



# 1Q 2018 Results Emgesa and Codensa

April 27<sup>th</sup>, 2018



Grupo Enel

## Disclaimer



## IFRS adoption

- 1. Financial statement figures shown in this presentation as of March 31<sup>st</sup>, 2018 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 used the average Fx rate for the period January-March 2018 (\$2.858,87 COP/USD) to convert all P&L, prices and cash flow figures, including those of previous periods, and the Fx rate as of March 31<sup>st</sup>, 2018 (\$2.780,47 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.*

# 1Q 2018 results

Highlights of the period



Grupo Enel

**Results of Enel Group companies in Colombia** during the 1Q2018 showed a **growth in Gx Business EBITDA** of 6,0% to USD\$176 MM and a decrease in Dx EBITDA of 10.4% to USD\$117 MM

**Capex execution in Colombia during the 1Q2018 was US\$48 MM**, beginning the implementation of the Investment Plan in the Distribution business focused on quality of service, telecontrol and new connections.

**Successful local bond placement by Codensa**  
USD\$ 133 equivalent in 7 and 12 year tenors at an average rate of 6,79% in COP.

# 1Q 2018 results

## Regulation Update - Colombia

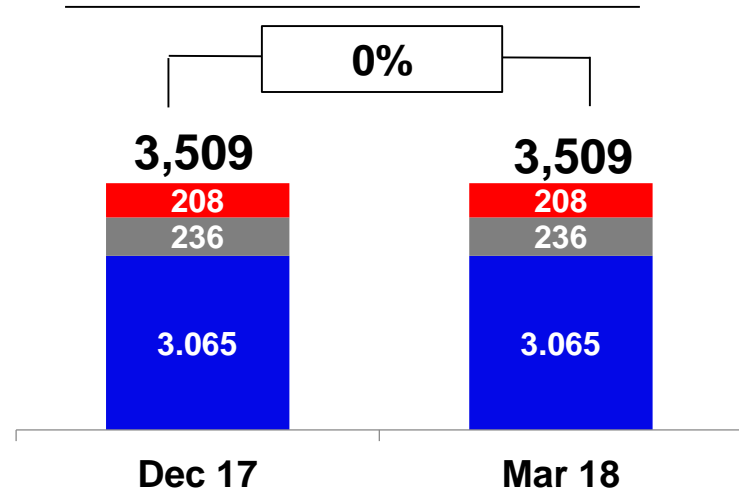
<p><b>Generation</b></p>	<ul style="list-style-type: none"> <li>▪ <b>Decree 570 Ministry of Mines and Energy – Public policy guidelines for long term contracts on energy generation projects</b> <ul style="list-style-type: none"> <li>✓ Defines specific principles to be considered in the definition of the final mechanism to be implemented for long term contracting.</li> </ul> </li> <li>▪ <b>Res. CREG 010/2018 – “Venta en Bloque” tariff</b> <ul style="list-style-type: none"> <li>✓ Defines a new methodology to calculate the tariff of “Venta en Bloque” which is used to calculate transfers to Regional Corporations</li> </ul> </li> </ul>
<p><b>Generation &amp; Distribution</b></p>	<ul style="list-style-type: none"> <li>▪ <b>Res. CREG 030/2018 – Self-generation at small scale and distributed generation</b> <ul style="list-style-type: none"> <li>✓ Determines conditions and parameters to integrate distributed generators and small self-generators to the SIN, as well as technical standards for network availability and commercialization rules.</li> </ul> </li> </ul>
<p><b>Distribution</b></p>	<ul style="list-style-type: none"> <li>▪ <b>Res. CREG 015/2018 – Final Remuneration Methodology for Dx</b> <ul style="list-style-type: none"> <li>✓ Defines the final remuneration methodology for distribution business for the next regulatory period which determines income for distribution companies such as Codensa</li> </ul> </li> <li>▪ <b>Res. CREG 016/2018 – WACC for Distribution remuneration</b> <ul style="list-style-type: none"> <li>✓ Establishes the rate of return (WACC) for the distribution activity in the National Interconnected System, under the new regulatory cycle.</li> </ul> </li> </ul>

