



# Enel Américas FY 2018 results

February 27<sup>th</sup>, 2019



# FY 2018 results

Highlights of the period



**EBITDA of 3,358 mUSD, an increase of 14% vs 2017 despite the negative Fx scenario in Argentina and Brazil. Net of Fx effect EBITDA would have increased by 33%**

**Distribution business EBITDA increased by 25%, reaching 1,941 mUSD mainly due to the consolidation of Enel Dx São Paulo and better results in Enel Dx Rio and Enel Dx Goiás**

**Eletropaulo (rebranded as Enel Distribuição São Paulo)**

**EBITDA of the company reached 244 mUSD and Net Income of 22 mUSD since June 2018**

**Energy sales in generation business increased by 17% due to consolidation of Volta Grande and higher sales in Cachoeira Dourada**

**Total Net Income of 1,667 mUSD, an increase of 48% vs 2017**

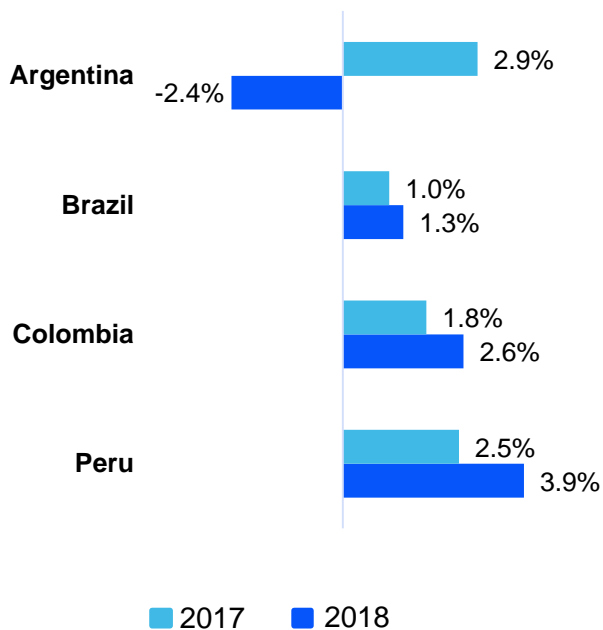
**Net Income Attributable to shareholders of 1,201 mUSD, an increase of 69% vs 2017**

# FY 2018 results

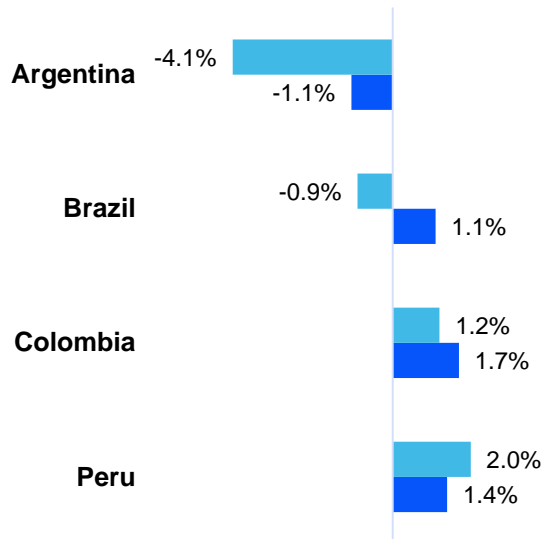
## Market context evolution



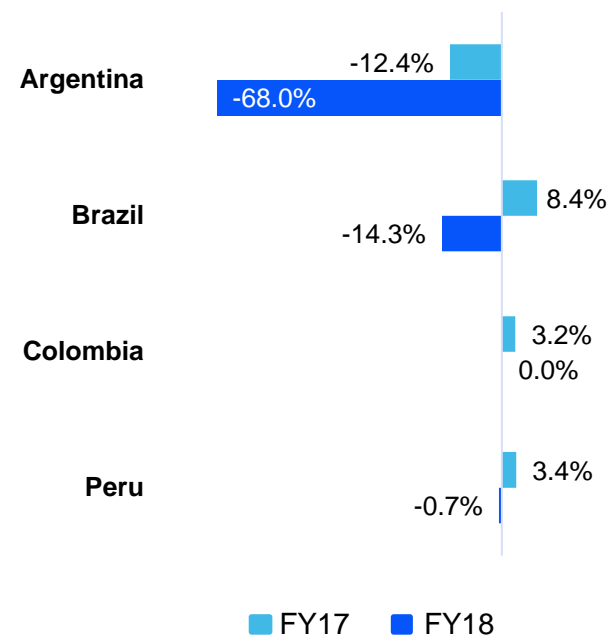
Annual GDP growth <sup>1</sup> (%)



Enel Américas Energy demand<sup>2</sup> (%)



Local Currencies vs USD (YoY%)<sup>3</sup>



1. GDP (E) for 2018. Source: Latin America Consensus Forecast as of January 2019; 2. Cumulative Demand. Brazil: Enel Dx Rio, Enel Dx Ceará (not include Enel Dx Goiás and Enel Dx São Paulo), Colombia: Codensa, Peru: Enel Dx Perú, Argentina: Edesur. 3. Average exchange rate YoY. Source: Internal.

# FY 2018 results

## Regulation update

Argentina



- On August 1st, 2018, it was applied the **inflation adjustment of the Dx tariff**. This adjustment was for 50% of the inflation of the period which was an 8% increase in Dx tariff, and the remaining 50% was applied since February 2019. Also, since February 2019 the wholesale energy price increased 26%. On January 31st, the government announced an increase of 33% on the Dx VAD starting to be applied on March 1st.
- Argentina Energy Secretariat issued Resolution N° 70/2018, which **allows generators to get into private fuel provisioning contracts**.

Brazil



- On March, the Regulator kept the WACC at the current level **12.3%** (real before taxes)
- ANEEL approved the 4th tariff review of **Enel Rio** (March) and **Enel Goiás** (October)
- Structural solution related to CGTF: Injunction obtained on October 25<sup>th</sup> to restore the gas supply contract by Petrobras (effects from December 11<sup>th</sup>). Provisional Measures made in order to include the increase of gas cost as a pass through to final customers, are still pending approval.

Colombia



- Res. CREG 015/2018 – Final resolution of the **Distribution remuneration methodology**.
- Regulator released resolutions to establish rules and schedule of the first long term energy contracts auction that ensure the **energy supply and demand coverage** from late 2021 to 2033.
- Regulator released resolution CREG 142 –establishing the schedule for reliability charge auction.

Peru

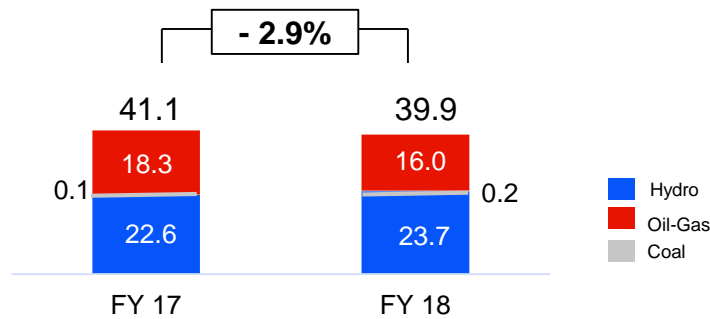


- On December 26<sup>th</sup> 2018, Osinergmin issued the final resolution which disclosed the new VAD for Enel Dx Perú and Luz del Sur, among other distributors. The results were favorable compared to the VAD resolution published in October.

