



# Enel Américas 1H 2018 results



# 1H 2018 results

Highlights of the period



**EBITDA of 1,652 mUSD, an increase of 19% vs 1H 2017  
despite a negative fx scenario in Argentina and Brazil**

**Generation EBITDA increased by 14%  
due to better prices in Argentina and consolidation  
of Volta Grande**

**Distribution EBITDA increased by 25%  
due to the full application of the tariff increase in Edesur, the successful turnaround of Enel Dx  
Goías, positive results in Enel Dx Rio and Eletropaulo's consolidation since June, 2018**

**Takeover of Eletropaulo took place on June 4<sup>th</sup>, 2018.  
Enel Américas owns a stake of 93.3% of the company since July 4<sup>th</sup>, 2018**

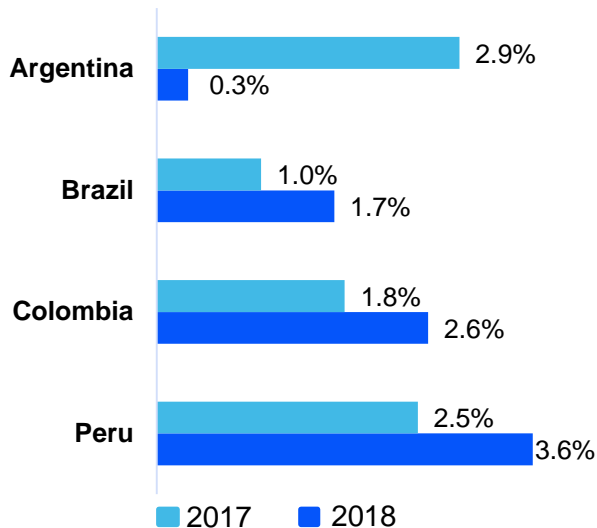
**Total Net Income of 660 mUSD, an increase of 77% vs 2017  
Net Income Attributable to shareholders of 403 mUSD, an increase of 96% vs 2017**

# 1H 2018 results

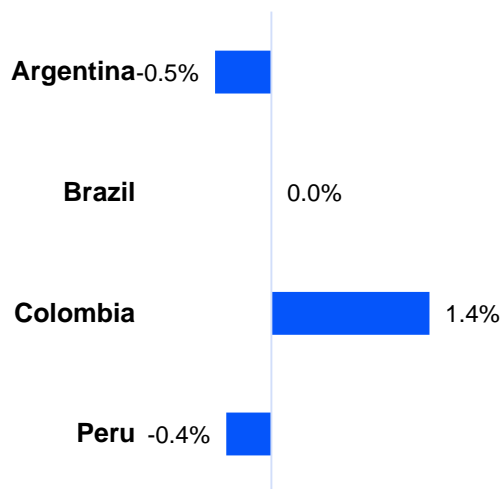
## Market context evolution



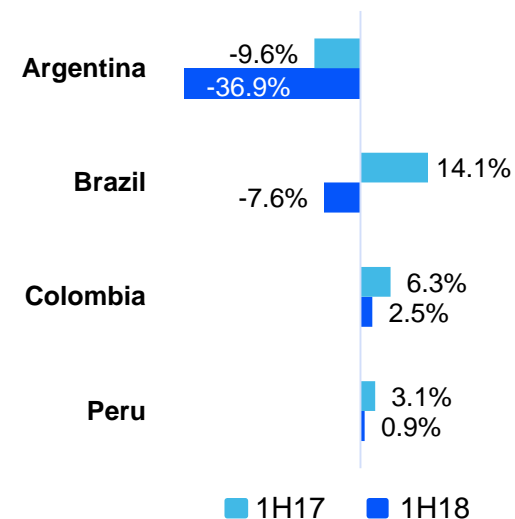
### Annual GDP growth <sup>1</sup> (%)



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



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



**Devaluation in local currencies of Argentina and Brazil had a negative impact of US\$ 134 million at EBITDA level**

# 1H 2018 results

## Regulation update

Argentina



- On February, the **final step of the tariff increase** was implemented and the recovery of the deferred revenues in 48 installments begun
- Contacts ongoing with the new minister to finalize the **agreement on the Settlement of Regulatory Assets**
- The delay of the payment (30%) to Generators by Cammesa decided last June has been already settled by Cammesa including interest

Brazil



- On March, the Regulator kept the WACC at the current level **8,09% after tax**
- ANEEL approved the 4th tariff review of **Enel Rio** (March)
- Annual tariff adjustment of **Enel Ceará** (April) and **Eletropaulo** (July).
- Thermal Plant **CGTF** without generating since June, 30 due to suspension of the injunction obtained to restore the gas supply contract with Petrobras; legal actions ongoing to restore gas supply and discussion in Parliament to review gas price

Colombia



- Res. CREG 085/2018 – **Distribution remuneration methodology**
- Resolutions CREG 064/2018; 065/2018 and 066/2018 **to ensure energy supply and demand coverage** in the next coming years due to the delay of the commercial operations of Ituango Pescadero

Peru



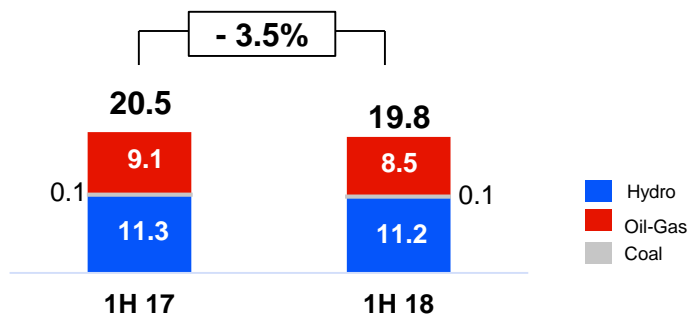
- On June 15, the **declaration of natural gas prices** was made for those generation plants that use this kind of fuel
- On August 3, Osinergmin will publish the **“Proyecto de Resolución del VAD”**. The new distribution tariff will be effective as of November 1st, 2018