# 1Q 2018 results

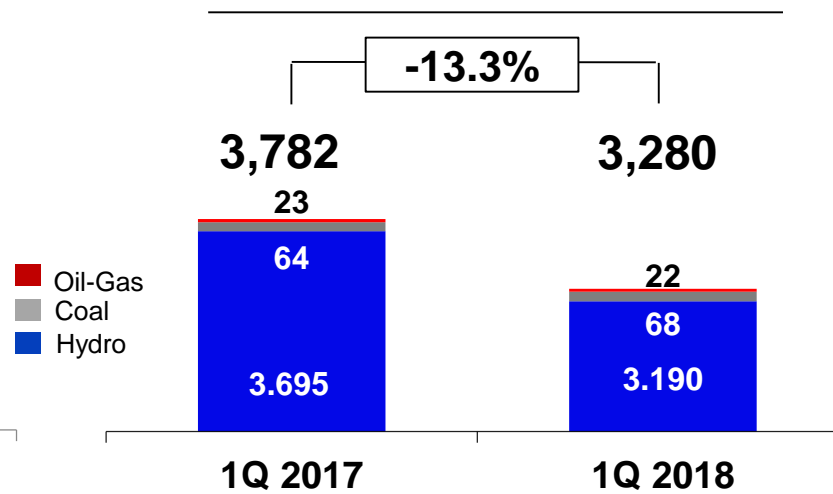
## Operating Highlights

Generation

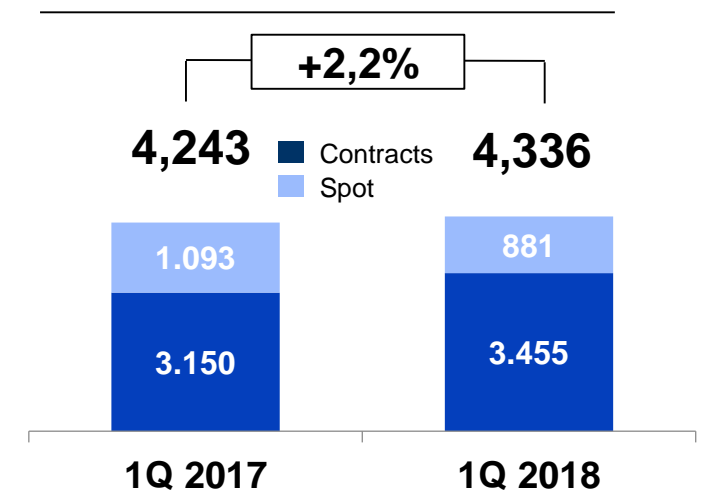
### Installed capacity (MW)



### Net Production (GWh)

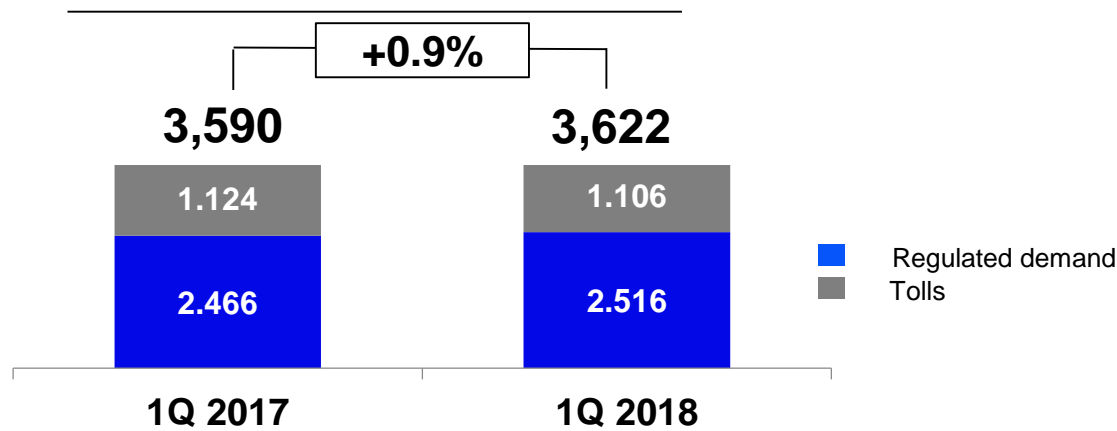


### Electricity Sales (GWh)

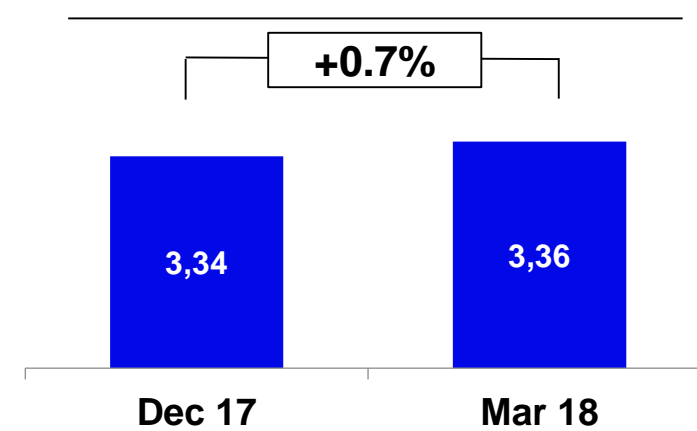


Distribution

### Electricity Distributed (GWh)



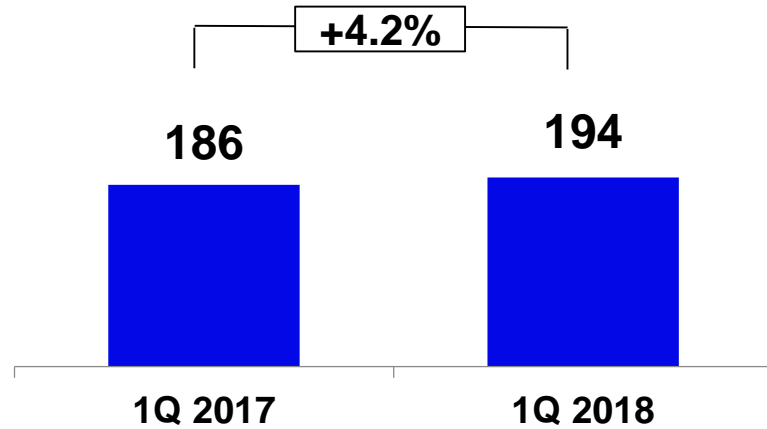
### Number of Customers (Mn)