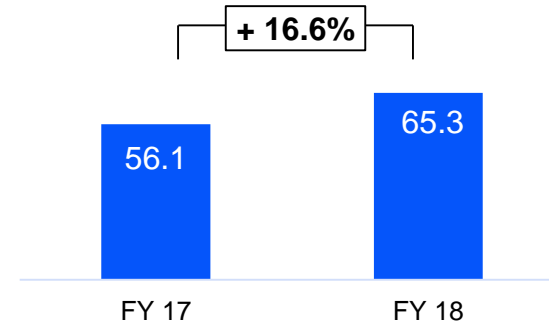
# FY 2018 results

## Operating highlights

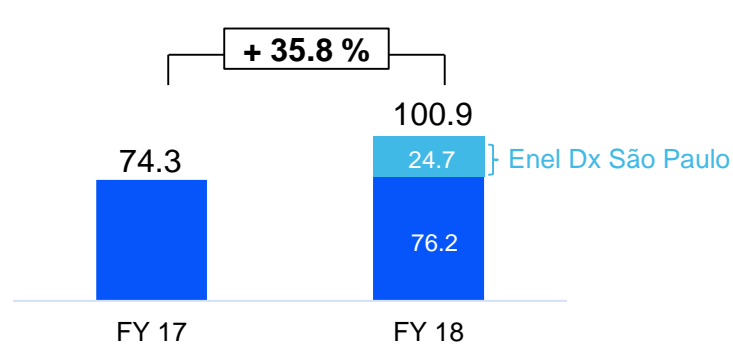
Net production (TWh)



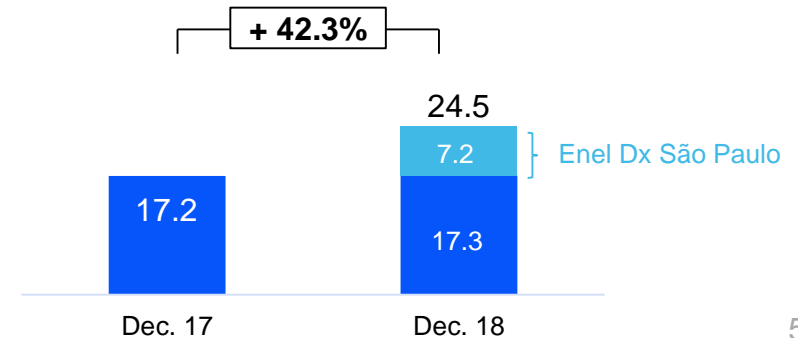
Energy sales (TWh)



Distributed Energy (TWh)

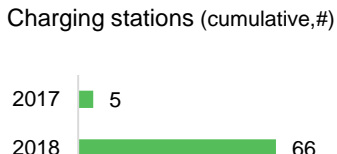
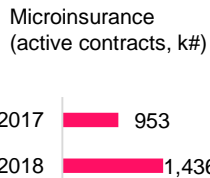
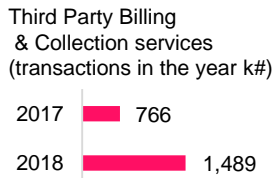
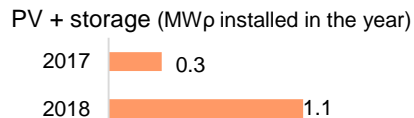
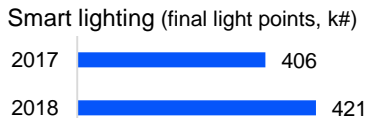


Number of customers (m)

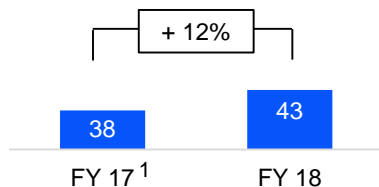


# FY 2018 results

## Operating highlights



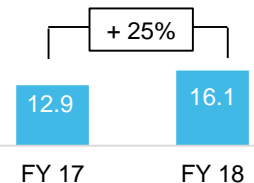
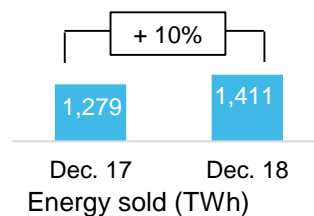
### EBITDA (US\$ m)



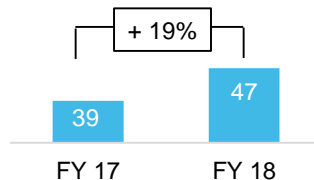
## Free Market

### Energy

#### Number of customers

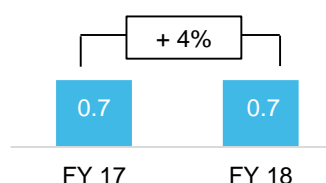
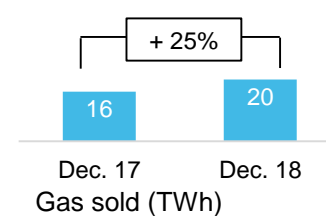


#### EBITDA (US\$ m)

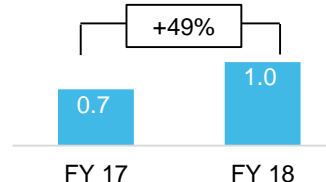


### Gas

#### Number of customers



#### EBITDA (US\$ m)



# FY 2018 results

## Financial highlights



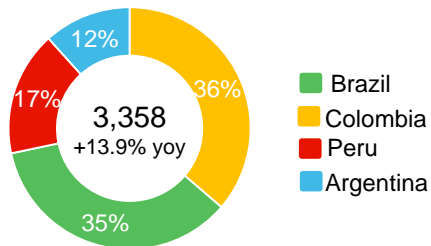
	2018	2018 target <sup>1</sup>	2017	Δ YoY
Gross margin (US\$ bn)	5.0 ✓	5.0	4.6	10.7%
EBITDA (US\$ bn)	3.4 ✓	3.4	2.9	13.9%
Attr. net income (US\$ bn)	1.2 ✓	1.2	0.7	69.4 %
Dividend per ADR (US\$)	0.42 ✓	0.42	0.31	36.5 %
Net debt (US\$ bn)	6.6	7.0	3.4	98.5%

1. 2018 target announced on November 26<sup>th</sup>, 2018.

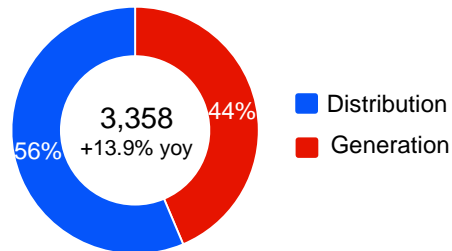
# FY 2018 results

EBITDA (US\$ m)

## EBITDA by country



## EBITDA by business<sup>1</sup>

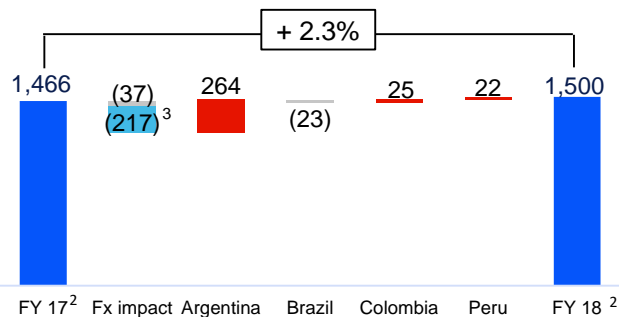


Generation business' EBITDA increased mainly due to Volta Grande consolidation, offset by Fortaleza situation