# 1H 2018 results

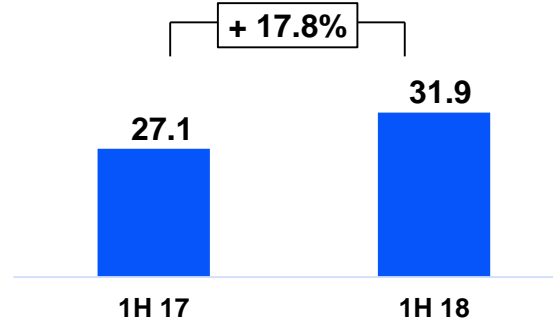
## Operating highlights

Generation

Net production (TWh)

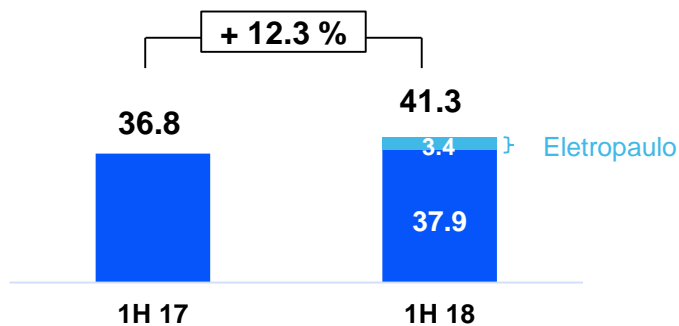


Energy sales (TWh)

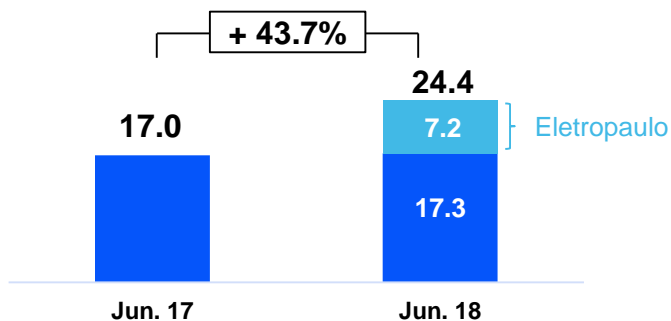


Distribution

Energy Distributed (TWh)



Number of customers (m)



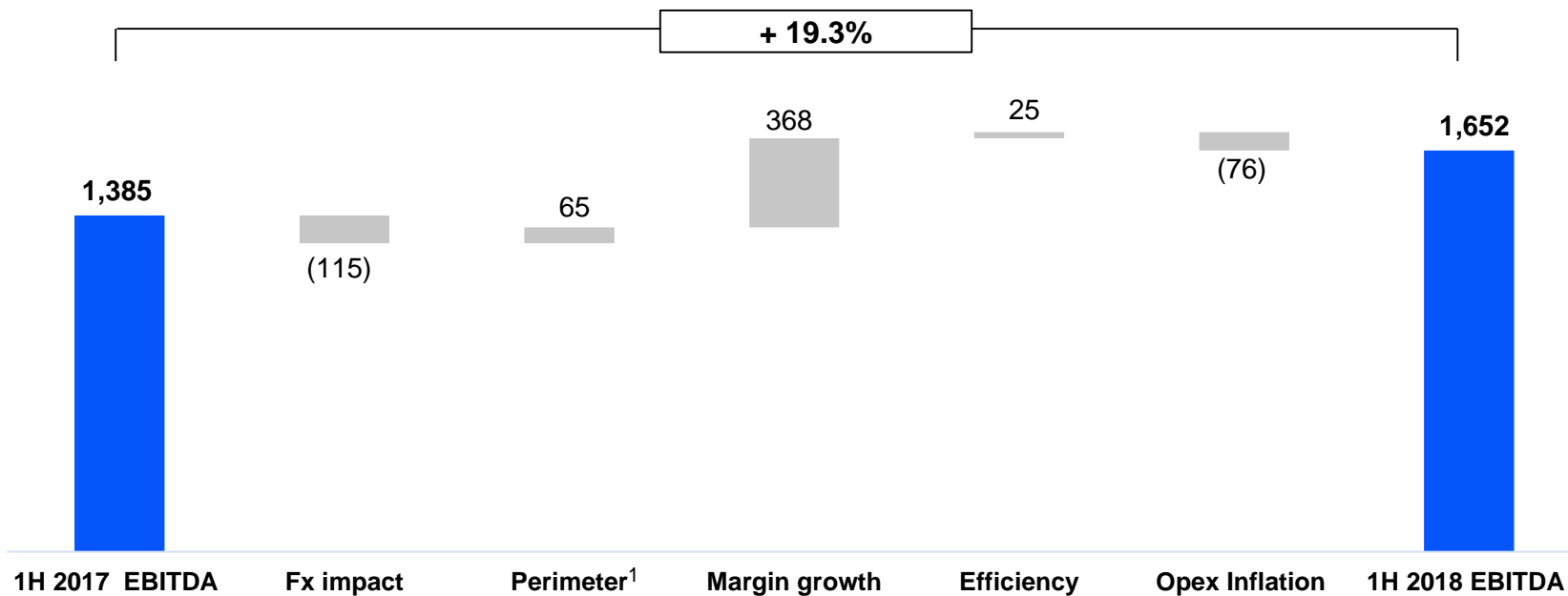
# 1H 2018 results

## Financial highlights (US\$ m)

	1H 18	1H 17	Δ yoy	Net of Fx
Revenues	5,948	4,820	23.4%	
Contribution Margin	2,465	2,192	12.5%	
EBITDA	1,652	1,385	19.3%	27.6%
EBIT	1,249	984	26.9%	
Net Financial Results	-217	-342	36.6%	
Others	2	5	-54.1%	
EBT	1,034	647	59.9%	
Taxes	-374	-273	36.8%	
Total Net Income	660	374	76.7%	92.3%
Attributable to Shareholders	403	206	95.8%	112.3%
Gross Capex	650	629	3.3%	
Net Debt	6,568	3,349	96.1%	

# 1H 2018 results

EBITDA evolution (US\$ m)