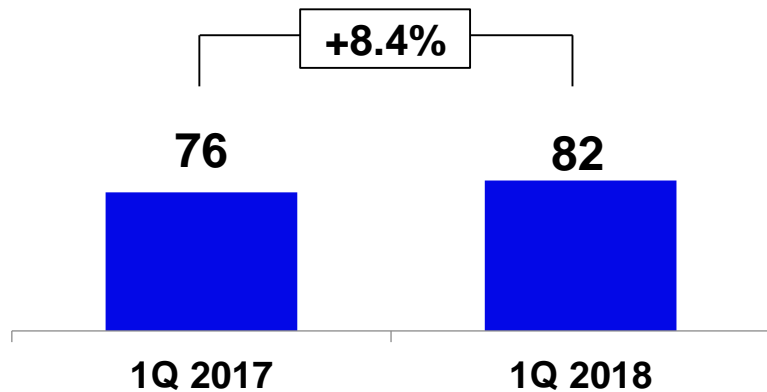
# 1Q 2018 results

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

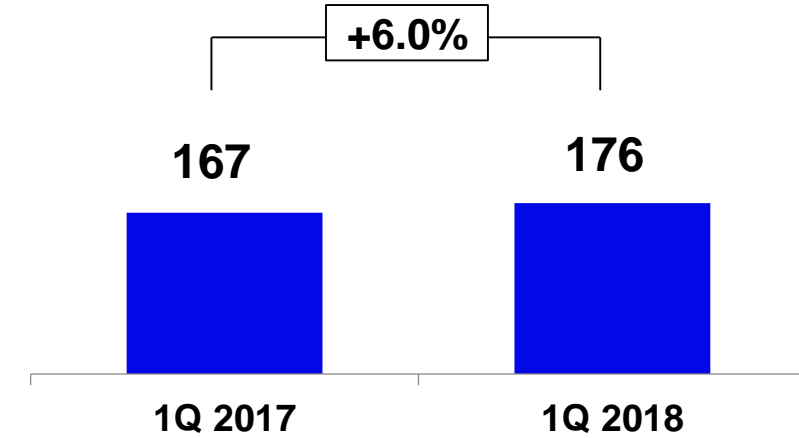
## Gross Margin



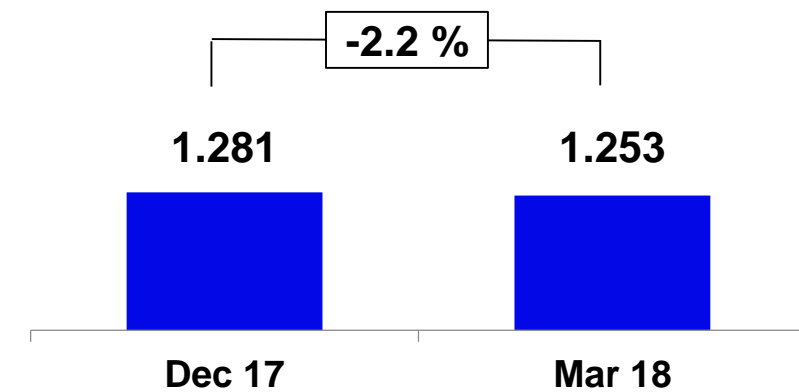
## Net Income



## EBITDA



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

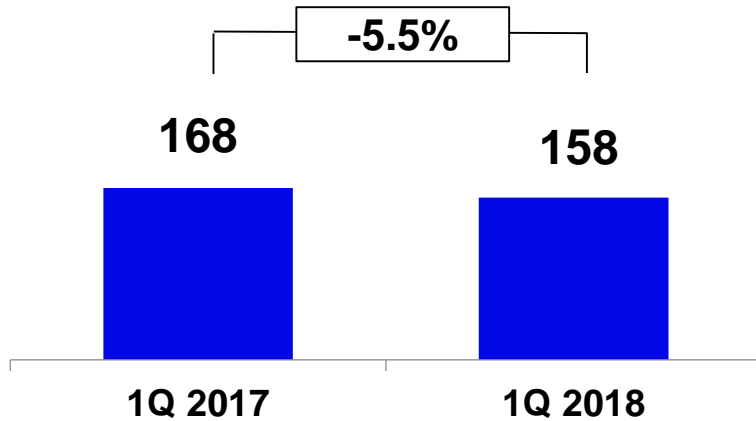


1. The average exchange rate for the period January-March 2018 was \$ 2.858,87 COP/USD and the exchange rate as of March 31<sup>st</sup>,2018 was 2.780,47 COP/USD  
 2. Comparisons between periods are made based on figures in Colombian pesos.

