



FY 2017 Results Emgesa and Codensa

February 27th, 2018



Grupo Enel

Disclaimer



IFRS adoption

- 1. Financial statement figures shown in this presentation as of December 31st, 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 2017 (\$2.951,32 COP/USD) to convert all P&L, prices and cash flow figures, including those of previous periods, and the Fx rate as of December 31st, 2017 (\$2.984 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.*

FY 2017 results

Highlights of the period



Aggregated Net Income at December 2017 of USD\$512 MM, up by 16,5% (Gx:+17.7% and Dx:+14.8%) reflecting EEC merger into Codensa since October 2016, successful commercial strategy in the Gx business and reduction in financial expenses

Total Capex execution in Colombia of US\$ 346 million reaching an historical milestone in investments for the distribution business

Emgesa's maintained its international credit rating at "BBB", with a **stable outlook** keeping its credit rating above the sovereign

FY 2017 results

Regulation Update - Colombia

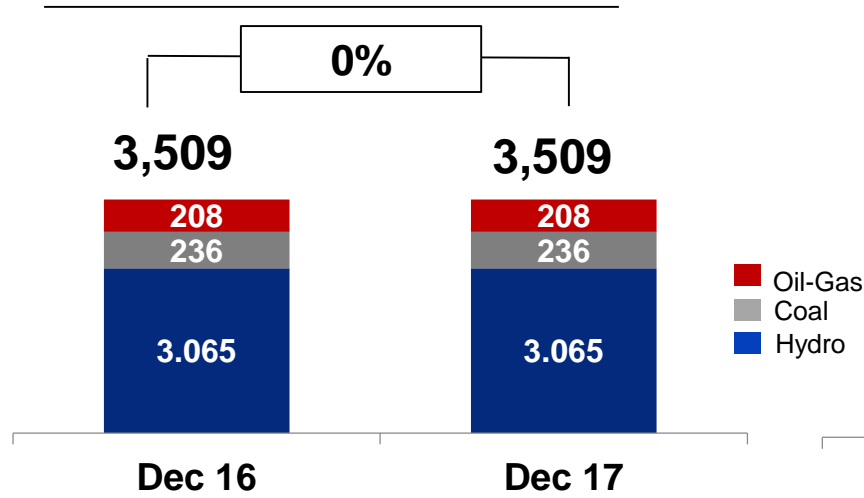
<p>Distribution</p>	<ul style="list-style-type: none"> ▪ Res. CREG 015/2018 – Final Remuneration Methodology for Dx <ul style="list-style-type: none"> ✓ Defines the final remuneration methodology for distribution business for the next regulatory period which determines income for distribution companies such as Codensa ▪ Res. CREG 016/2018 – WACC for Distribution remuneration <ul style="list-style-type: none"> ✓ Establishes the rate of return (WACC) for the distribution activity in the National Interconnected System, under the new regulatory cycle. ▪ Res. 40072 Ministry of Mines and Energy – Advanced metering <ul style="list-style-type: none"> ✓ Determines the criteria for smart meters installation in order to reduce costs and achieve greater efficiencies in the electric sector in Colombia
<p>Generation</p>	<ul style="list-style-type: none"> ▪ Draft Ministry of Energy and Mines. Long Term Contract for energy projects with non-conventional renewable sources <ul style="list-style-type: none"> ✓ Establishes public policy guidelines to define and implement a mechanism that promotes long-term contracting for energy generation projects with renewable unconventional sources
<p>Generation & Distribution</p>	<ul style="list-style-type: none"> ▪ Cir. CREG 079/2017 –Anonymous and Standardized Contracts Market <ul style="list-style-type: none"> ✓ Proposes the creation of an Anonymous and Standardized Contracts Market (MAE) aimed at the efficient formation of energy prices for final users

FY 2017 results

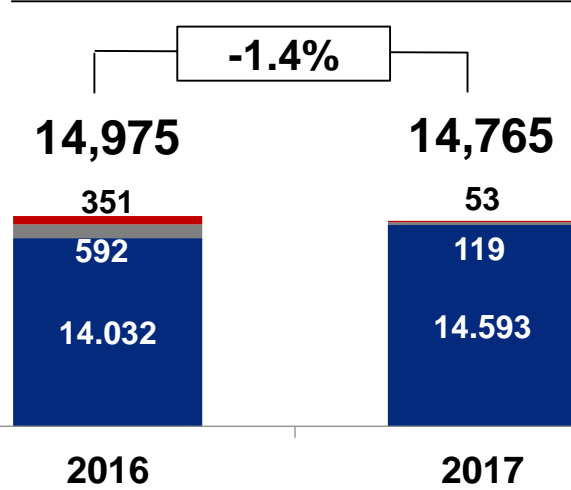
Operating Highlights

Generation

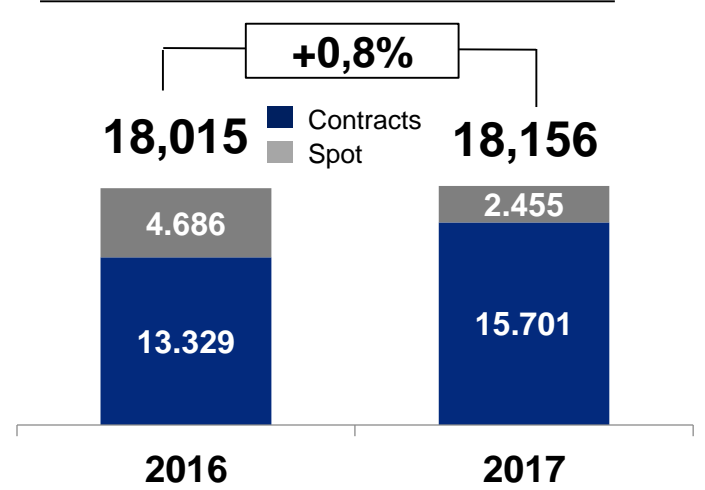
Installed capacity (MW)