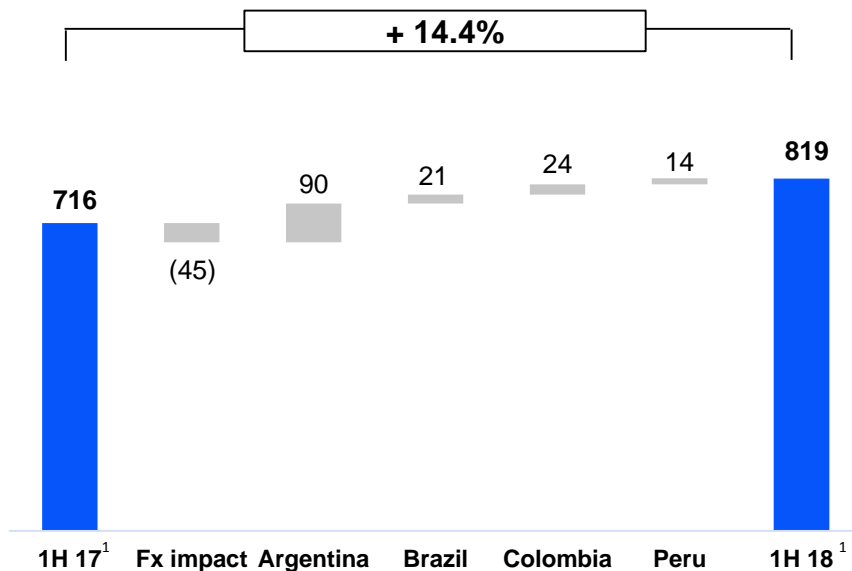


1. Enel Dx Goiás: USD 11 m, Eletropaulo: USD 22 m, Volta Grande: USD 45 m and others: - USD 12 m.

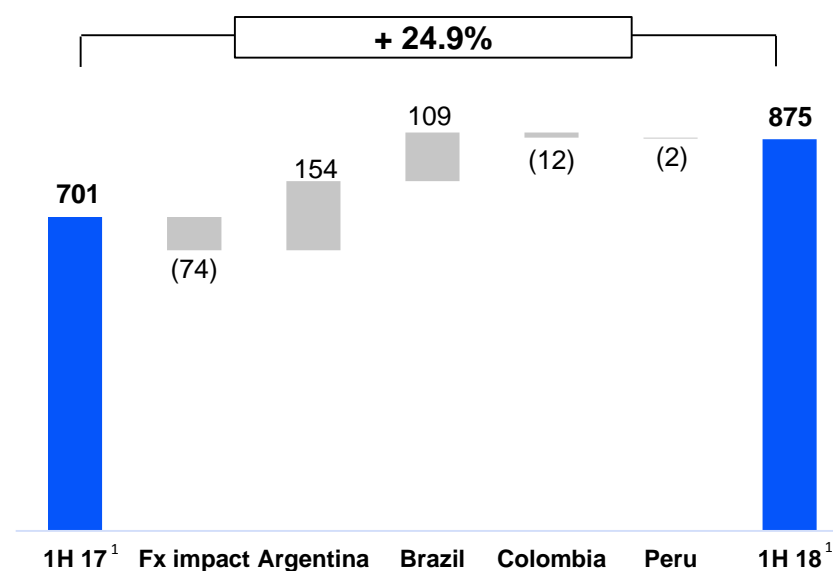
# 1H 2018 results

Group EBITDA evolution by business and country (US\$ m)

## Generation



## Distribution



1. Not including Services & Holding (USD -42 m in 2018 and USD -32 m in 2017).

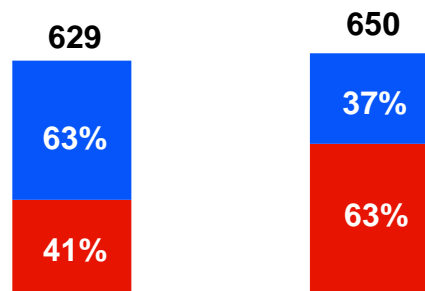


# 1H 2018 results

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

## By activity

+ 3.3%



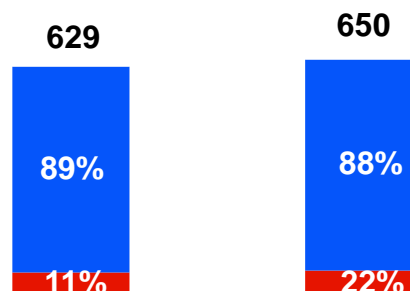
1H 17

1H 18

■ Maintenance ■ Growth

## By business

+ 3.3%



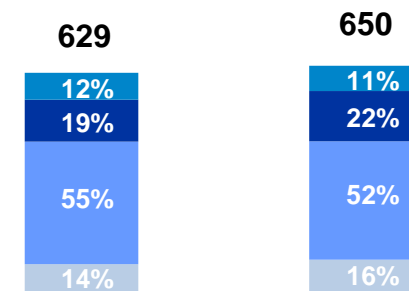
1H 17

1H 18

■ Generation ■ Distribution

## By country

+ 3.3%



1H 17

1H 18

■ Argentina ■ Brazil ■ Colombia ■ Peru

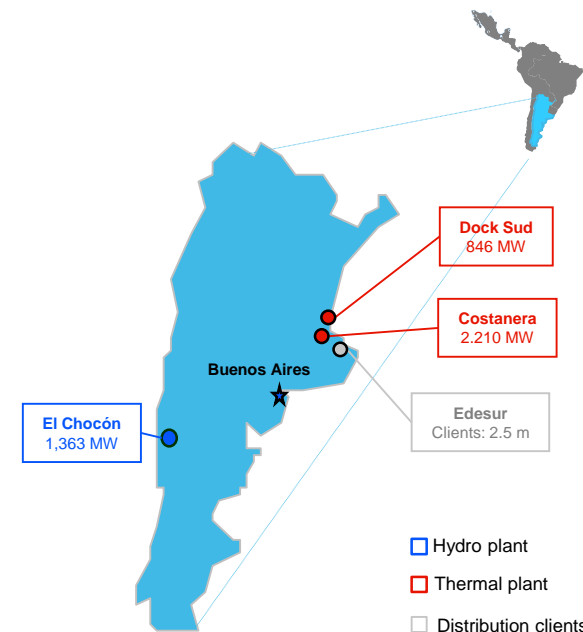
1. Accrued capex during 1Q18, gross of contributions and connections fees.