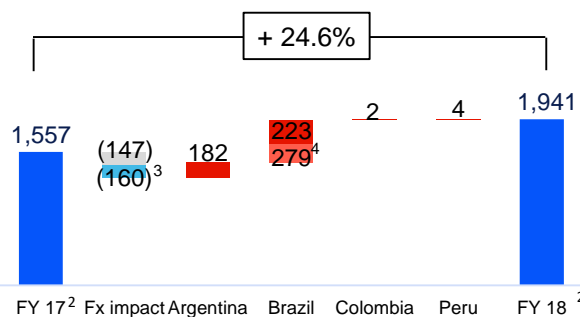


Distribution business' EBITDA increased mainly due to the consolidation of Enel Dx São Paulo and better results in Enel Dx Rio and Enel Dx Goiás

## Generation<sup>1</sup>



## Distribution<sup>1</sup>



EBITDA in Enel X business' better than previous year mainly thank to e-city performance



Better results than previous year in Free market business due to higher energy sold

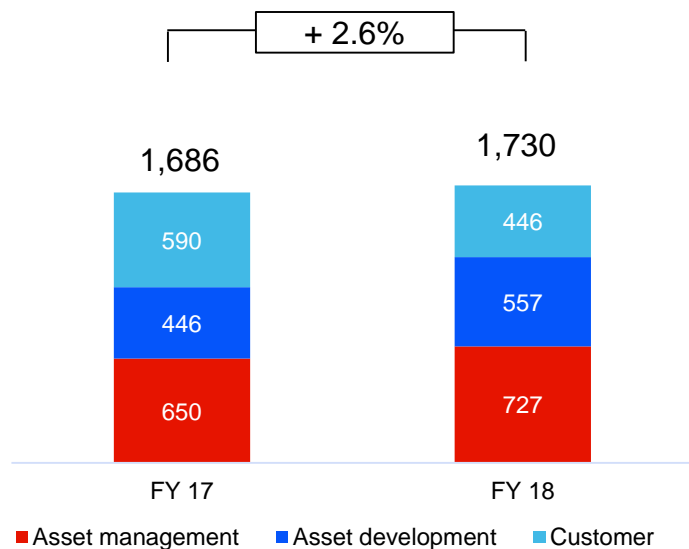
1. Distribution business includes Enel X. Both, Generation and Distribution businesses, include Free market business. 2. Not including Services & Holding (USD -83 m in 2018 and USD -76 m in 2017). 3. Argentinean Fx impact. 4. Enel Dx São Paulo's contribution.



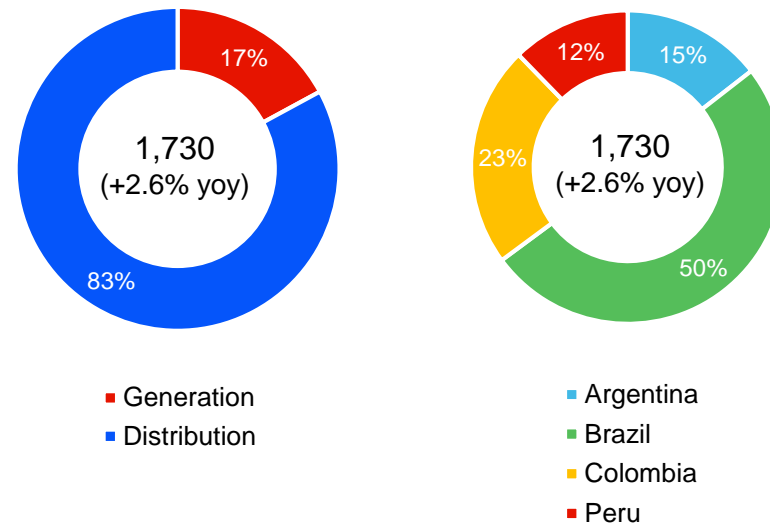
# FY 2018 results

Gross Capex (US\$ m) <sup>1</sup>

Total capex



2018 total capex by business and country



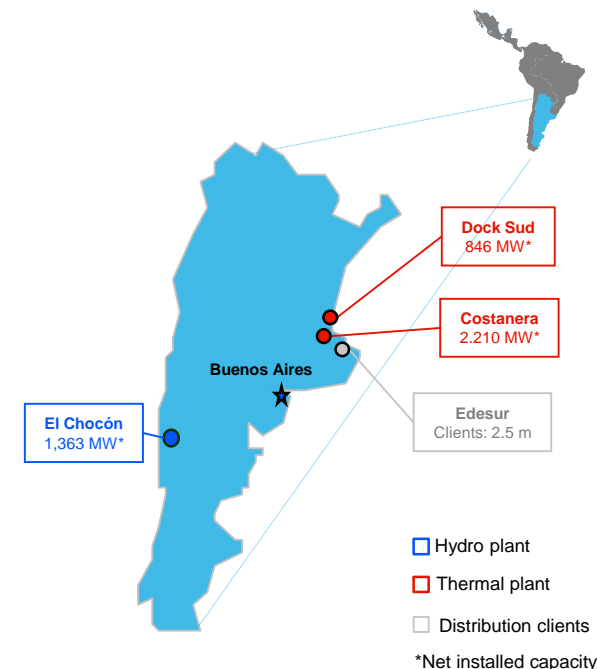
1. Accrued capex during FY18, gross of contributions and connections fees.

# FY 2018 results

Focus on Argentina (US\$ m)



	Generation			Distribution			Total <sup>1</sup>		
	FY 18	FY 17	%	FY 18	FY 17	%	FY 18	FY 17	%
Revenues	328	300	9%	1,190	1,223	-3%	1,516	1,520	0%
EBITDA	218	171	28%	179	158	14%	396	327	21%
Net Income	175	135	30%	104	11	137%	289	148	137%
Capex	101	78	30%	149	213	-30%	250	292	-14%
Net Production (GWh)	13,949	14,852	-6%	-	-	-	13,949	14,852	-6%
Energy Sales (GWh)	13,952	14,852	-6%	17,548	17,736	-1%	-	-	-
Av. Spot Price (\$US/MWh)	N.A.	N.A.	-	-	-	-	N.A.	N.A.	-
Clients (Th)	-	-	-	2,530	2,529	0%	2,530	2,529	0%



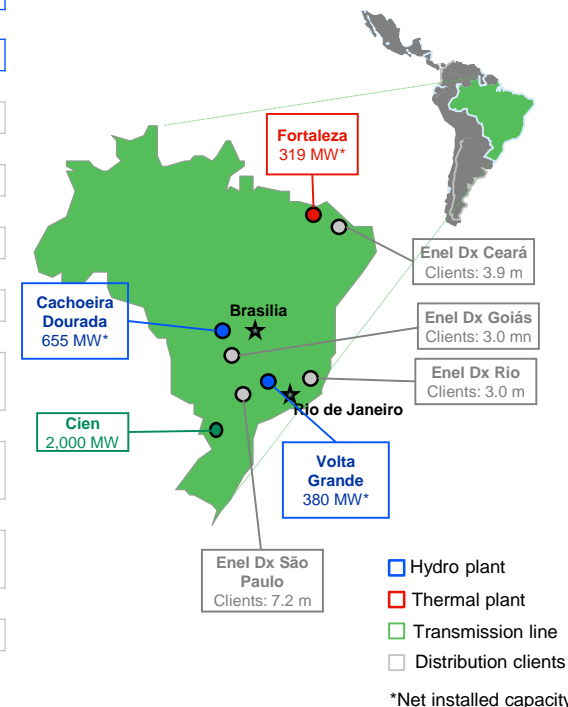
1. "Total" included Holding and Services adjustments.