Net Production (GWh)

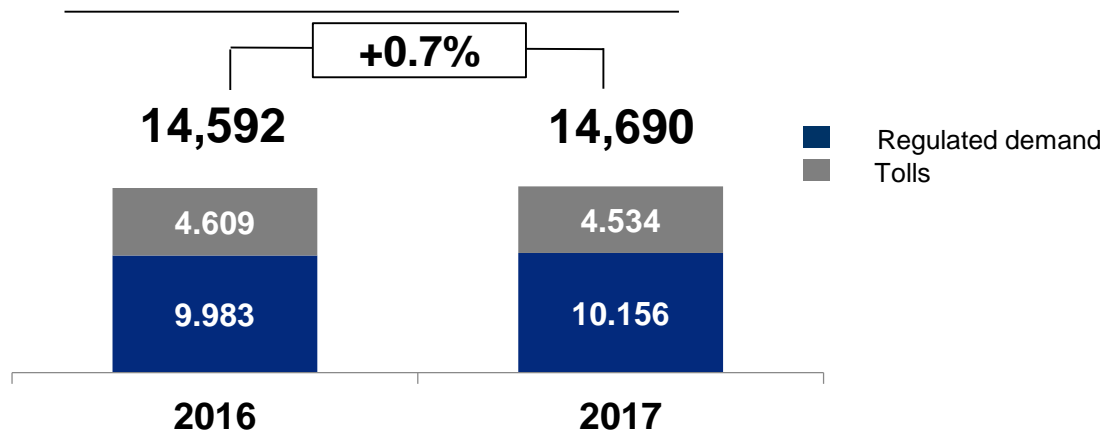


Electricity Sales (GWh)

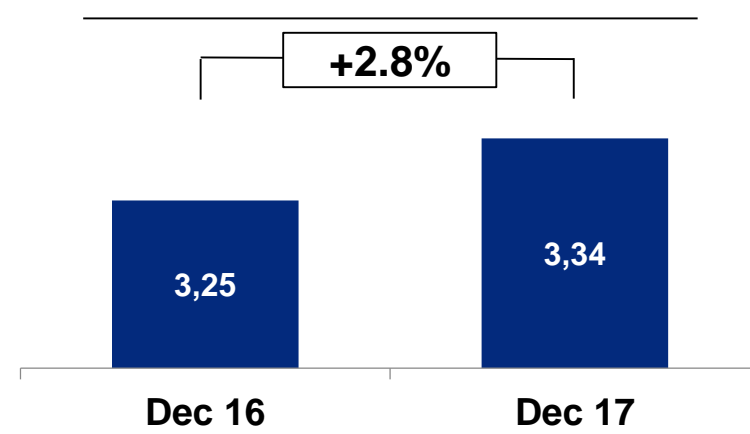


Distribution

Electricity Distributed (GWh)



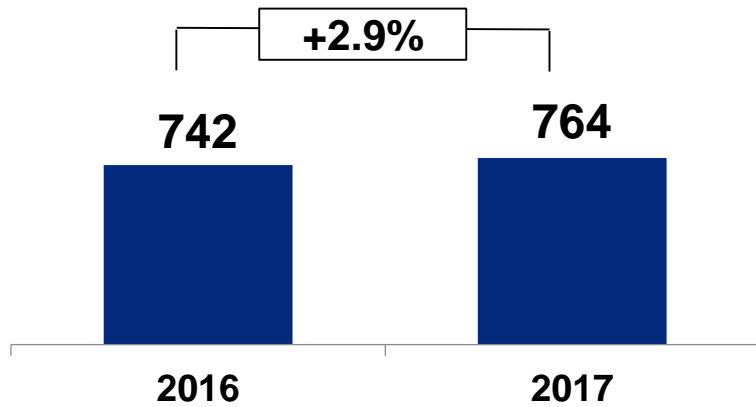
Number of Customers (Mn)



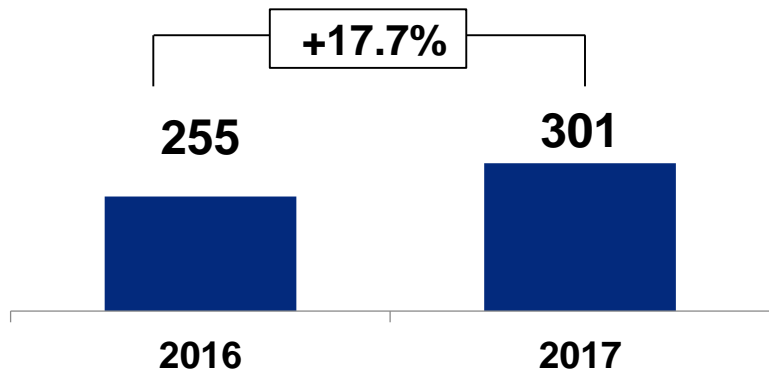
FY 2017 results

Gx: Emgesa's Financial highlights (US\$ mn¹)