# 1H 2018 results

Focus on Argentina (US\$ m)



	Generation			Distribution			Total 1H		
	1H 18	1H 17	%	1H 18	1H 17	%	1H 18	1H 17	%
Revenues	166	125	33%	800	577	39%	965	701	38%
EBITDA	110	63	76%	144	43	232%	253	106	140%
Net Income	113	46	149%	28	-86	137%	147	-40	137%
Capex	26	11	130%	75	76	-2%	101	88	15%
Net Production (GWh)	7,295	7,779	-6%	-	-	-	7,295	7,779	-6%
Energy Sales (GWh)	7,295	7,802	-6%	9,042	9,090	-1%	-	-	-
Av. Spot Price (\$US/MWh)	N.A.	N.A.	-	-	-	-	N.A.	N.A.	-
Clients (Th)	-	-	-	2,543	2,518	1%	2,543	2,518	1%



1. "Total" included Holding and Services adjustments.

# 1H 2018 results

Focus on Brazil (US\$ m)



	Generation			Distribution			Total 1H		
	1H 18	1H 17	%	1H 18	1H 17	%	1H 18	1H 17	%
Revenues	460	370	24%	2,603	2,069	26%	2,914	2,283	28%
EBITDA	177	170	4%	364	283	29%	511	435	17%
Net Income	115	104	10%	87	-30	-393%	130	65	101%
Capex	5	9	-43%	329	338	-3%	335	347	-4%
Net Production (GWh)	1,690	1,882	-10%	-	-	-	1,690	1,882	-10%
Energy Sales (GWh)	10,274	5,505	87%	21,343	16,850	27%	-	-	-
Av. Spot Price (\$US/MWh)	70	72	-2%	-	-	-	70	72	-2%
Clients (Th)	-	-	-	17,098	9,806	74%	17,098	9,806	74%



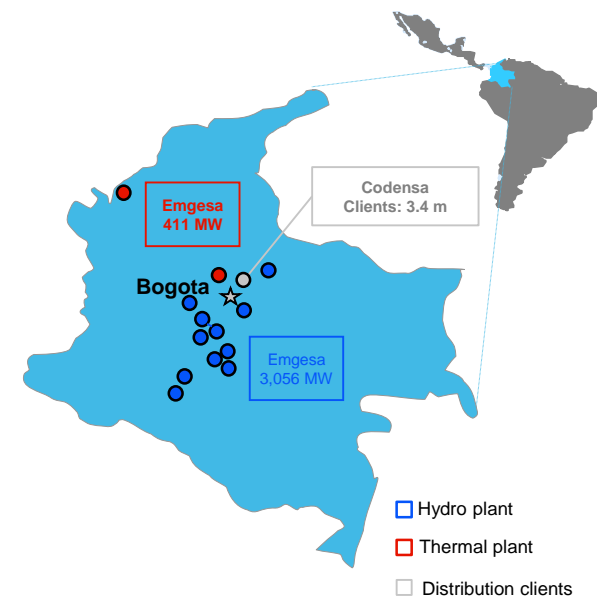
1. "Total" including Holding and Services adjustments.
2. Southeast /Central-west region.
3. Eletropaulo's clients as of June 30, 2018: 7,166 th

# 1H 2018 results

Focus on Colombia (US\$ m)



	Generation			Distribution			Total 1H		
	1H 18	1H 17	%	1H 18	1H 17	%	1H 18	1H 17	%
Revenues	620	550	13%	847	757	12%	1,327	1,156	15%
EBITDA	368	335	10%	254	260	-2%	622	595	5%
Net Income	177	144	23%	102	106	-4%	279	250	12%
Capex	26	25	4%	117	94	24%	143	119	20%
Net Production (GWh)	6,732	7,443	-10%	-	-	-	6,732	7,443	-10%
Energy Sales (GWh)	8,843	8,690	2%	6,880	6,783	1%	-	-	-
Av. Spot Price (\$US/MWh)	41	36	12%	-	-	-	41	36	12%
Clients (Th)	-	-	-	3,388	3,293	3%	3,388	3,293	3%



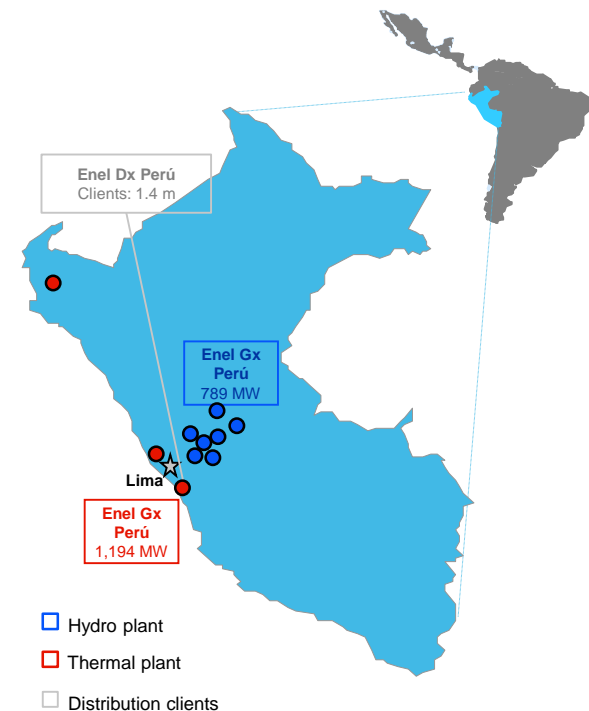
1. "Total" including Holding and Services adjustments.

# 1H 2018 results

Focus on Peru (US\$ m)