# FY 2018 results

Focus on Brazil (US\$ m)



	Generation			Distribution			Total <sup>1</sup>		
	FY 18	FY 17	%	FY 18	FY 17	%	FY 18	FY 17	%
Revenues	854	830	3%	6,922	4,613	50%	7,490	5,133	46%
EBITDA	244	302	-19%	1,006	649	55%	1,200	907	32%
Net Income	151	179	-16%	596	117	411%	555	269	106%
Capex	15	22	-30%	851	827	3%	872	851	2%
Net Production (GWh)	3,755	4,034	-7%	-	-	-	3,755	4,034	-7%
Energy Sales (GWh)	22,236	12,587	77%	61,310	34,876	76%	-	-	-
Av. Spot Price (\$US/MWh)	77	101	-24%	-	-	-	77	101	-24%
Clients (Th)	-	-	-	17,144	9,974	72%	17,144	9,974	72%



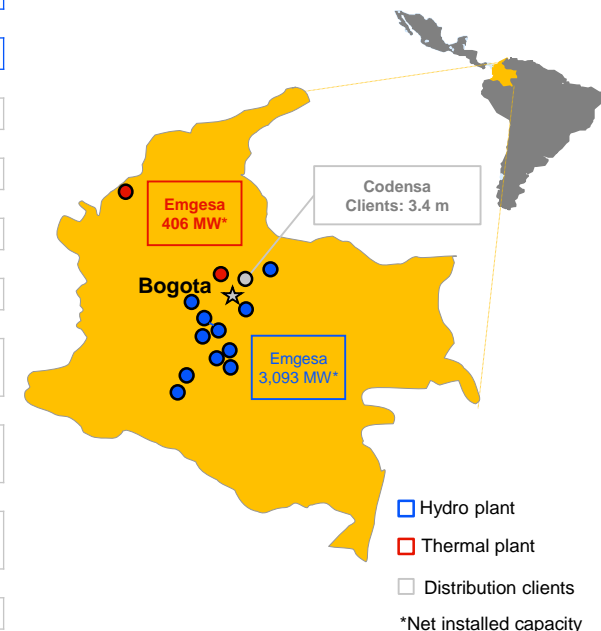
1. "Total" including Holding and Services adjustments.  
 2. Southeast /Central-west region.  
 3. Enel Dx São Paulo's clients as of December 30, 2018: 7,224 th

# FY 2018 results

Focus on Colombia (US\$ m)



	Generation			Distribution			Total <sup>1</sup>		
	FY 18	FY 17	%	FY 18	FY 17	%	FY 18	FY 17	%
Revenues	1,259	1,160	9%	1,714	1,538	11%	2,671	2,384	12%
EBITDA	707	682	4%	523	521	0%	1,230	1,203	2%
Net Income	346	300	15%	206	211	-2%	552	511	8%
Capex	107	79	34%	289	266	8%	396	346	14%
Net Production (GWh)	14,052	14,765	-5%	-	-	-	14,052	14,765	-5%
Energy Sales (GWh)	18,544	18,156	2%	14,024	13,790	2%	-	-	-
Av. Spot Price (\$US/MWh)	39	36	9%	-	-	-	39	36	9%
Clients (Th)	-	-	-	3,439	3,340	3%	3,439	3,340	3%



\*Net installed capacity

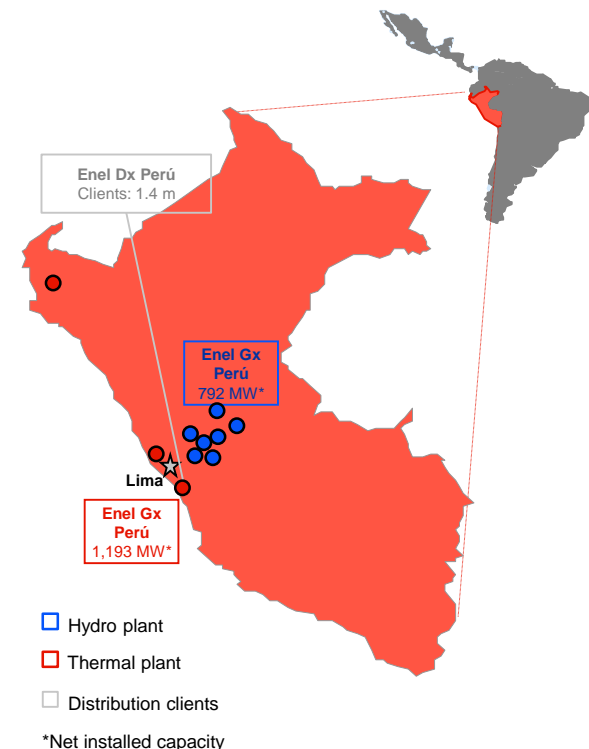
1. "Total" including Holding and Services adjustments.

# FY 2018 results

Focus on Peru (US\$ m)



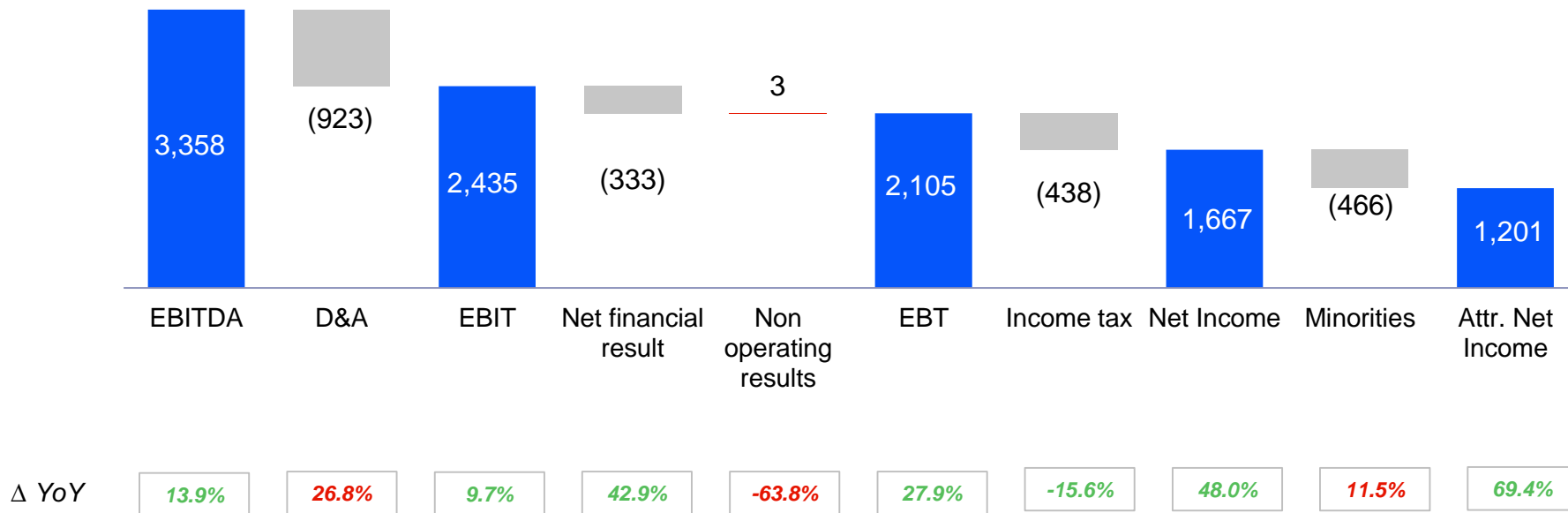
	Generation			Distribution			Total <sup>1</sup>		
	FY 18	FY 17	%	FY 18	FY 17	%	FY 18	FY 17	%
Revenues	790	730	8%	913	879	4%	1,506	1,400	8%
EBITDA	334	312	7%	232	230	1%	564	539	5%
Net Income	192	153	26%	105	105	0%	292	257	13%
Capex	72	74	-3%	141	123	14%	212	197	8%
Net Production (GWh)	8,106	7,430	9%	-	-	-	8,106	7,430	9%
Energy Sales (GWh)	10,597	10,457	1%	8,045	7,934	1%	-	-	-
Av. Spot Price (\$US/MWh)	11	10	13%	-	-	-	11	10	13%
Clients (Th)	-	-	-	1,423	1,397	2%	1,423	1,397	2%



1. "Total" including Holding and Services adjustments.