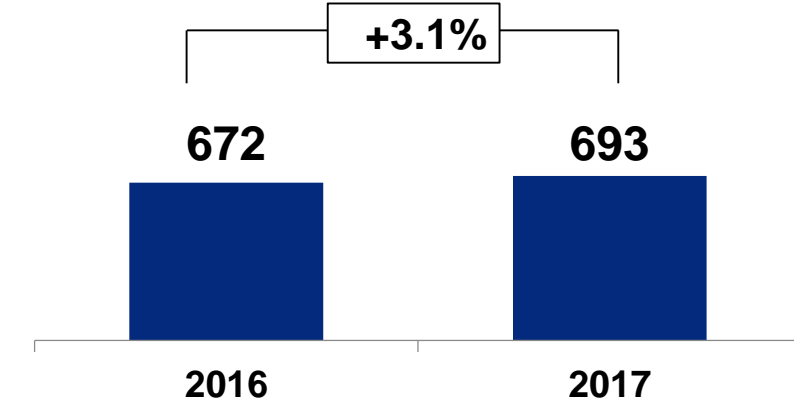
Gross Margin



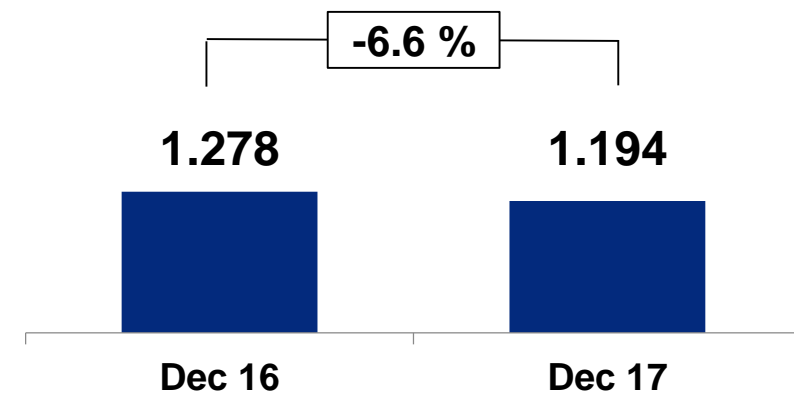
Net Income



EBITDA



Net Debt²

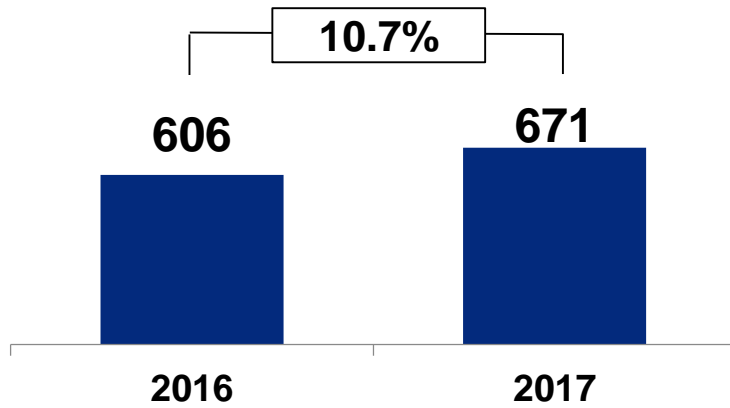


1. The average exchange rate for 2017 was \$ 2.951,32 COP/USD and the exchange rate as of December 31st,2017 was 2.984 COP/USD
 2. Comparisons between periods are made based on figures in Colombian pesos.

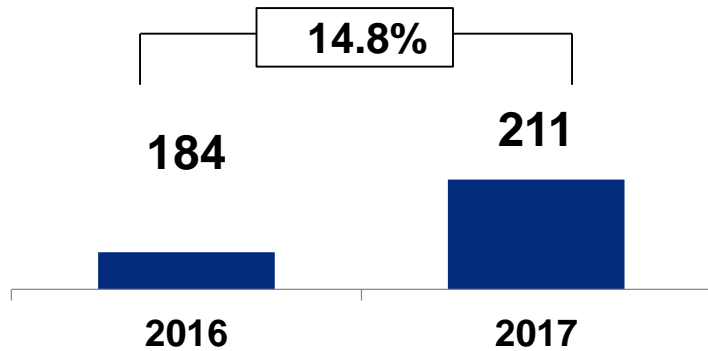
FY 2017 results

Dx: Codensa's Financial highlights (US\$ mn¹)