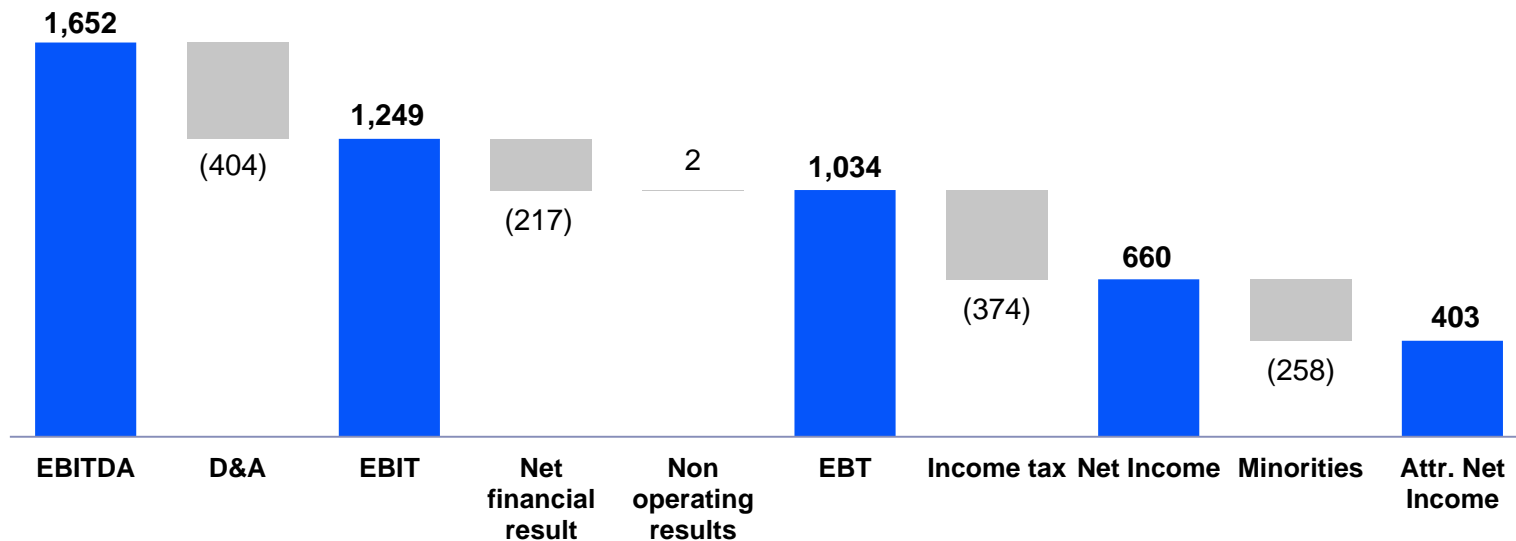
	Generation			Distribution			Total 1H		
	1H 18	1H 17	%	1H 18	1H 17	%	1H 18	1H 17	%
Revenues	379	345	10%	463	447	4%	741	680	9%
EBITDA	165	149	10%	113	114	-1%	278	263	5%
Net Income	90	66	36%	52	52	-1%	141	119	18%
Capex	17	24	-28%	54	52	5%	71	76	-6%
Net Production (GWh)	4,085	3,409	20%	-	-	-	4,085	3,409	20%
Energy Sales (GWh)	5,458	5,057	8%	4,040	4,058	0%	-	-	-
Av. Spot Price (\$US/MWh)	11	9	27%	-	-	-	11	9	27%
Clients (Th)	-	-	-	1,409	1,385	2%	1,409	1,385	2%



1. "Total" including Holding and Services adjustments.

# 1H 2018 results

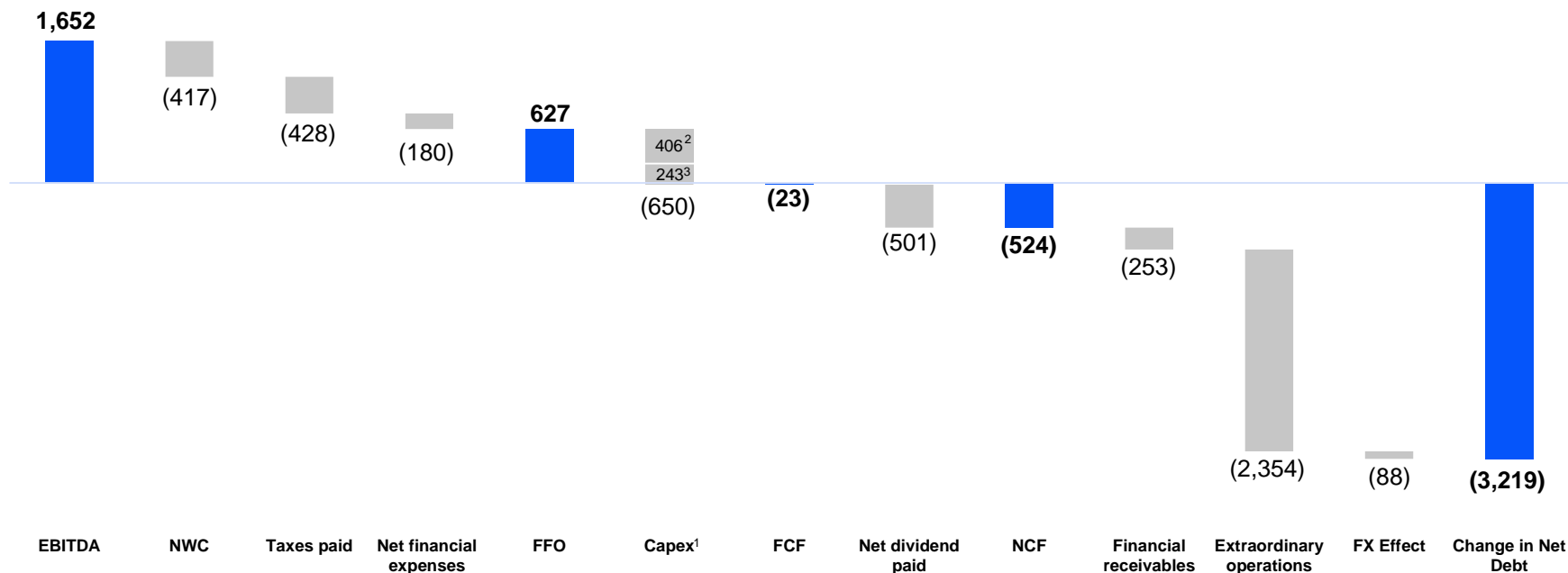
From EBITDA to Net income (US\$ m)



1H 17	1,385	- 401	984	- 342	5	647	- 273	374	- 168	206
Δ yoy	19.3%	0.6%	26.9%	36.6%	-54.1%	59.9%	36.8%	76.7%	53.3%	95.8%

# 1H 2018 results

Free cash flow (US\$ m)

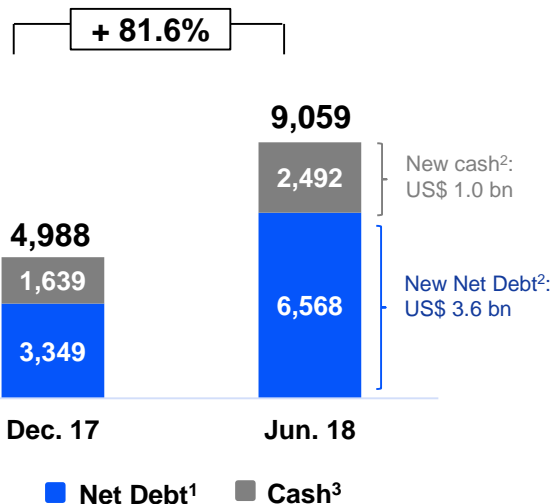


1. Capex accrued gross of contributions and connections fees. Differences between Capex accrued and Capex paid are included in the NWC.  
 2. Maintenance Capex.  
 3. Growth Capex.

