

Enersis

1Q 2014 results

06/05/2014

enersis



Consolidated results 1Q 2014

Highlights

The group is moving: successful progress on investments in Coelce's tender offer, Gas Atacama acquisition, Edegel minorities and Los Condores hydro project.

EBITDA totaled US\$ 750 mn, 4.6% less than the first quarter of 2013, in spite of the negative impact of Bocamina II coal plant in Chile and higher distribution costs in Argentina, which were offset by the positive effects on Colombia, Peru and Brazil

Net income attributable to shareholders reached US\$ 140 mn, 8.7% less than last year and already represents about 64% of total net income (vs. 43% last year)

During 1Q14 the distribution business added 94,000 new clients to the business with an average demand growth of 4.6%

Organic growth and new capacity in the short-term: El Quimbo (Hydro +400 MW), Salaco (Hydro +145 MW)

~ 140 USD mn negative one-off effects impacting EBITDA

Enersis recent announcements

Voluntary Tender offer for the 100% of free float



Distribution - Brazil

- Results:** 15% incremental stake. Enersis totaled 74%.
- Price:** R\$ 49 per share.
- Premium:** +20.1% compared to VWAP last 30 trading days.
- Closing date:** February 17, 2014. Still open for the Ordinary Series until May 16th, 2014.
- FY 13 EBITDA: US\$ 231 Mn
- FY 13 Net Income: US\$ 84 Mn
- PER 13: 20.89 x
- EV/EBITDA 13: 10.34 x

Investment: US\$ 242 mn

Acquisition of 50% by Endesa Chile



Generation - Chile

- Results:** Endesa Chile became controller of GasAtacama.
- Price:** US\$ 309 mm for the 50% of GAT complex.
- Closing date:** April 22nd, 2014
- FY 13 EBITDA: US\$ 114 Mn
- FY 13 Net Income: US\$ 69 Mn
- PER 13: 4.9x
- EV/EBITDA 13: 3.5x

Investment: US\$ 309 mn

Purchase of 21.14% Inkia



Generation - Peru

- Results:** Enersis signed SPA¹ with Inkia for the 21.14% of Edegel. After the closing, Enersis will increase its economic participation from 37,5% to 59%
- Price:** US\$ 413 mm for the package
- Discount:** 9% over current market cap².
- Closing date:** Subject to approval by the Peruvian antitrust entity INDECOPI.
- FY 13 EBITDA: US\$ 279 Mn
- FY 13 Net Income: US\$ 162 Mn
- PER 13: 11.6x
- EV/EBITDA 13: 6.6x

Investment: US\$ 413 mn

Los Condores Hydro Project



Generation - Chile

- Results:** Los Cóncores project is 100% owned by Endesa Chile.
- Investments:** 661 Mn US\$
- Capacity:** 150 MW
- Production:** 642 GWh yearly
- Closing Date:** end of 2018
- The project is expected to lower the average energy price of the SIC market in 5 US\$/MWh aprox.

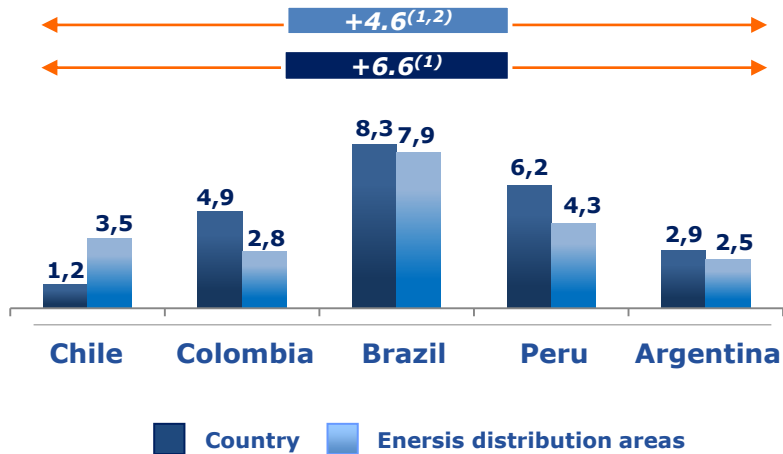
Investment: US\$ 661 mn

1 Shares purchase agreement
 2 Market cap as of April 21st, 2014
 3. Ratios, Source: Bloomberg

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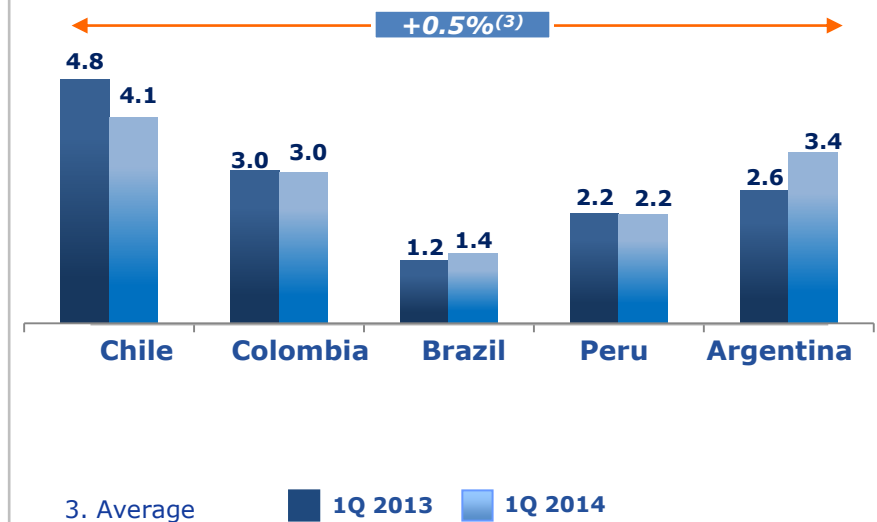
Business context in 1Q 2014