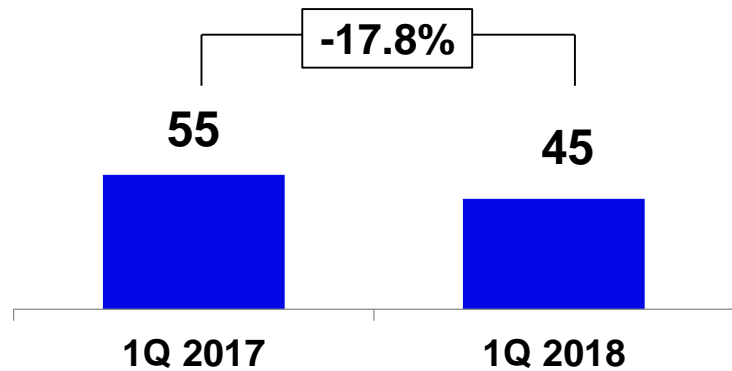
# 1Q 2018 results

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

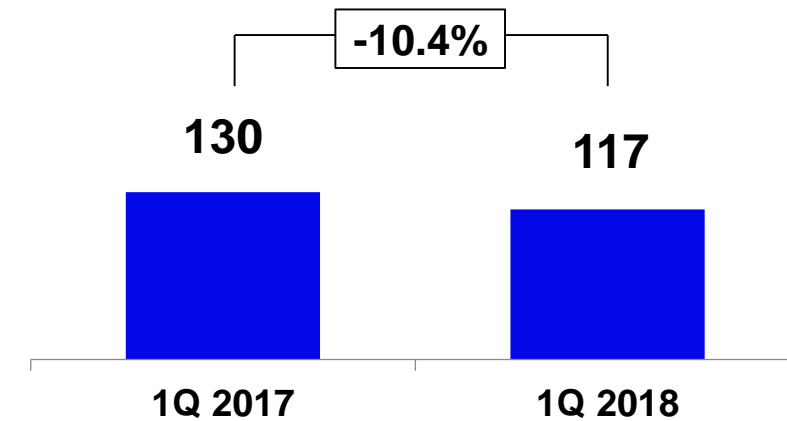
## Gross Margin



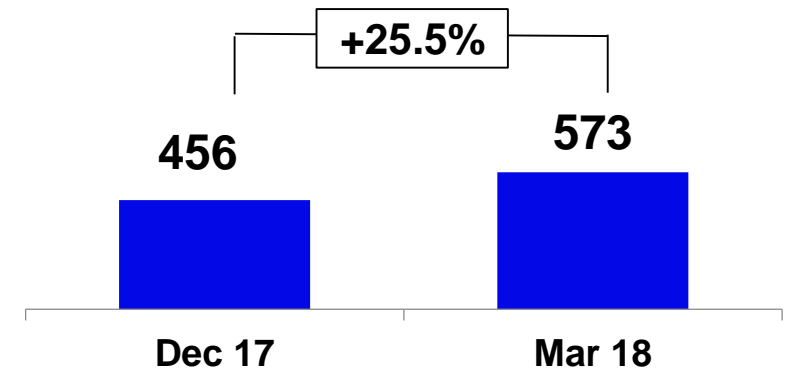
## Net Income



## EBITDA



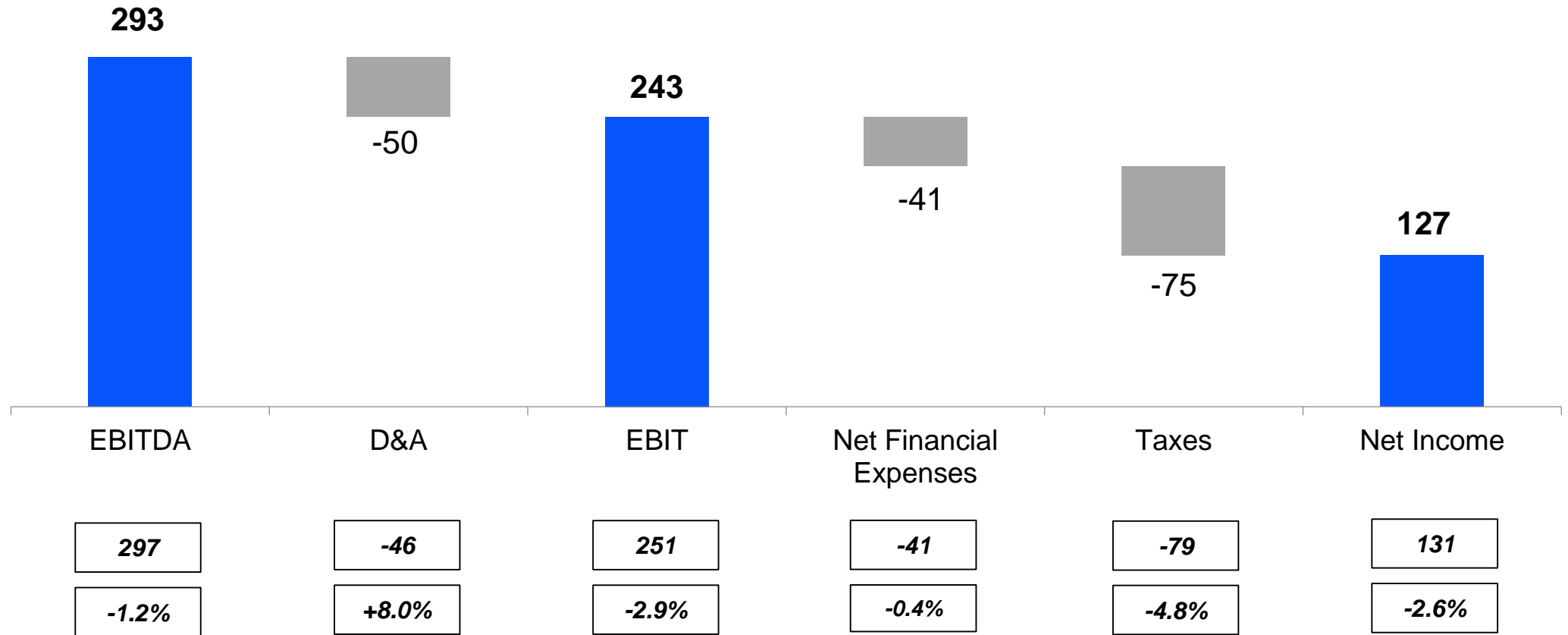
## Net Debt<sup>2</sup>



1. The average exchange rate for the period January-March 2018 was \$ 2.858,87 COP/USD and the exchange rate as of March 31<sup>st</sup>,2018 was 2.780,47 COP/USD  
 2. Comparisons between periods are made based on figures in Colombian pesos.