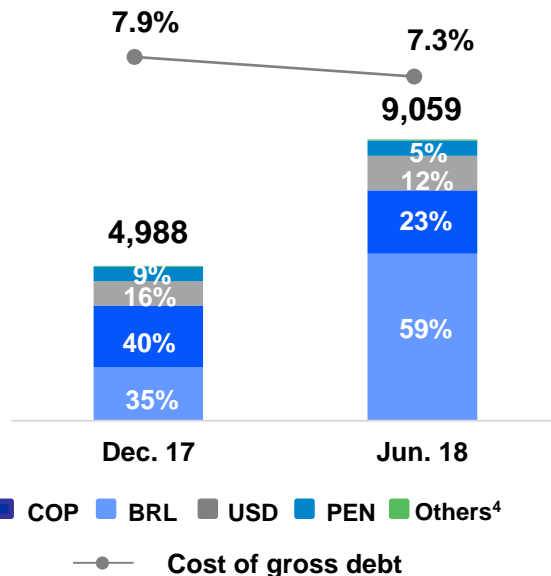
# 1H 2018 results

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

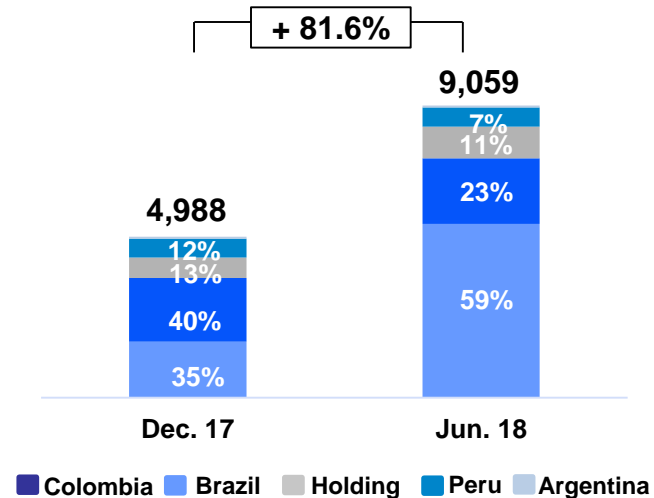
## Gross and Net Debt



## Gross debt breakdown by currency



## Gross debt breakdown by country



1. Gross and net debt exclude accrued interests and adjustments after derivatives.  
 2. Increase in cash and debt mainly due to Eletropaulo purchase.  
 3. Cash and cash equiv. + 90-day cash investments.  
 4. Others: UF. Dec. 17: 0.64%; Jun. 18: 0.30%.

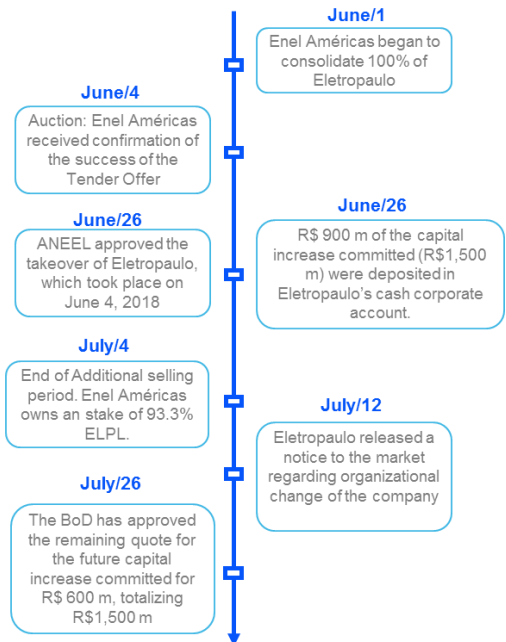


# 1H 2018 results

## Focus Eletropaulo



### Last milestones



### Rating agencies

**S&P Global**  
Ratings

BBB / Stable  
International

**MOODY'S**

Baa3 / Negative  
International

**FitchRatings**

BBB+/Stable  
International  
AA(cl)/Stable  
Local

**Feller.Rate**  
Clasificadora  
de Riesgo

AA- / Stable  
Local

**Rating agencies kept outlook and rating**

# 1H 2018 results

Closing remarks: highlights



**Significant better results than in the first half of the previous year**

**Consolidation of Volta Grande and higher prices mainly in Argentina allowed better results in Generation business**

**Good performance in Distribution business due to full consolidation of Enel Dx Goiás and tariff increase in Edesur**

**Acquisition of Eletropaulo completed and consolidation since June, 2018  
Integration plan advancing as scheduled**

**Devaluation of local currencies vs USD in Argentina and Brazil would impact our guidance for 2018**

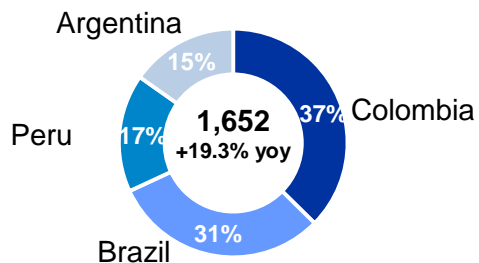


# Exhibits

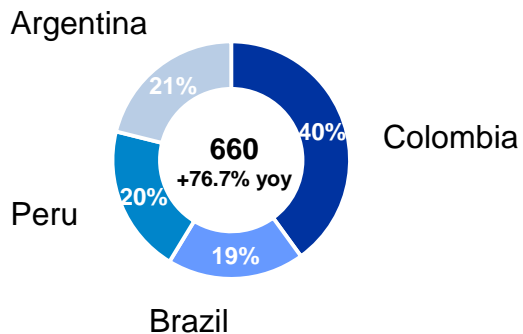
# 1H 2018 results

EBITDA breakdown (US\$ m)