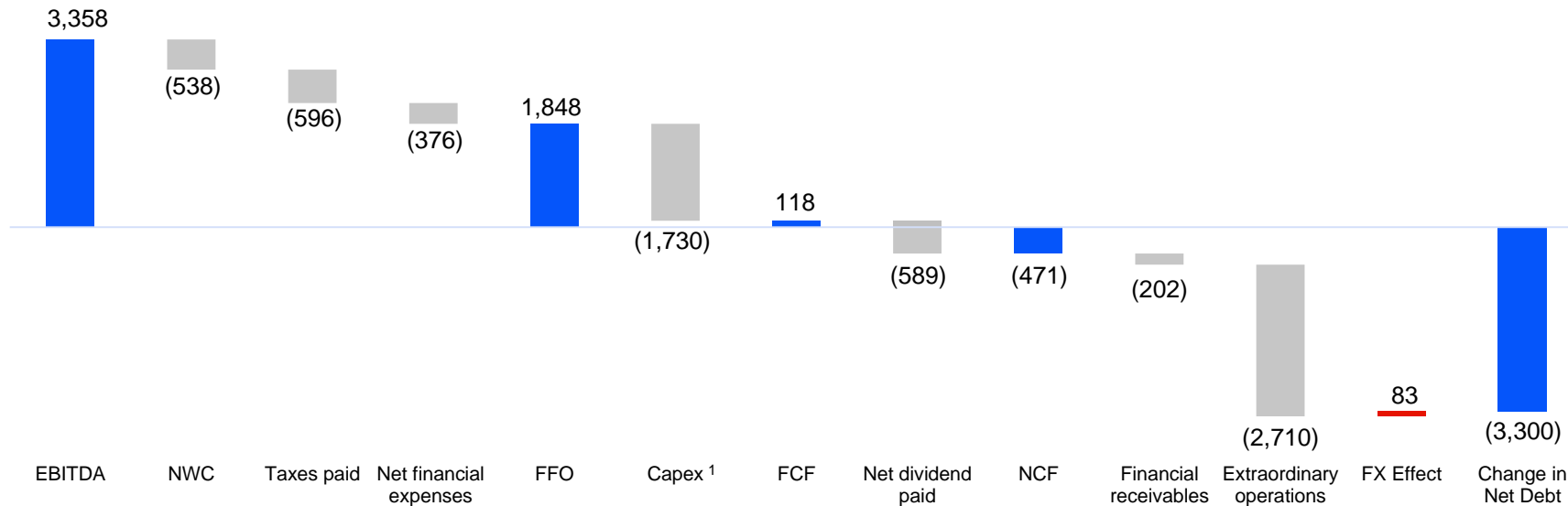
# FY 2018 results

From EBITDA to Net income (US\$ m)



# FY 2018 results

Free cash flow (US\$ m)

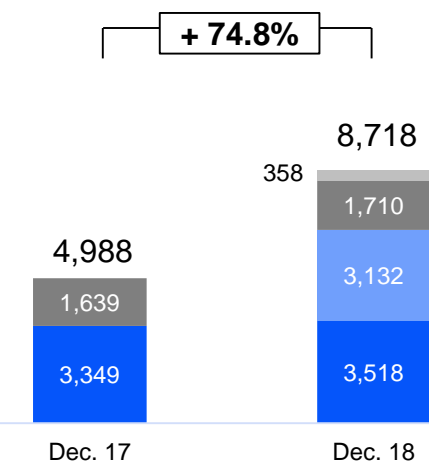


1. Capex accrued gross of contributions and connections fees. Differences between Capex accrued and Capex paid are included in the NWC.

# FY 2018 results

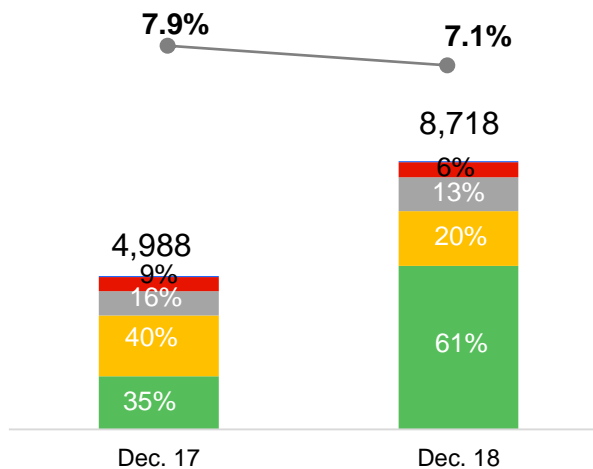
Gross debt breakdown<sup>1</sup> (US\$ m)

Gross and Net Debt



■ Net Debt<sup>1</sup>      ■ Cash<sup>2</sup>  
 ■ Enel Dx SP Net Debt<sup>1</sup>   ■ Enel Dx SP Cash<sup>2</sup>

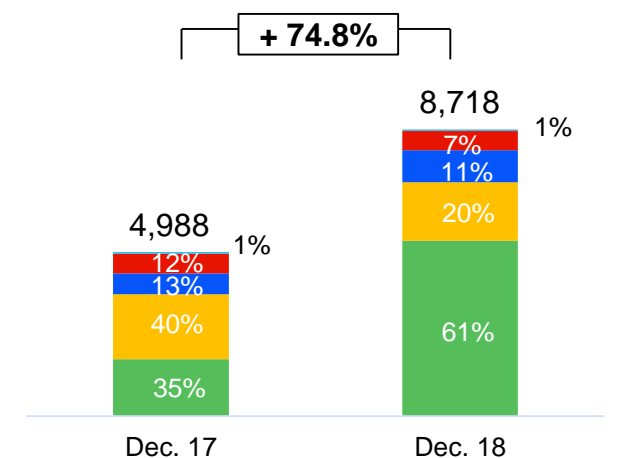
Gross debt breakdown by currency



■ BRL   ■ COP   ■ USD   ■ PEN   ■ Others<sup>3</sup>

—●— Cost of gross debt

Gross debt breakdown by country



■ Brazil   ■ Colombia   ■ Holding   ■ Peru   ■ Argentina

1. Gross and net debt exclude accrued interests and adjustments after derivatives.  
 2. Cash and cash equiv. + 90-day cash investments.  
 3. Others: UF. Dec. 17: 0.64%; Dec. 18: 0.26%.