# 1Q 2018 results

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

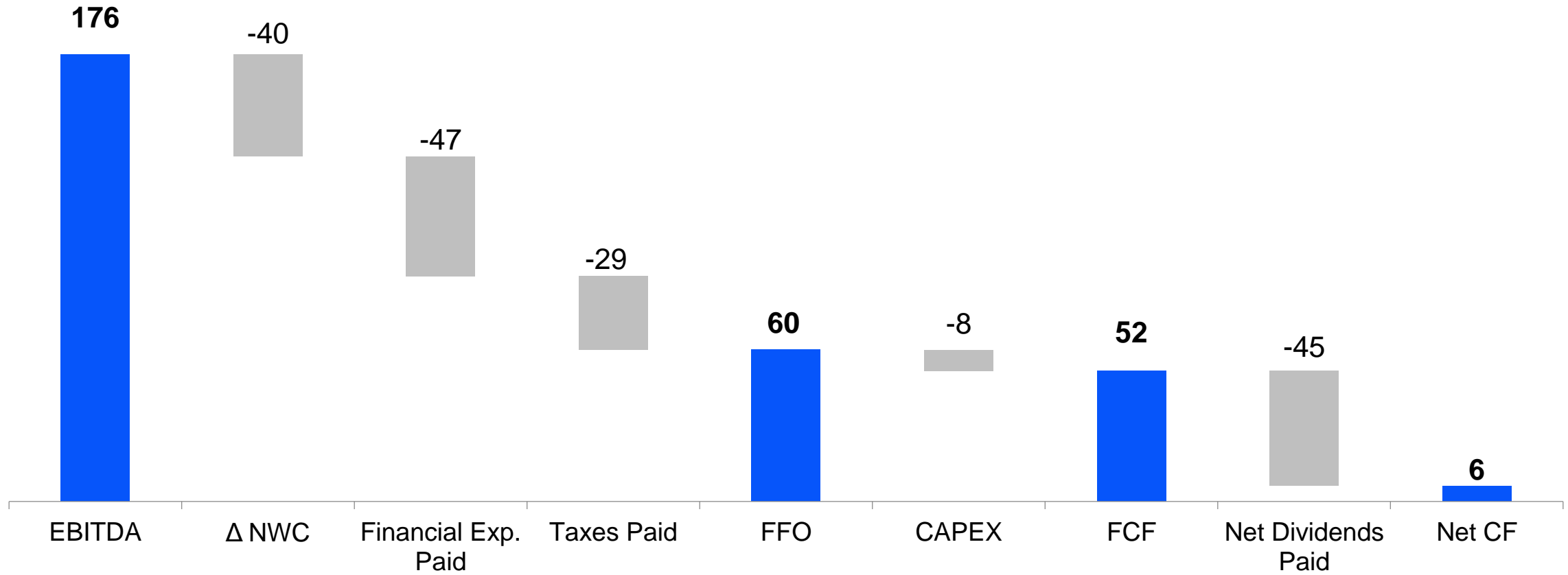


1. Comparisons between periods are made using the average USD FX rate for the period January-March 2018 equal to \$ 2.858,87 COP/USD only for information purposes. Original data in Colombian pesos.



# 1Q 2018 results

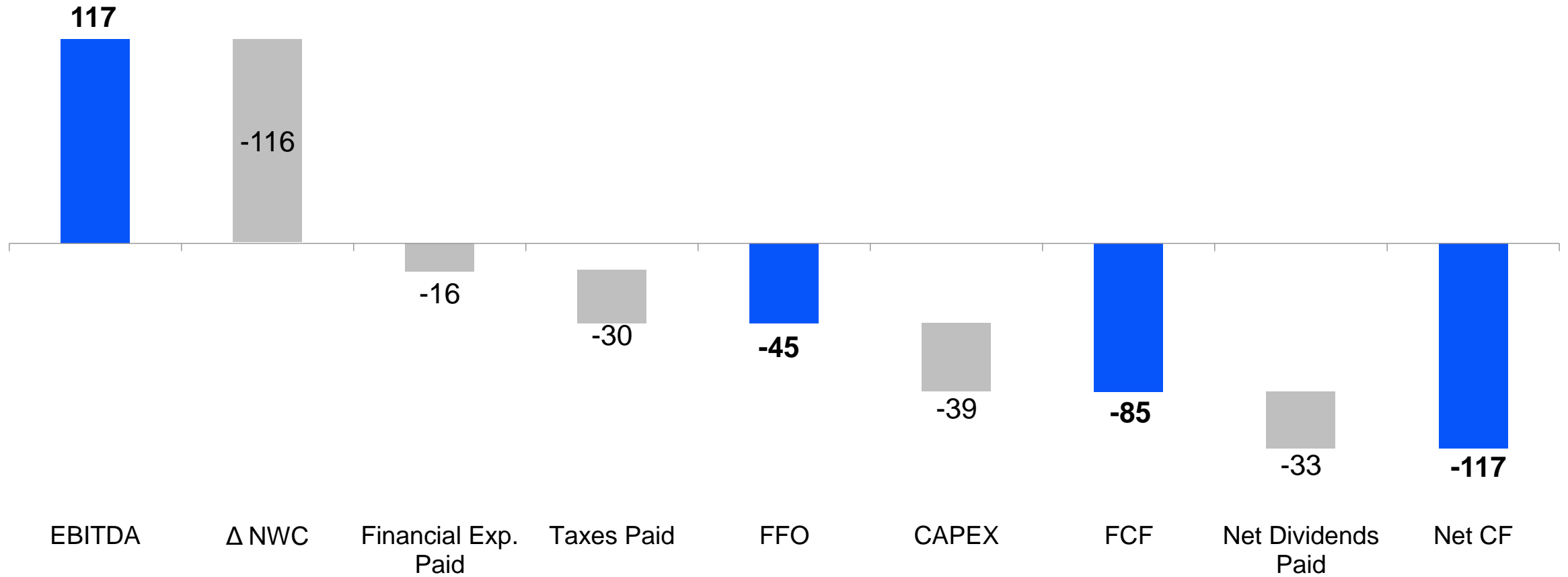
Emgesa- Cash Flow (US\$ mn)