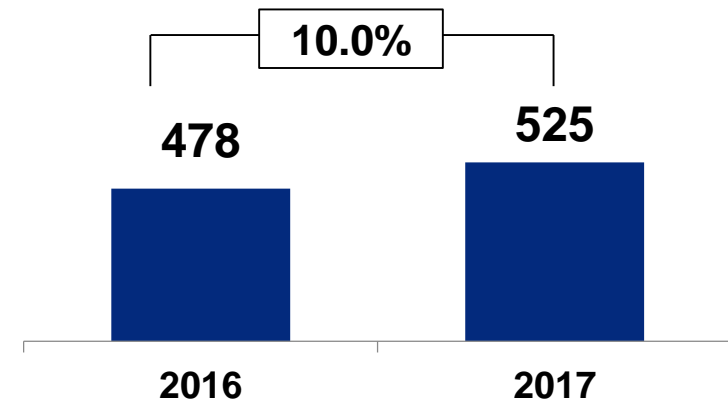
Gross Margin



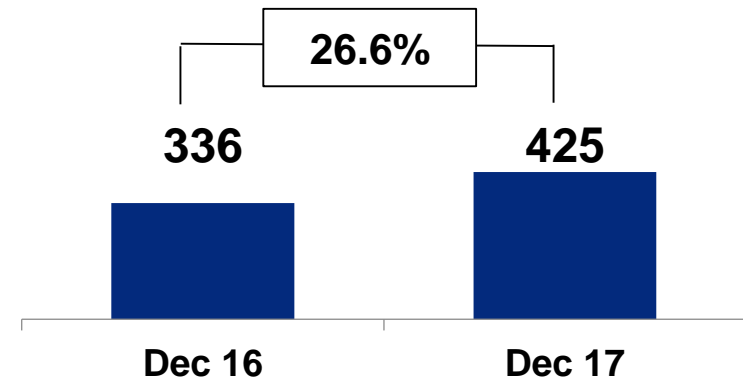
Net Income



EBITDA



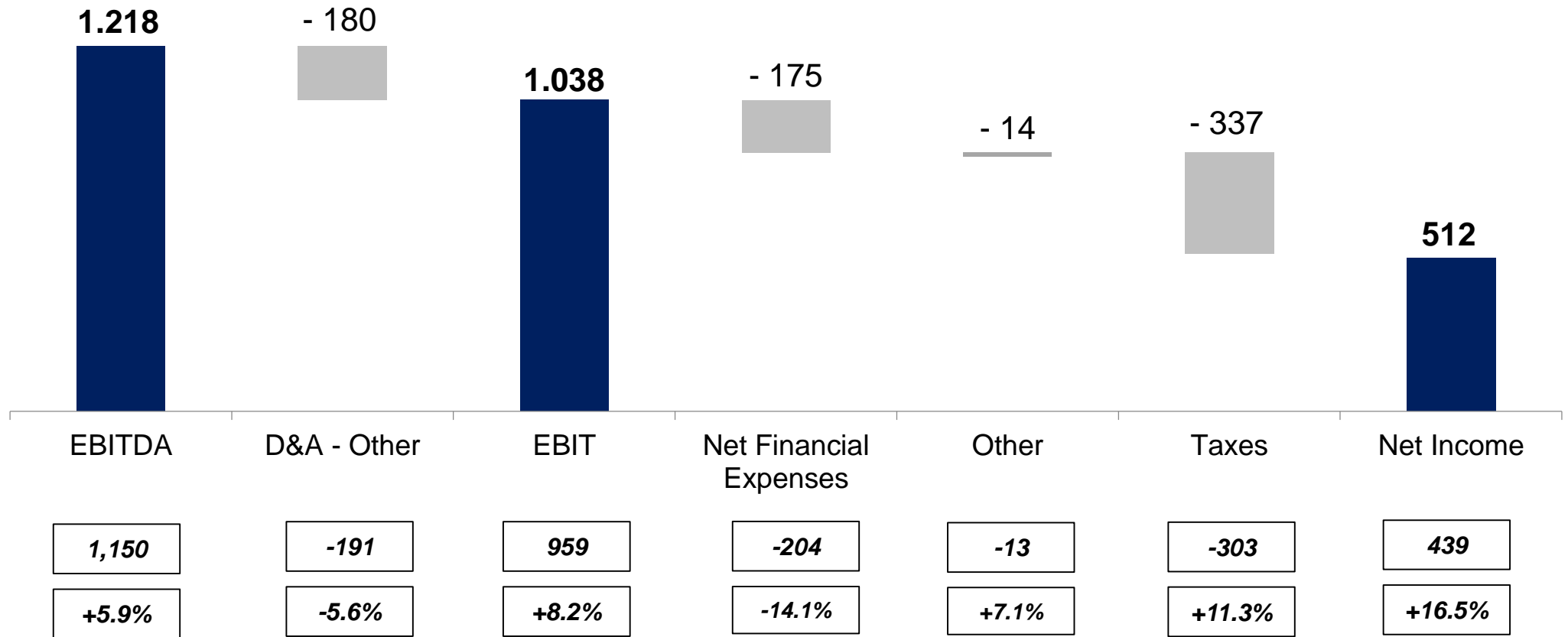
Net Debt²



1. The average exchange rate for 2017 was \$2.951,32 COP/USD and the exchange rate as of December 31st,2017 was 2.984 COP/USD
 2. Comparisons between periods are made based on figures in Colombian pesos.

FY 2017 results

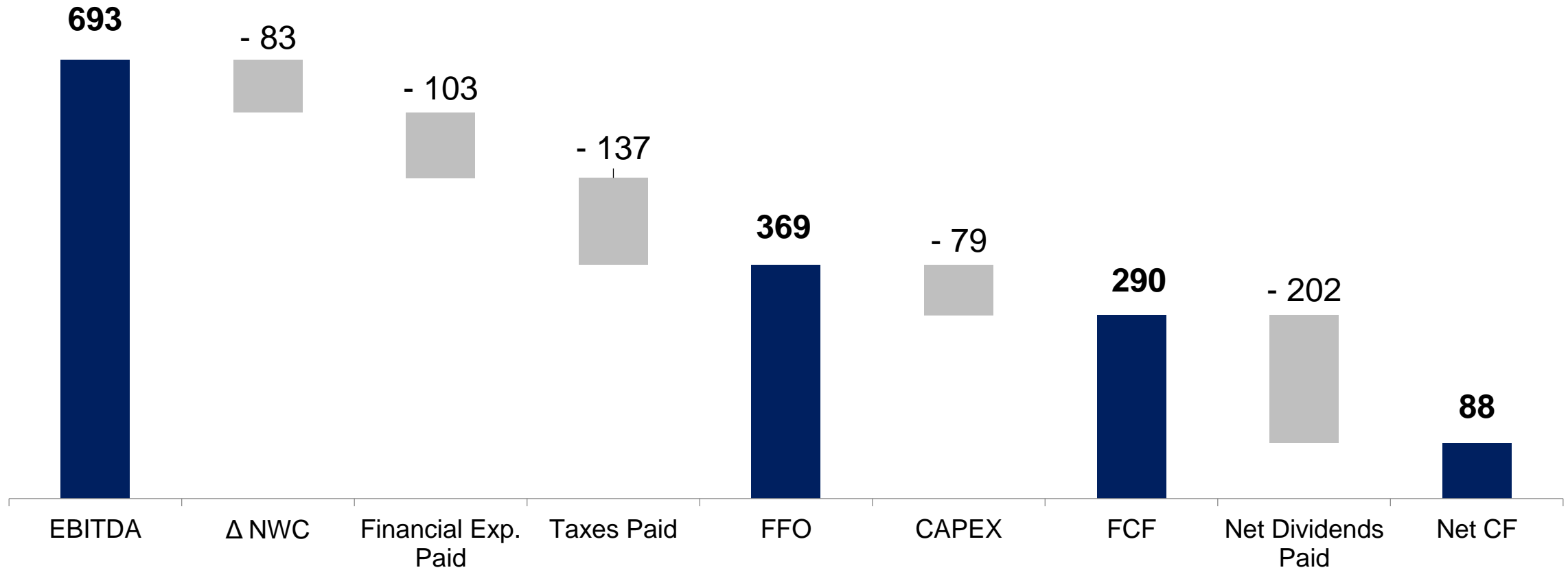
Colombia- From EBITDA to Net Income (US\$ mn¹)