# FY 2018 results

## Focus Enel Dx São Paulo

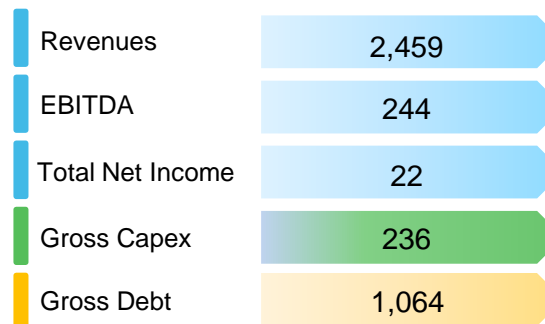


### Milestones of the year

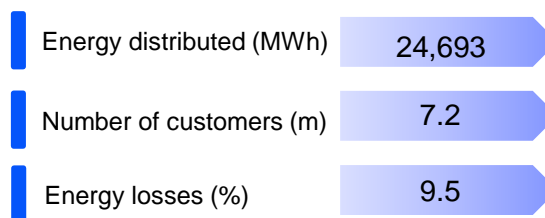


- Enel Américas began to consolidate 100% of Eletropaulo since June 1<sup>st</sup>.
- On June 4<sup>th</sup>, Enel Américas received confirmation of the success of the Tender Offer.
- Start of due diligence process on Eletropaulo.
- On June 26<sup>th</sup>, R\$ 900 m of the capital increase committed (R\$1,500 m) were deposit in Eletropaulo's cash corporate account.
- All rating agencies kept outlook and rating of Enel Américas after Eletropaulo's acquisition.
- On July 4<sup>th</sup>, end of additional selling period. Enel Américas owned an stake of 93.3% of Eletropaulo.
- On July 12<sup>th</sup>, Eletropaulo released a notice to the market regarding organizational change of the company.
- On July 26<sup>th</sup>, the BoD has approved the remaining quote for the future capital increase committed for R\$ 600 m, totalizing R\$1,500 m
- Conclusion of first business plan focus on efficiencies and quality improvement.
- Capital increase on Eletropaulo on September 19<sup>th</sup>. Enel Américas owns an stake of 95.88% of the company.
- Additional Capex approved in order to enhance the efficiency and quality.
- On December 3<sup>rd</sup> was announced the change of brand of Eletropaulo to Enel Distribuição São Paulo, consolidating the integration of the company within the Enel Group.

### Financial highlights<sup>1</sup> (US\$ m)



### Operating highlights<sup>1</sup>



### Gross Debt profile

	2017	2018	Δ YoY
Av. Maturity (years)	3.0	3.9	+0.9 y
Effective rate <sup>2</sup> (%)	9.8	8.5	-1.3 p.p.
Av. Spread (%)	2.0	1.0	-1.0 p.p.

### Quality indicators

	2017	2018	Δ YoY
SAIDI (hours)	11.7	7.2	-38%
SAIFI (times)	6.2	4.4	-29%
Compensations (US\$ m)	26.7	5.0	-81%

1. Values since June 2018. Financial highlights in Chilean GAAP.

2. Effective rate includes pension funds debt.

# FY 2018 results

Our commitment to SDGs<sup>1</sup> and Human Capital



## Engaging local communities (*m beneficiaries*)

2018<sup>2</sup>



High-quality, inclusive and fair education 0.4



Access to affordable and clean energy 2.0



Employment and sustainable and inclusive economic growth 0.3



## Climate change

2018<sup>2</sup>



Reduction of CO<sub>2</sub> specific emissions (*g/kWh<sub>e</sub>*) 170



## Innovation and infrastructure/Sustainable cities

Cumulated 2018

Smart meters (th) 107

Lighting points (th) 421

Charging points (#) 66



## Digitalization and cyber security

2018

Internet web applications protected through advanced cyber security solutions 85%

CERT certification (Computer Emergency Response Team) 100%

Cyber security knowledge sharing events per year 15

# FY 2018 results

Ratings and acknowledgements



**Sustainability Award  
Industry mover 2019**



**Dow Jones  
Sustainability Indexes**

*Chile Index  
MILA Index  
Emerging markets Index*



**FTSE4Good**

*Emerging markets Index  
Latin America Index*



**Sustainability category  
3<sup>rd</sup> place**



**Best Emerging Markets  
performers ranking (top 100)**

## **FY 2018 results**

Closing remarks: highlights

**Results in line with our guidance 2018 announced in November 26<sup>th</sup> and better compared to the previous year despite the adverse macro scenario and currency devaluation in Argentina and Brazil**

**Energy sales in generation and distribution businesses significantly higher than the same period of last year mainly due to Volta Grande and Enel Dx São Paulo acquisition**

**Enel Dx São Paulo's performance better than initial announced**

**Sustainability commitment is present along the whole business value chain supported by the most important international recognitions in this field**



# Exhibits

# FY 2018 results

## Financial highlights (US\$ m)

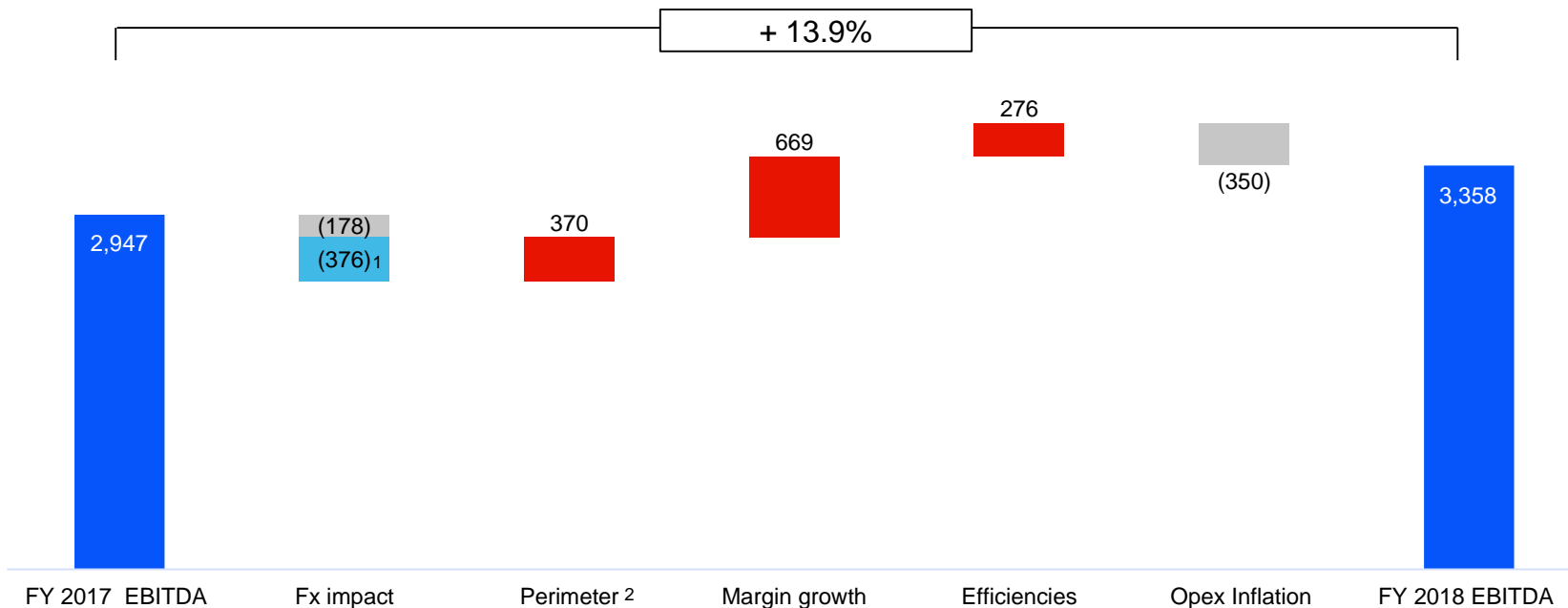
	FY Pro-forma	IAS 29 <sup>1</sup>	IAS 21 <sup>2</sup>	FY 18	FY 17	Δ yoy
Revenues	13,336	283	-434	13,184	10,438	26.3%
Contribution Margin	5,107	146	-212	5,041	4,555	10.7%
EBITDA	3,390	79	-112	3,358	2,947	13.9%
EBIT	2,505	8	-79	2,435	2,219	9.7%
Net Financial Income	-580	250	-3	-333	-582	-42.9%
Others	4	0	-1	3	9	-63.8%
EBT	1,929	259	-82	2,105	1,646	27.9%
Taxes	-351	-117	30	-438	-519	-15.6%
Total Net Income	1,578	141	-52	1,667	1,127	48.0%
Attributable to Shareholders	1,105	119	-23	1,201	709	69.4%
Gross Capex	1,730	-	-	1,730	1,686	2.6%
Net Debt	6,649	-	-	6,649	3,349	98.5%