*FX: \$2,858.87 COP/ USD*

# 1Q 2018 results

Codensa- Cash Flow (US\$ mn)



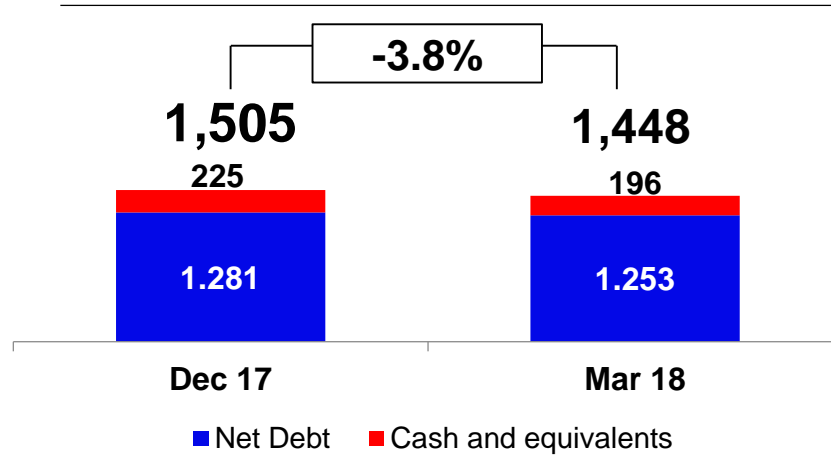
*FX: \$2,858.87 COP/ USD*

# 1Q 2018 results

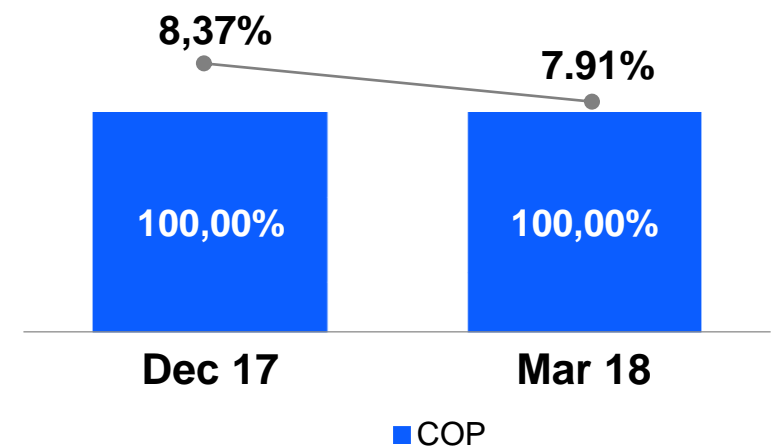
Gross debt breakdown (US\$ mn)

Generation

Gross and Net Debt (US\$ mn)