1. Comparisons between periods are made using the average USD FX rate as of December 31st 2017 equal to \$ 2.951,32 COP/USD only for information purposes. Original data in Colombian pesos.

FY 2017 results

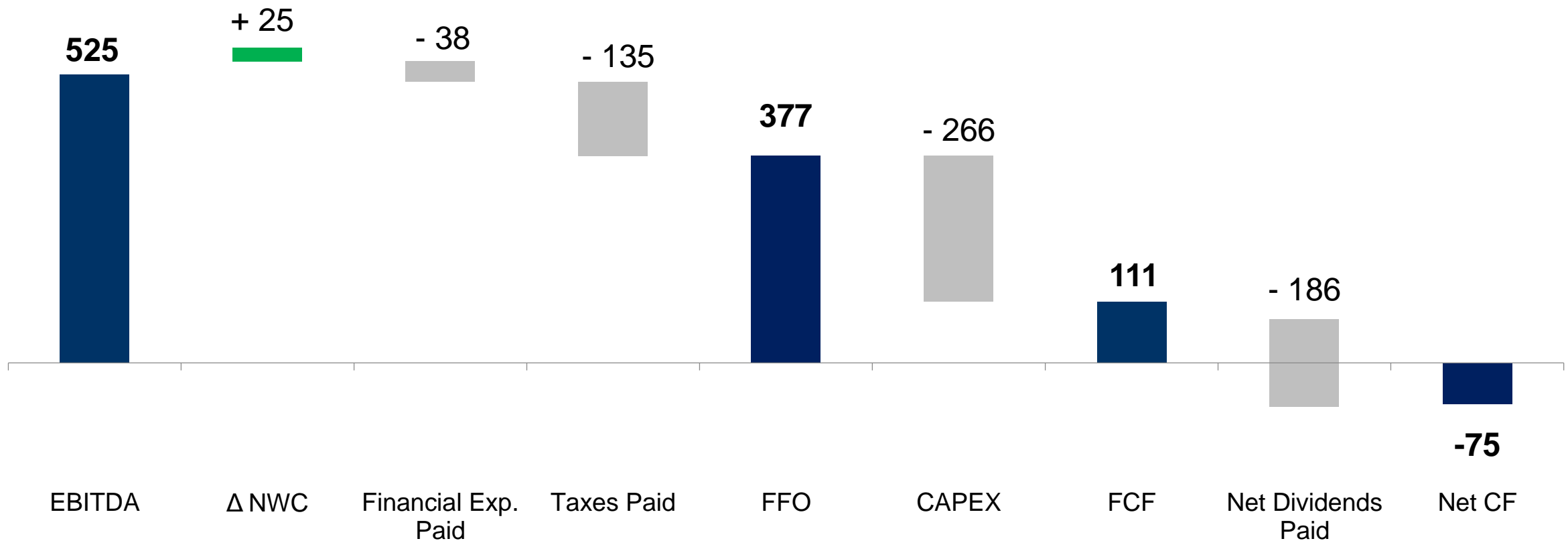
Emgesa- Cash Flow (US\$ mn)



Figures presented correspond to accrual-basis accounting

FY 2017 results

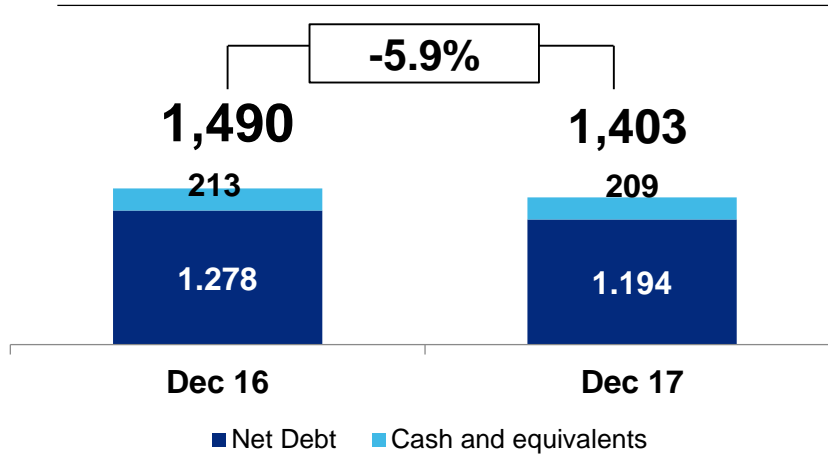
Codensa- Cash Flow (US\$ mn)



