

CODENSA'S NET INCOME UP 16.4% IN THE FIRST HALF OF 2016

Bogota, July 26, 2016.

1H2016 Financial Results

	1H 2016	1H 2015	VARIATION %
Million COP			
REVENUES	2,011,361	1,776,305	+13.2%
EBITDA	674,134	594,763	+13.3%
EBIT	546,636	470,667	+16.1%
NET INCOME	273,132	234,577	+16.4%
NET FINANCIAL DEBT ⁽¹⁾	1,202,991	1,004,184	+19.8%
INVESTMENTS	299,111	134,411	+122.5%

(1) Short-term Financial Debt + Long-term Financial Debt - Cash and Cash Equivalents

Lucio Rubio, Country Manager of ENEL in Colombia, commented: “We are very pleased about the excellent financial and operating results posted by CODENSA in the first half of 2016. During this period we have significantly increased our investments up to 299,000 million COP, an unprecedented figure for a single semester. CODENSA’s investments were mainly focused on increasing service quality and modernizing electricity networks with state of the art technology”.

- **Revenues** grew mainly due to:
 - Increases in the Producer Price Index (PPI) and Consumer Price Index (CPI) to date affecting positively the company’s trading fee.
 - Despite positive revenues posted, the energy demand in the area where CODENSA operates decreased by 1.24% in the period. This decrease was mainly attributable to the energy savings campaign carried out during the first months of 2016.
- **EBITDA** increased due to the positive revenues that were able to mitigate the growth in costs (+16.6%) which was mainly due to:
 - Greater energy purchases at higher prices compared to the same period in 2015, due to the dry season that occurred during late 2015 and early 2016.
 - Increase in costs for network maintenance and repair, caused by the rainy season in the area where CODENSA operates, mainly during the second quarter of 2016.

- **EBIT** increased during the first half of 2016, in line with the trend shown in the abovementioned figures, and because amortizations show no considerable variations for the analyzed period.
- The company's **Net Income** grew during the first half-year, due to the reasons explained above, which managed to offset a 25.3% increase in net financial expenses resulting from a variation in Consumer Price Index (CPI), to which 74% of CODENSA's debt is indexed.
- CODENSA's **Net Financial Debt** increased mainly due to the increased use of resources obtained from international banks to support the company's investment programme.
- CODENSA's **Investments** during the first half of 2016 were significantly higher than the same period of 2015. 52.7% of CODENSA's investments in the period was used for network maintenance to improve the quality of service.

1H2016 Operating Results

	1H 2016	1H 2015	VARIATION %
COLOMBIAN ENERGY DEMAND (GWh)	32,929	32,204	+1.69%
CODENSA ENERGY DEMAND (GWh)	7,273	7,324	-1.24%
CODENSA MARKET SHARE	20.8%	21.6%	-0.8%
AVERAGE ENERGY LOSSES INDEX	7.04%	7.12%	-0.1%
TOTAL CUSTOMER BASE	2,909,046	2,821,255	+3.1%

- **National Energy Demand** during the period presented a different performance among the regions.
 - While the Atlantic Coast and the Pacific posted an increase in demand exceeding 4.5%, the Central Area of the country, where CODENSA operates, posted a decrease of 0.6%, resulting in a drop of energy demand for CODENSA.
 - This decline in demand both at Country's and CODENSA's level was due to the energy savings campaign carried out through the first four months of the year.
- The investments in network quality improvements, together with the operating enhancement started in March, contributed the improvement of the Company's **Average Energy Losses Index**.
- CODENSA added 87,791 new customers to its **Total Customer Base** during the past 12 months

Dividends

- In the first half of 2016, CODENSA paid the last tranche of 2014 dividends to its shareholders in the amount of 78.076 million COP.
- In addition, during the last week of June 2016, the company paid the first tranche of dividends corresponding to 2015 net income, in the amount of 193.268 million COP.

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