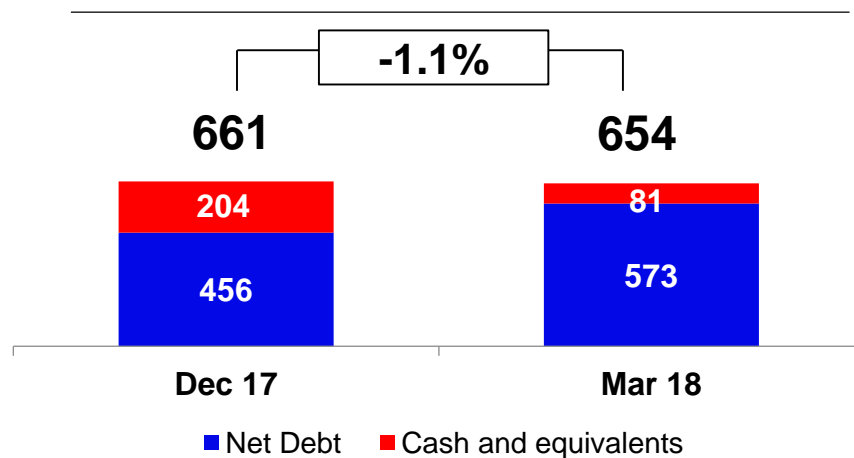


Gross debt breakdown by currency and Average Cost of Debt<sup>(1)</sup>

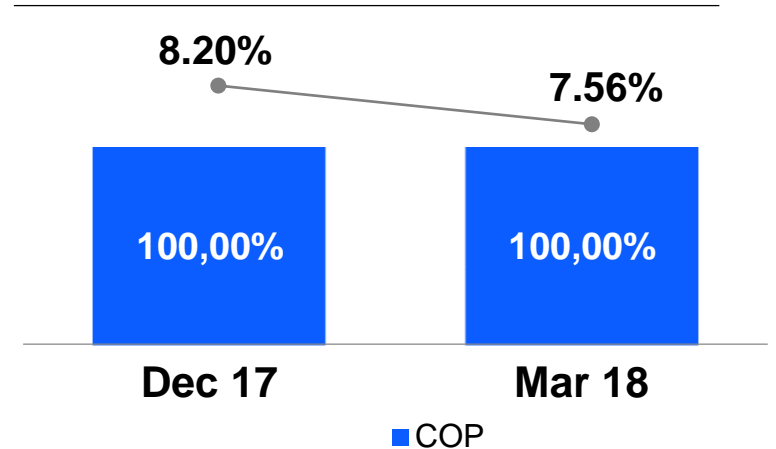


Distribution

Gross and Net Debt (US\$ mn)



Gross debt breakdown by currency and Average Cost of Debt<sup>(1)</sup>



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

# 1Q 2018 results

## Closing Remarks

**Positive results for Generation business in Colombia** supported by the effective commercial strategy and flexibility due to its generation mix and high financial efficiency

Total **Capex execution in Colombia totaled US\$ 48 million** focused on the Dx business in order to improve quality of service, network modernization and new connections and services.

# Investor Relations Team



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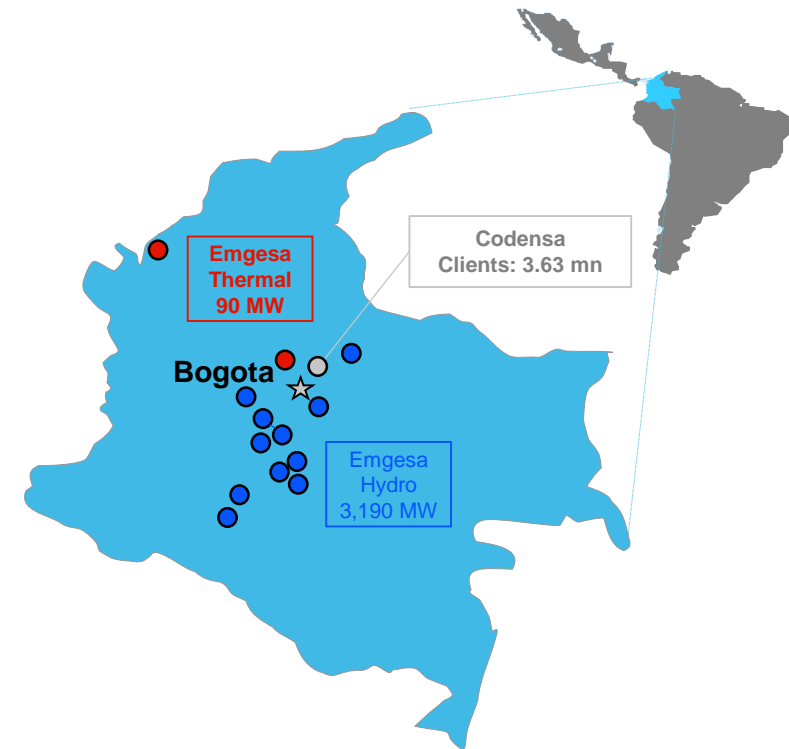


# Exhibits

# 1Q 2018 results

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

	Generation			Distribution			Total		
	mar-17	mar-18	%	mar-17	mar-18	%	mar-17	mar-18	%
Revenues	\$ 796.133	\$ 877.859	10,3%	\$ 1.102.815	\$ 1.165.286	5,7%	\$ 1.898.948	\$ 2.043.145	7,6%
EBITDA	\$ 476.024	\$ 504.380	6,0%	\$ 371.971	\$ 333.318	-10,4%	\$ 847.995	\$ 837.698	-1,2%
CAPEX	\$ 38.804	\$ 24.164	-37,7%	\$ 131.796	\$ 112.420	-14,7%	\$ 170.600	\$ 136.584	-19,9%
Net Production (GWh)	3.782	3.280	-13,3%	-	-	-	3.782	3.280	-13,3%
Energy Sales (GWh)	4.243	4.336	2,2%	3.666	3.715	1,3%	7.909	8.051	1,8%
Clients (mn)	-	-	-	3,27	3,36	2,9%	3,27	3,36	2,9%



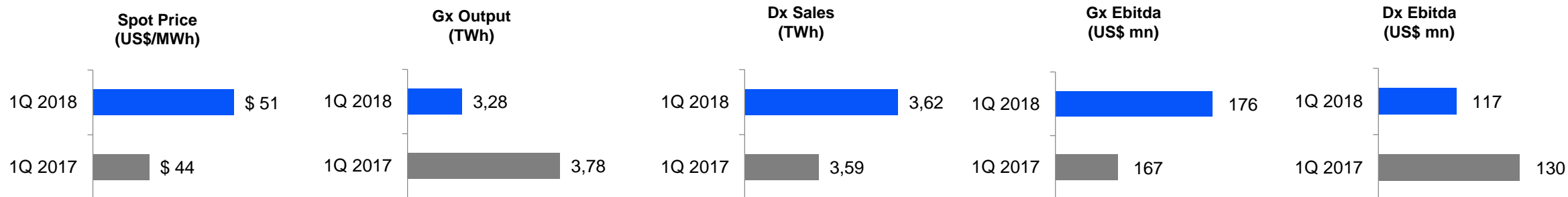
(1) The average exchange rate for the period January-March 2018 was \$2.858,87 COP/USD