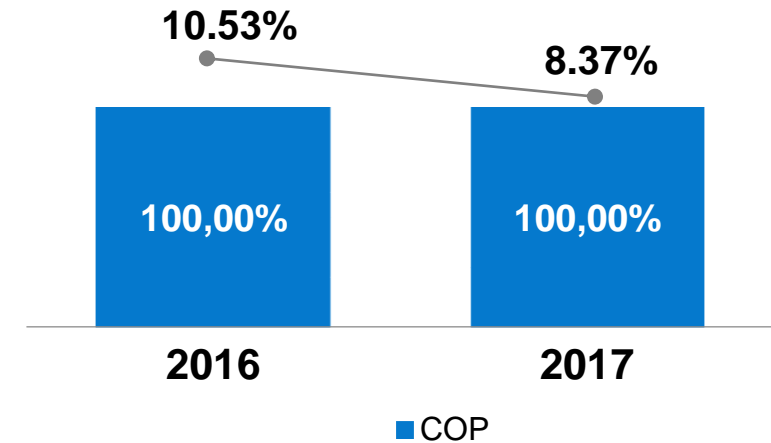
FY 2017 results

Gross debt breakdown (US\$ mn)

Gross and Net Debt (US\$ mn)

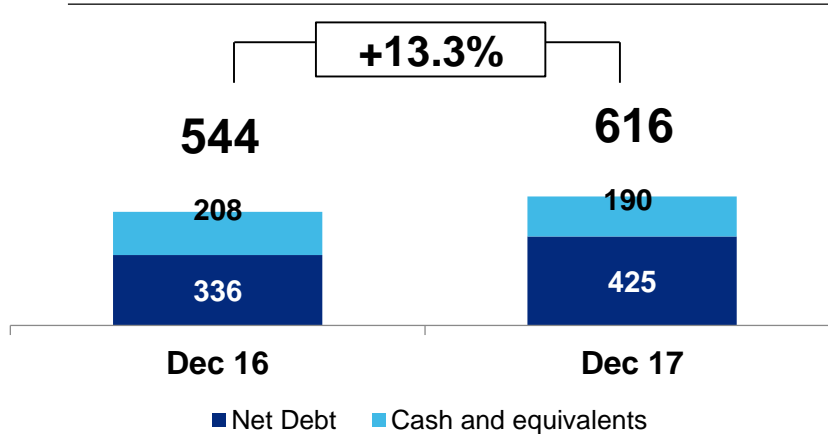


Gross debt breakdown by currency and Average Cost of Debt⁽¹⁾

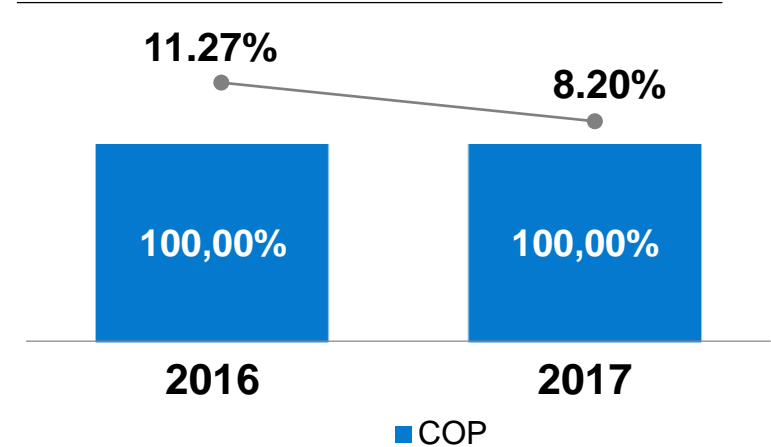


Generation

Gross and Net Debt (US\$ mn)



Gross debt breakdown by currency and Average Cost of Debt⁽¹⁾



Distribution

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

FY 2017 results

Closing Remarks



Positive results for both Dx and Gx businesses in Colombia supported by the consolidation of the EEC market, flexible commercial strategy in the Gx business and financial efficiency

Total **Capex execution in Colombia of US\$ 346 million** focused in improving quality of service in the Dx business and network modernization

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

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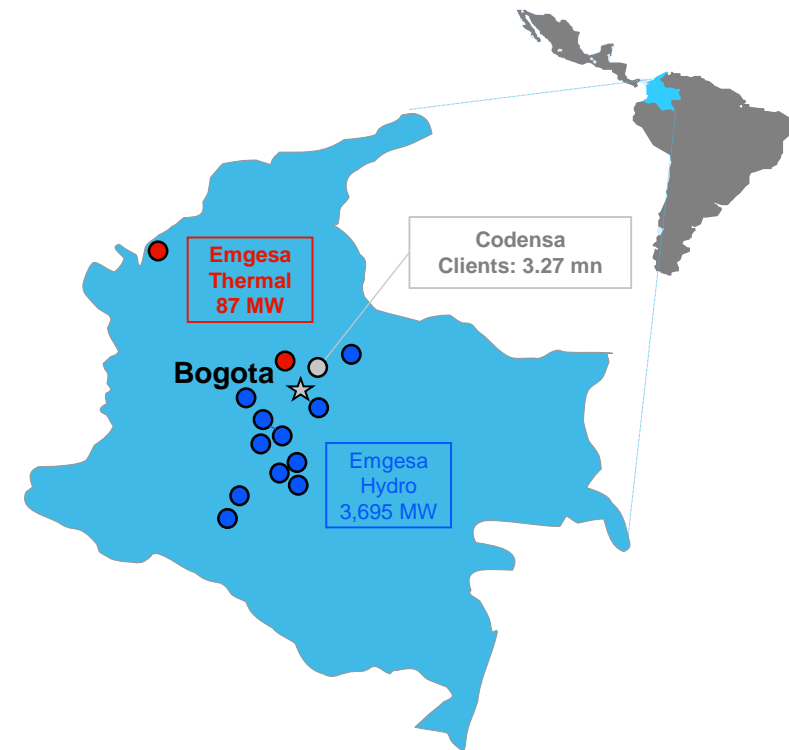