1. IAS 29 Financial Reporting in Hyperinflationary Economies.

2. IAS 21 The Effects of Changes in Foreign Exchange Rates.

# FY 2018 results

EBITDA evolution (US\$ m)

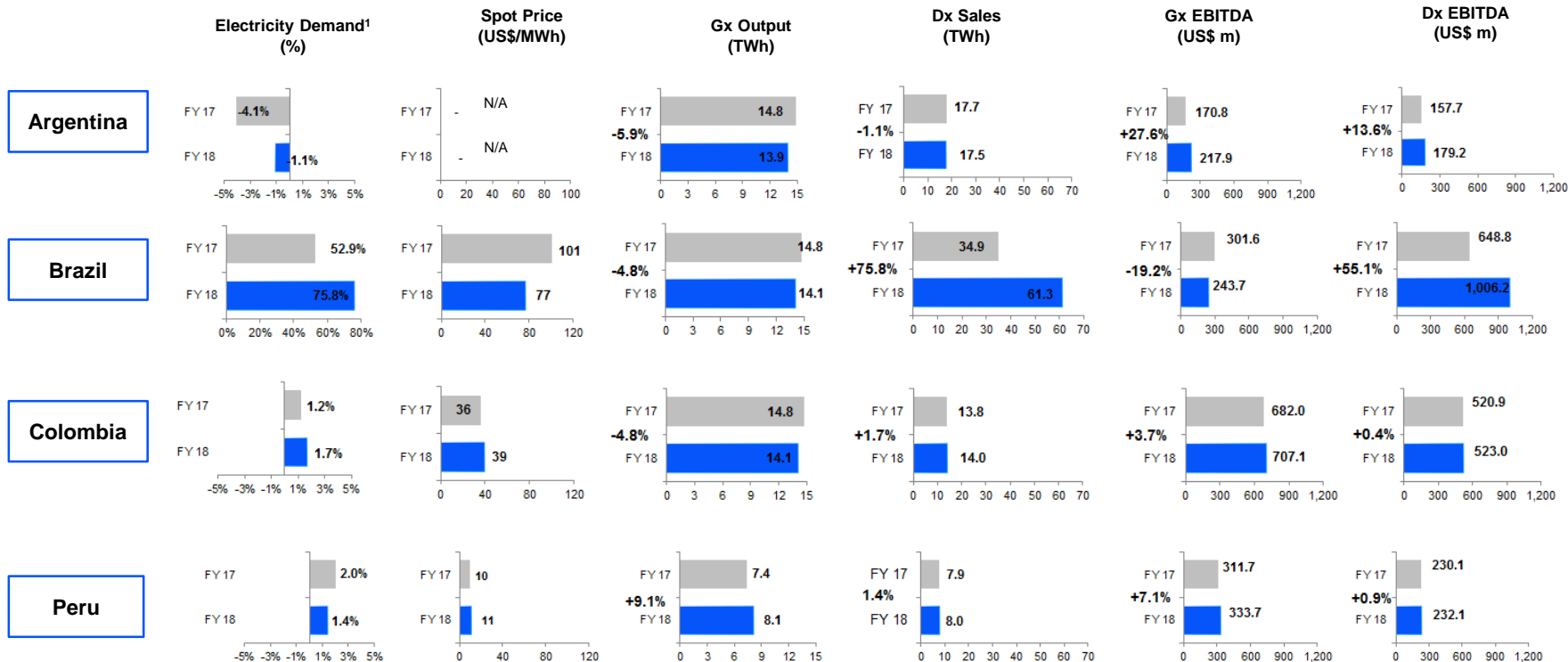


1. Argentinean Fx impact: USD 376 m.

2. Enel Dx Goiás: USD 12 m, Enel Dx São Paulo: USD 279 m and Volta Grande: USD 79.

# Operating Exhibits FY 2018

Business context in 9M 2018 v/s 9M 2017



1. Enel Américas' Cumulative Demand. Brazil: Enel Dx Rio, Enel Dx Ceará, Enel Dx Goiás and Eletropaulo, Colombia: Codensa, Peru: Enel Dx Perú, Argentina: Edesur.



# Operating Exhibits FY 2018



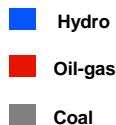
Net installed capacity and Total net production: Breakdown by source and geography

Net installed capacity (MW)				
MW	Hydro	Oil-Gas	Coal	Total
Argentina	1,328	3,091	0	<b>4,419</b>
Brazil	1,035	319	0	<b>1,354</b>
Colombia	3,093	182	224	<b>3,499</b>
Peru	792	1,193	0	<b>1,985</b>
<b>Total</b>	<b>6,248</b>	<b>4,785</b>	<b>224</b>	<b>11,257</b>

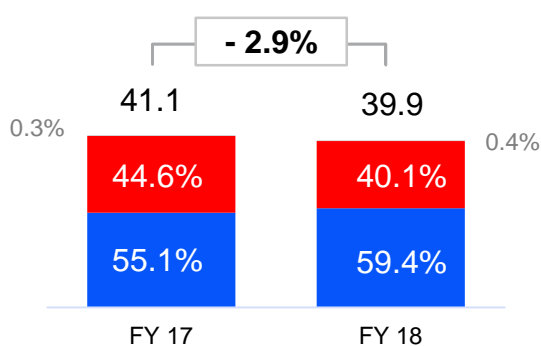
Total net production (GWh)				
GWh	Hydro	Oil-Gas	Coal	Total
Argentina	2,859	11,090	0	<b>13,949</b>
Brazil	3,219	537	0	<b>3,755</b>
Colombia	13,763	116	173	<b>14,052</b>
Peru	3,849	4,257	0	<b>8,106</b>
<b>Total</b>	<b>23,690</b>	<b>16,000</b>	<b>173</b>	<b>39,863</b>

# Operating Exhibits FY 2018

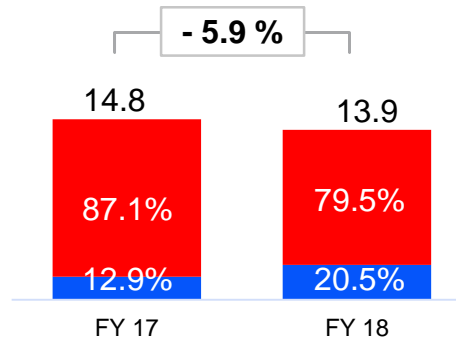
Production mix (TWh)