# Operating Exhibits 1Q 2018

## Business context



Grupo Enel



GW	Hydro	Oil-Gas/ Coal	Total Net Capacity
Guavio	1.278		
Pagua	600		
Cartagena		187	
Termozipa		224	
Minor/ Run of the river	242		
Betania	540		
Quimbo	396		
<b>Total</b>	<b>3.056</b>	<b>411</b>	<b>3.467</b>



# Financial Exhibits 1Q 2018

Debt structure, liquidity and credit profile- Emgesa + Codensa

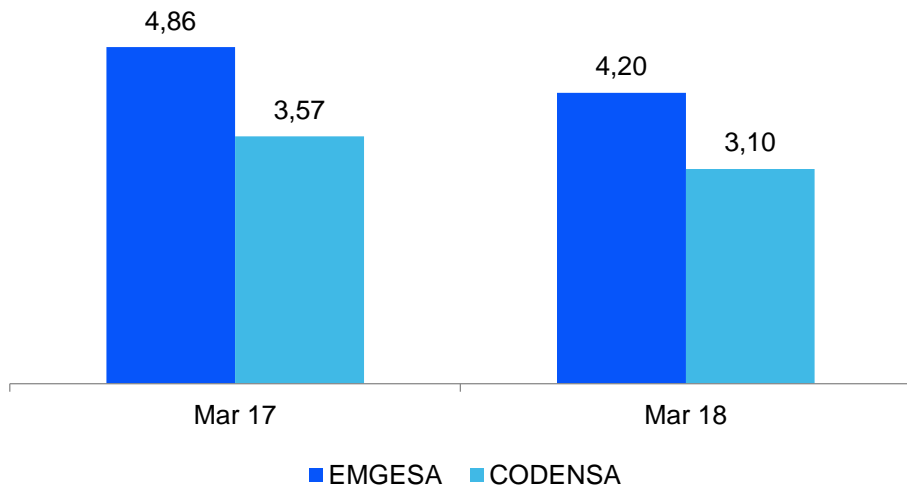
Liquidity (US\$MN)	Amount	Outstanding	Available
Committed credit lines	77	0	77
Cash and cash equivalents	277	0	277
Uncommitted lines	1.937	312	1.625
<b>Total Liquidity</b>	<b>2.291</b>	<b>312</b>	<b>1.979</b>

Company	Credit Profile as of Mar 2018	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)

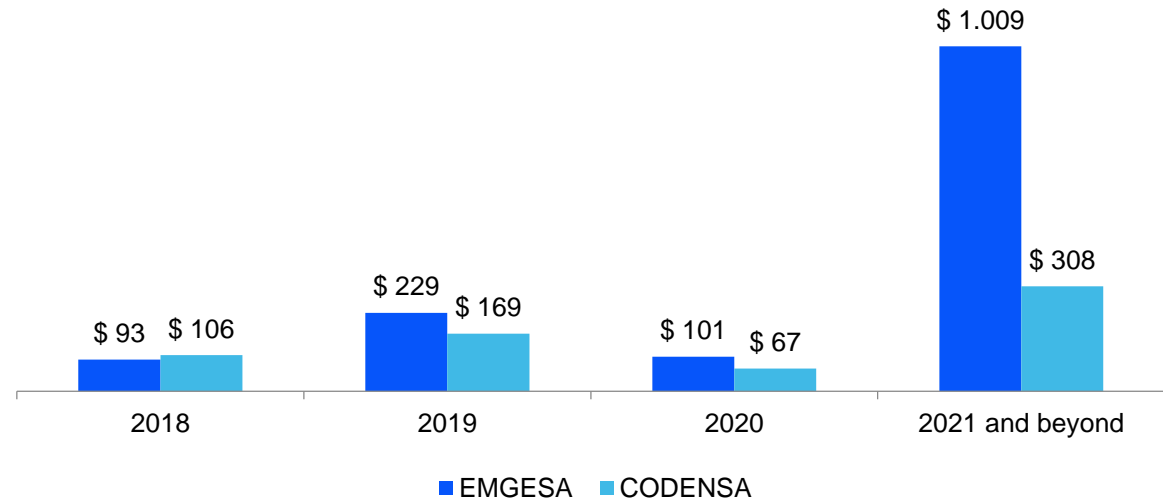
# Financial Exhibits 1Q 2018

## Debt maturity

Average residual maturity (years)

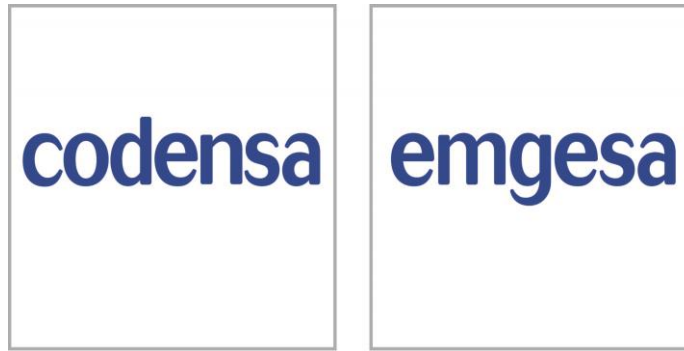


Debt profile (US\$ Mn)





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