Exhibits

FY 2017 results

Snapshot of Operating and Financial results (US\$ mn) ⁽¹⁾

	Generation			Distribution			Total		
	dic-16	dic-17	%	dic-16	dic-17	%	dic-16	dic-17	%
Revenues	\$ 1.191	\$ 1.161	-2,5%	\$ 1.420	\$ 1.544	8,8%	\$ 2.610	\$ 2.704	3,6%
EBITDA	\$ 672	\$ 693	3,1%	\$ 478	\$ 525	10,0%	\$ 1.150	\$ 1.218	5,9%
CAPEX	\$ 87	\$ 79	-9,2%	\$ 218	\$ 266	22,2%	\$ 306	\$ 346	13,2%
Net Production (GWh)	14.975	14.765	-1,4%	-	-	-	14.975	14.765	-1,4%
Energy Sales (GWh)	18.015	18.156	0,8%	15.069	15.013	-0,4%	33.084	33.169	0,3%
Clients (mn)	-	-	-	3,25	3,34	2,8%	3,25	3,34	2,8%

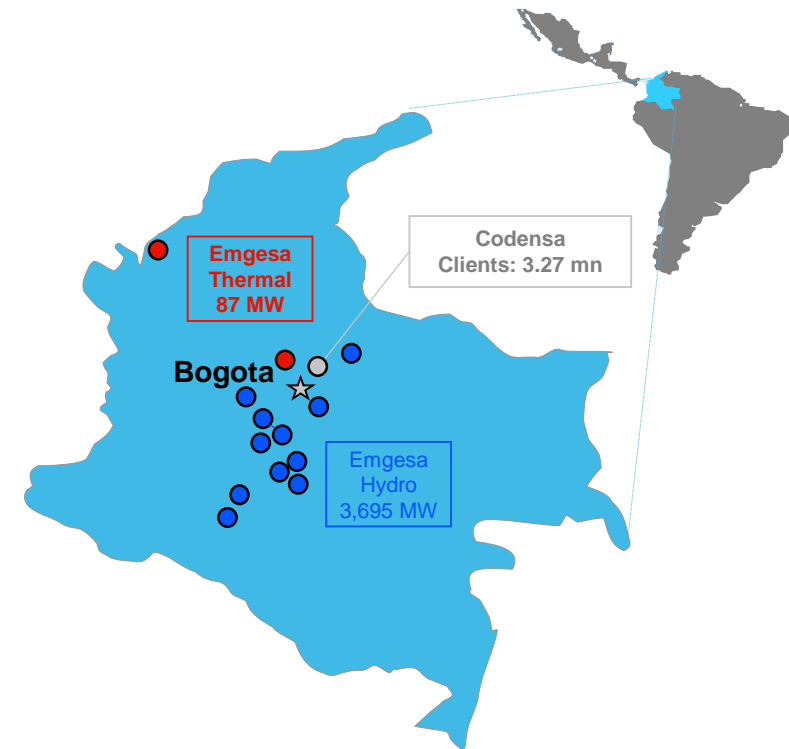


(1) The average exchange rate for the period January-December 2017 was \$2.951,32 COP/USD

4Q 2017 results

Snapshot of Operating and Financial results (US\$ mn) ⁽¹⁾

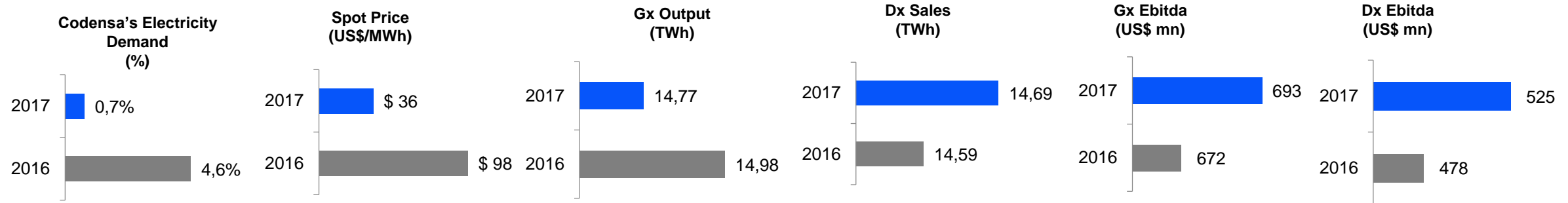
	Generation			Distribution			Total		
	4Q-2016	4Q-2017	%	4Q-2016	4Q-2017	%	4Q-2016	4Q-2017	%
Revenues	\$ 248	\$ 298	20,3%	\$ 390	\$ 400	2,6%	\$ 638	\$ 698	9,5%
EBITDA	\$ 144	\$ 171	18,5%	\$ 132	\$ 134	1,1%	\$ 276	\$ 305	10,2%
CAPEX	\$ 47	\$ 40	-15,0%	\$ 72	\$ 109	51,6%	\$ 119	\$ 149	25,2%
Net Production (GWh)	3.545	3.375	-4,8%	-	-	-	3.545	3.375	-4,8%
Energy Sales (GWh)	4.190	4.521	7,9%	3.077	2.595	-15,7%	7.267	7.116	-2,1%
Clients (mn)	-	-	-	3,25	3,34	2,8%	3,25	3,34	2,8%



(1) The average exchange rate for the period October-December 2017 was \$2.986,03 COP/USD