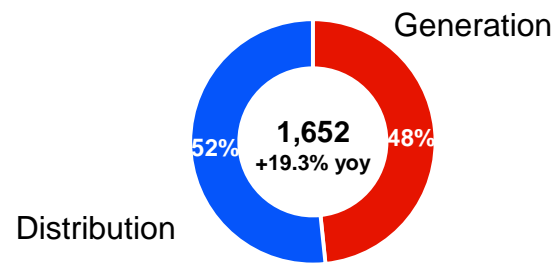
## EBITDA by country



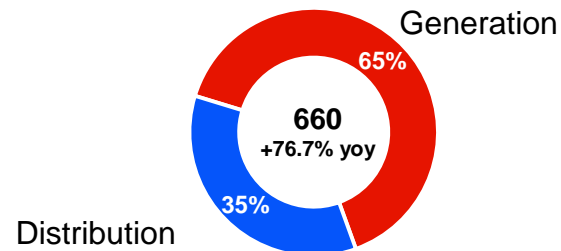
## Net Income by country



## EBITDA by business



## Net Income by business

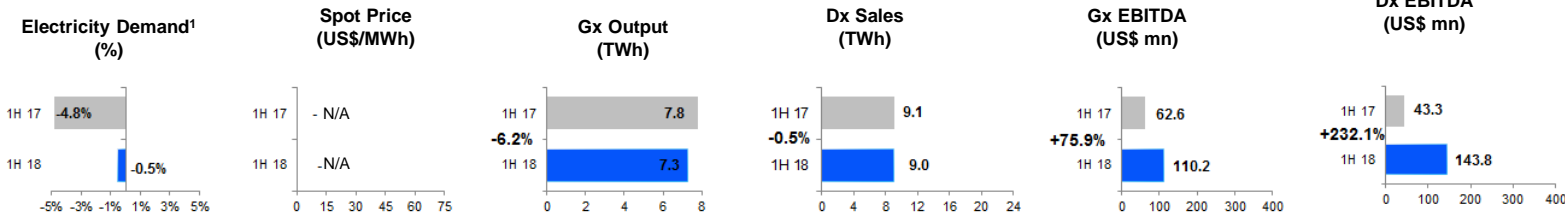


# Operating Exhibits 1H 2018

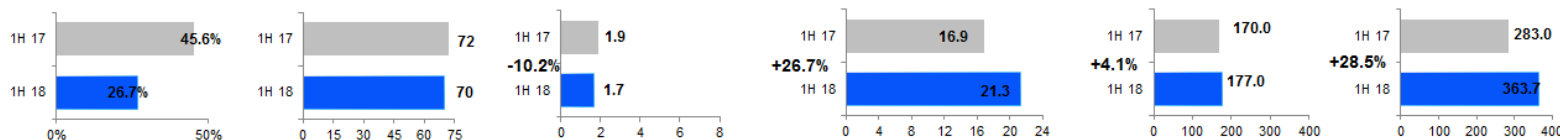
Business context in 1H 2018 v/s 1H 2017



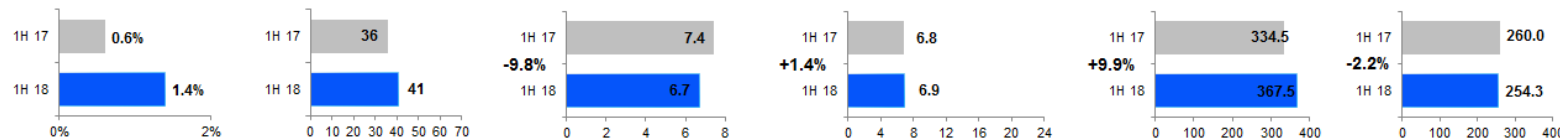
**Argentina**



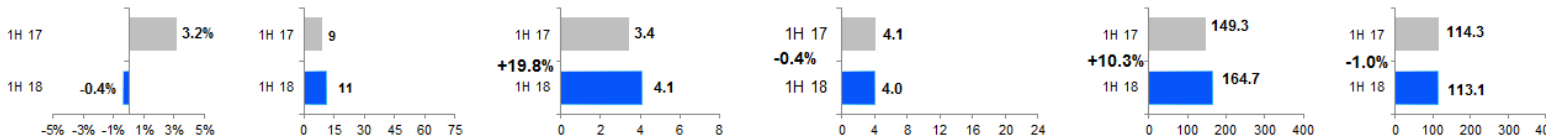
**Brazil**



**Colombia**



**Peru**



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 1H 2018

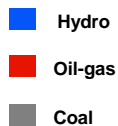
Net installed capacity and Total net production: Breakdown by source and geography

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	187	224	<b>3,504</b>
Peru	792	1,194	0	<b>1,986</b>
<b>Total</b>	<b>6,249</b>	<b>4,791</b>	<b>224</b>	<b>11,263</b>

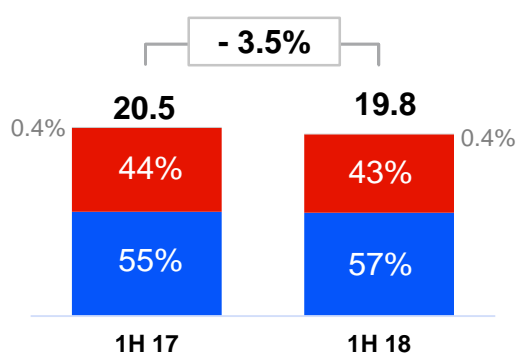
Total net production (GWh)				
GWh	Hydro	Oil-Gas	Coal	Total
Argentina	1,350	5,945	0	<b>7,295</b>
Brazil	1,134	555	0	<b>1,690</b>
Colombia	6,596	52	83	<b>6,732</b>
Peru	2,120	1,965	0	<b>4,085</b>
<b>Total</b>	<b>11,201</b>	<b>8,517</b>	<b>83</b>	<b>19,801</b>