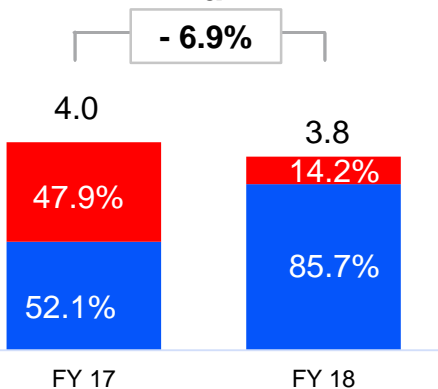
## LatAm



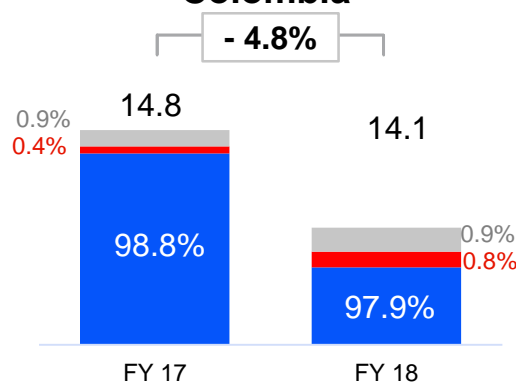
## Argentina



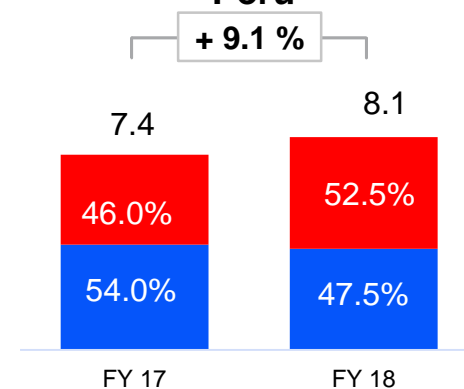
## Brazil



## Colombia



## Peru



# Operating Exhibits FY 2018

## Distribution companies



Distributor	Clients	Energy sold (GWh)	Energy losses (%)	City, Country	Concession area (km <sup>2</sup> )	Next tariff revision
Edesur	2,529,953	17,548	14.2%	Buenos Aires, Argentina	3,309	2022
Enel Dx Rio	2,959,220	11,019	21.0%	Niteroi, Brazil	32,615	2023
Enel Dx Ceará	3,933,281	11,843	13.9%	Fortaleza, Brazil	148,825	2019
Enel Dx Goiás	3,026,991	13,755	11.6%	Goiás, Brazil	377,000	2023
Enel Dx São Paulo	7,224,487	24,693 <sup>1</sup>	9.5%	Sao Paulo, Brazil	4,500	2019
Enel-Codensa	3,438,620	14,024	7.7%	Bogota, Colombia	14,456	2019 <sup>2</sup>
Enel Dx Perú	1,422,608	8,045	8.1%	Lima, Peru	1,517	2022
<b>Total</b>	<b>24,535,160</b>	<b>100,927</b>	-	-	-	-

1. Enel Distribuição São Paulo's consolidation since June 1<sup>st</sup>, 2018
2. 2014 process is still pending. It is expected to start the process by 1Q 2019.

# Financial Exhibits FY 2018

## Liquidity and credit profile



Liquidity (US\$ m)	Total	Used	Available
Committed credit lines	1,620	350	1,270
Cash and cash equivalents <sup>1</sup>	2,069	0	2,069
<b>Total liquidity</b>	<b>3,689</b>	<b>350</b>	<b>3,339</b>

Credit Profile as of Dec. 2018	S&P	Fitch	Moody's
LT international debt	BBB	BBB+	Baa3
LT local debt	-	AA (cl)	-
Outlook (Int'l)	Stable	Stable	Negative
Shares	-	1st Class Level 1	-

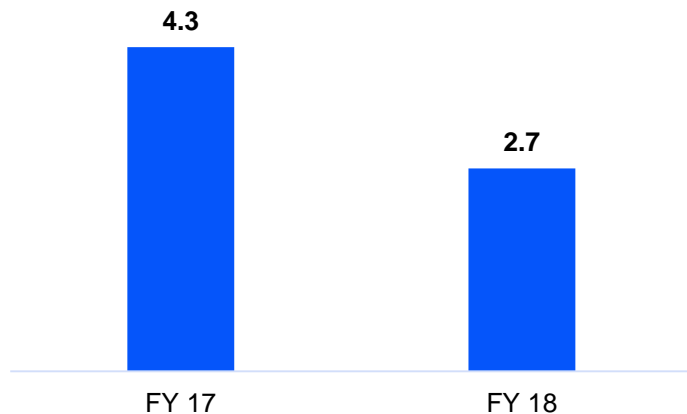
1. Include cash and cash equivalence for more than 90 days

# Financial Exhibits FY 2018

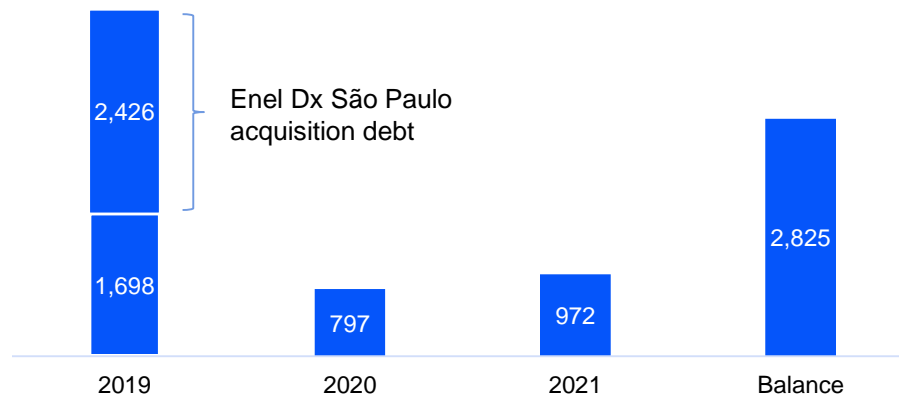
## Debt maturity



### Average residual maturity (years)



### Debt profile (US\$ m)



# FY 2018 results

## Disclaimer



*This presentation contains statements that could constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements appear in a number of places in this presentation and include statements regarding the intent, belief or current expectations of Enel Américas and its management with respect to, among other things: (1) Enel Américas' business plans; (2) Enel Américas' cost-reduction plans; (3) trends affecting Enel Américas' financial condition or results of operations, including market trends in the electricity sector in Chile or elsewhere; (4) supervision and regulation of the electricity sector in Chile or elsewhere; and (5) the future effect of any changes in the laws and regulations applicable to Enel Américas or its subsidiaries. Such forward-looking statements reflect only our current expectations, are not guarantees of future performance and involve risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of various factors. These factors include a decline in the equity capital markets of the United States or Chile, an increase in the market rates of interest in the United States or elsewhere, adverse decisions by government regulators in Chile or elsewhere and other factors described in Enel Américas' Annual Report or Form 20-F. Readers are cautioned not to place undue reliance on those forward-looking statements, which state only as of their dates. Enel Américas undertakes no obligation to release publicly the result of any revisions to these forward-looking statements, except as required by law.*

# FY 2018 Results

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# Thank you.

enel