Operating Exhibits FY 2017

Business context



GW	Hydro	Oil-Gas/ Coal	Total Net Capacity	2017
Guavio	1.278			5.121
Pagua	600			3.062
Cartagena		187		53
Termozipa		224		119
Minor/ Run of the river	242			1598
Betania	540			2.621
Quimbo	396			2.191
Total	3.056	411	3.467	14.765

Financial Exhibits FY 2017

Debt structure, liquidity and credit profile- Emgesa + Codensa

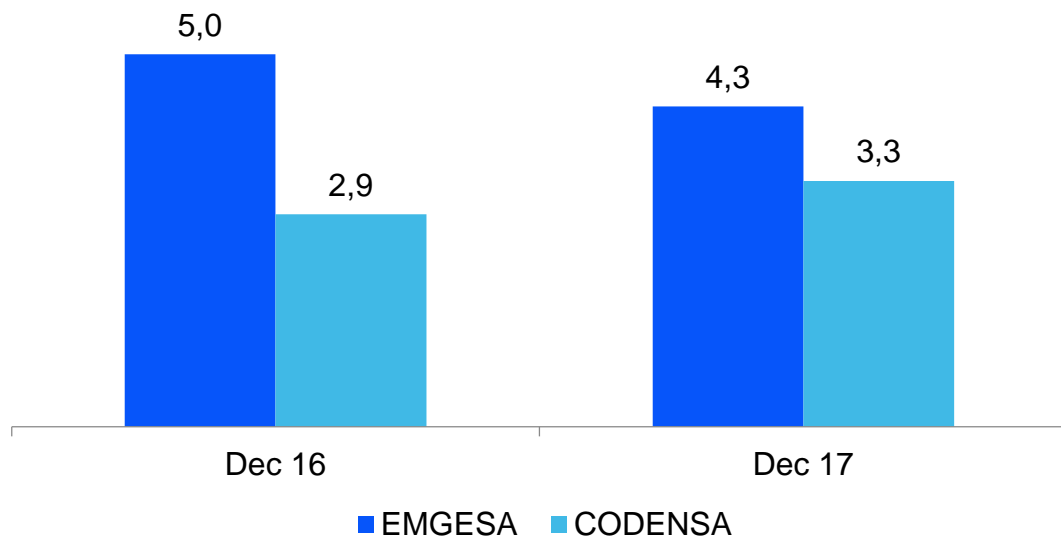
Liquidity (US\$MN)	Amount	Outstanding	Available
Committed credit lines	0	0	0
Cash and cash equivalents	317	0	0
Uncommitted lines	1.836	445	1.391
Total Liquidity	2.153	445	1.391

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

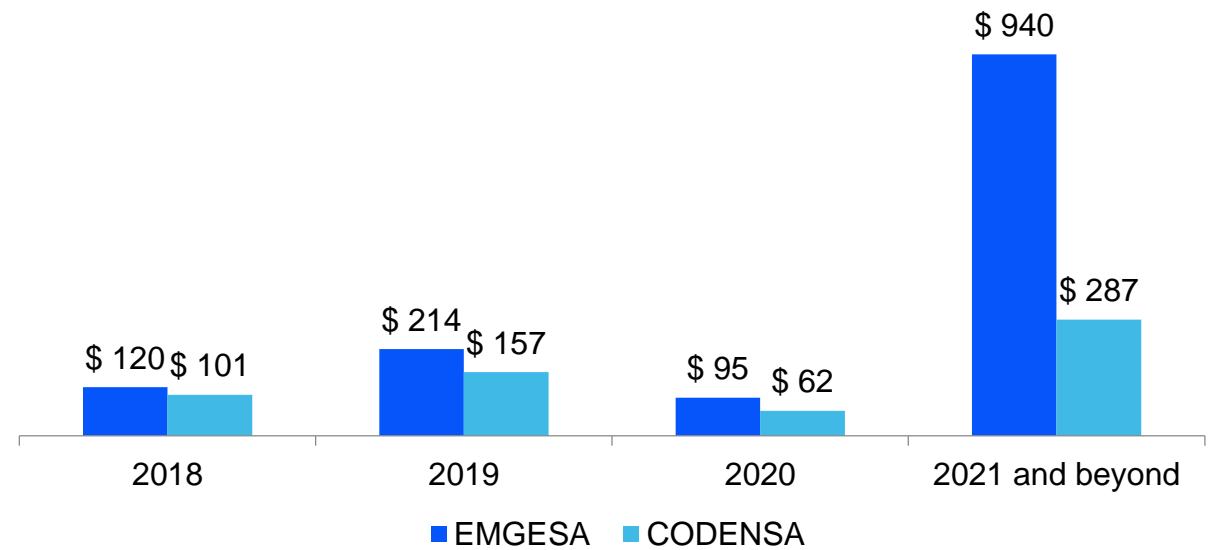
Financial Exhibits FY 2017

Debt maturity

Average residual maturity (years)

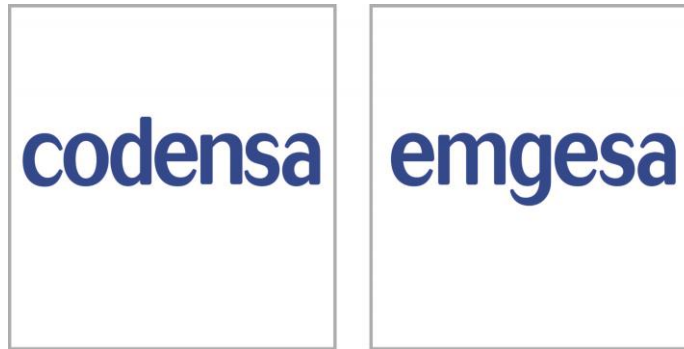


Debt profile (US\$ Mn)





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