# Operating Exhibits 1H 2018

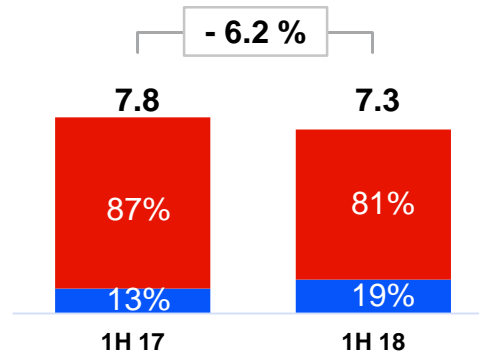
Production mix (TWh)



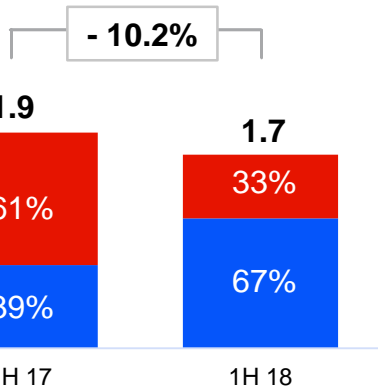
## LatAm



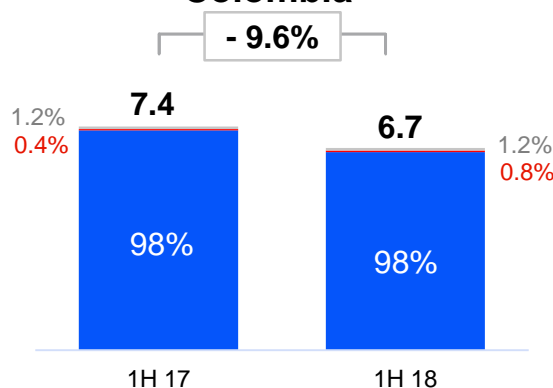
## Argentina



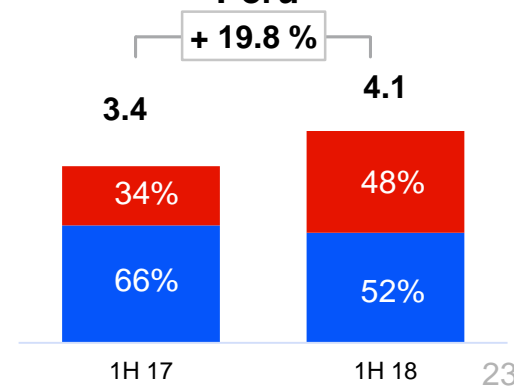
## Brazil



## Colombia



## Peru



# Operating Exhibits 1H 2018

## Distribution companies



Distributor	Clients	Energy sold (GWh)	Energy losses (%)	City, Country	Concession area (km <sup>2</sup> )	Next tariff revision
Edesur	2,542,702	9,042	12.9%	Buenos Aires, Argentina	3,309	2022
Enel Dx Rio	2,983,183	5,635	20.8%	Niteroi, Brazil	32,615	2023
Enel Dx Ceará	3,976,495	5,708	14.0%	Fortaleza, Brazil	148,825	2019
Enel Dx Goiás	2,972,377	6,582	12.5%	Goiás, Brazil	377,000	2018
Eletropaulo	7,165,542	3,418 <sup>1</sup>	9.6%	Sao Paulo, Brazil	4,500	2019
Codensa	3,388,428	6,880	7.9%	Bogota, Colombia	14,456	2018 <sup>2</sup>
Enel Dx Perú	1,409,107	4,040	8.2%	Lima, Peru	1,517	2018
<b>Total</b>	<b>24,437,834</b>	<b>41,305</b>	-	-	-	-

1. Eletropaulo's consolidation since June 1<sup>st</sup>, 2018

2. 2014 process is still pending. It is expected to start the process by 4Q 2018.



# Financial Exhibits 1H 2018

## Liquidity and credit profile



Liquidity (US\$ m)	Total	Used	Available
Committed credit lines	1,307	350	957
Cash and cash equivalents <sup>1</sup>	2,492	0	2,492
<b>Total liquidity</b>	<b>3,798</b>	<b>0</b>	<b>3,448</b>

Credit Profile as of July 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	-

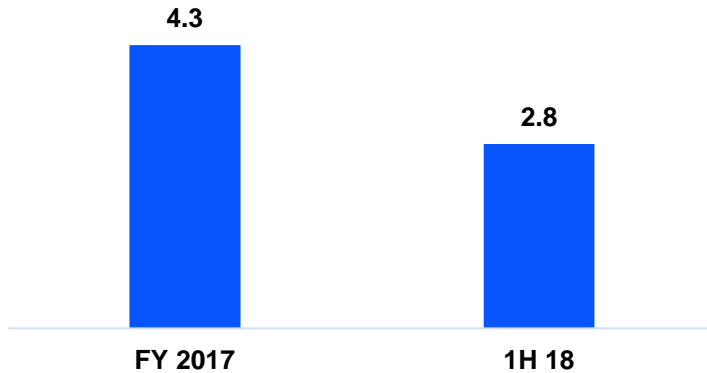
1. Include cash and cash equivalence for more than 90 days

# Financial Exhibits 1H 2018

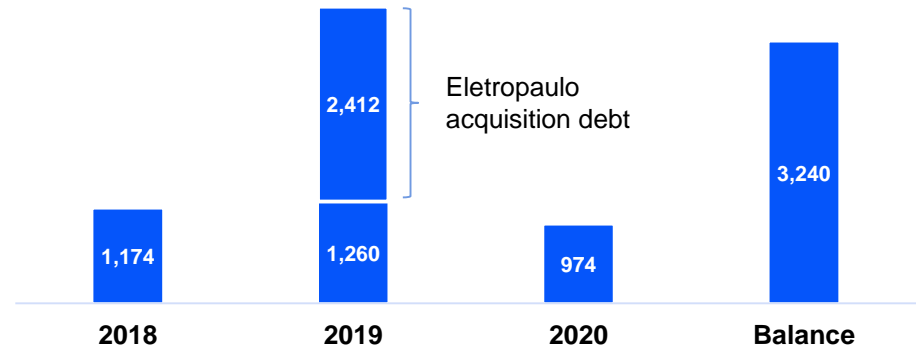
## Debt maturity



Average residual maturity (years)



Debt profile (US\$ m)



# 1H 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.*

# 1H 2018 Results

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## María Luz Muñoz

Executive Assistant

# Thank you.

enel