estimaciones, previsiones y objetivos que pudieran derivarse de este documento excepto que otra cosa sea requerida por ley”.*