Sales to final clients (%)



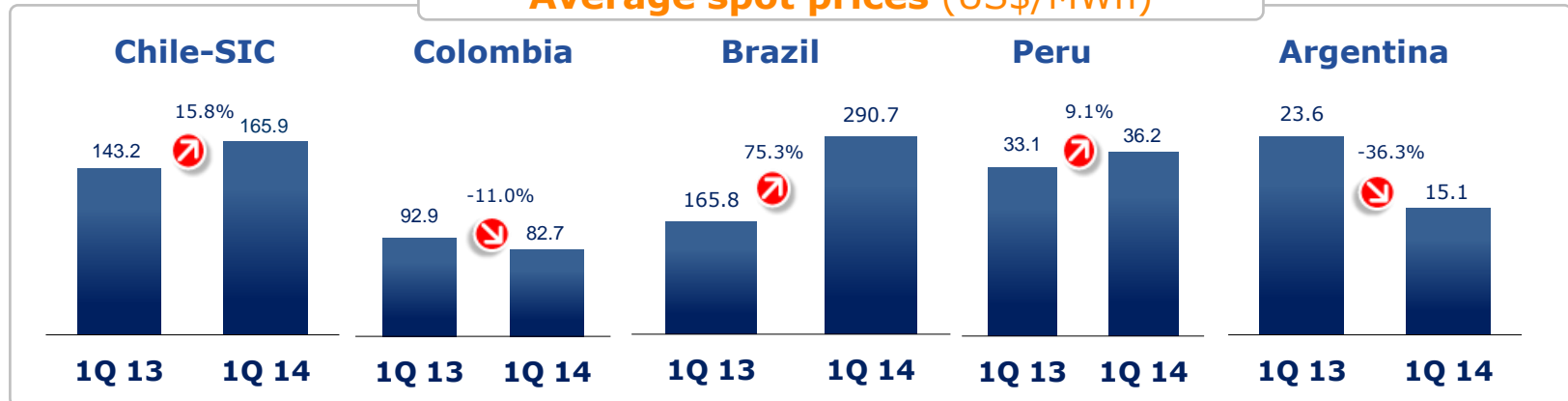
1. Average growth weighted by TWh (not adjusted)
 2. Sales to final clients. Tolls and unbilled consumption not included (net of losses)

Generation Output (TWh)



(1) Average growth weighted by production

Average spot prices (US\$/MWh)



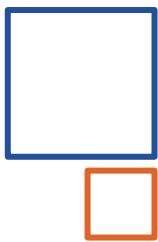
Consolidated results 1Q 2014

Financial highlights

Ch\$ Million ⁽¹⁾	1Q 2014	1Q 2013	Change (%)	1Q 2014 Mn US\$
Revenues	1,608,614	1,456,669	10.4%	2,915
Costs	-1,194,720	-1,022,628	16.8%	-2,165
EBITDA	413,894	434,041	-4.6%	750
EBIT	295,037	325,515	-9.4%	535
Net income	120,195	195,351	-38.5%	218
Attributable to shareholders of Enersis	76,811	84,159	-8.7%	139
Net Debt⁽²⁾	1,758,435	1,307,850	34.5%	3,190

1 Under IFRS, Enersis has adopted the Chilean peso as the functional currency. Comparisons between periods are made using Chilean pesos. The average exchange rate for the period January – March 2014 was 551.91 CLP/USD, and the exchange rate as of March 31, 2014 was 551.18 CLP/USD.

2 Cash and Cash Equivalents considers in addition “Other current financial assets” (“Inversiones mantenidas hasta el vencimiento” + “Activos financieros a valor razonable con cambio en resultados”), linked to investments in financial instruments with maturity greater than 90 days. Refer to Note 7 of the financial statements for further disclosure.



Consolidated results 1Q 2014

From EBIT to net income

Ch\$ Million ⁽¹⁾	1Q 2014	1Q 2013	Change (%)	1Q 2014 Mn US\$
EBIT	295,037	325,515	-9.4%	535
Net Financial Expense	-61,360	-57,492	6.7%	-111
Interest Expense	-100,270	-100,747	-0.5%	-182
Other	73,928	43,423	70.3%	134
Net Income from Equity Investments	6,971	6,596	5.7%	13
EBT	245,471	277,601	-11.6%	445
Income Tax	-125,276	-82,249	52.3%	-227
Net Income	120,195	195,351	-38.5%	218
Attributable to non-controlling interests	43,384	111,192	-61.0%	79
Attributable to shareholders of Enersis	76,811	84,159	-8.7%	139

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Consolidated results 1Q 2014

Regulation update

Chile

- Fiscal reform project:
 - ✓ Gradual increase of corporate income tax from 20% to 25% in 2017
 - ✓ Disappearance of FUT("Fondo de Utilidades Tributarias")
 - ✓ New emissions tax beginning in 2017 affecting thermal facilities >50MW (5 US\$/t for CO2 and 0,1 US\$/t for NOx and SO2)

Brazil

- Ampla's tariffs review:
 - ✓ On April 7th, ANEEL approved Ampla's +2.64% tariff revision starting on April 8th
- Coelce's tariffs adjustment
 - ✓ On April 15, ANEEL approved a +16,8% increase in the average final tariff, beginnings on April 22
- Still affected by involuntary extra-costs in Distribution:
 - ✓ Until today a part of the incremental energy costs have not been recognized yet

Argentina

- Dx:
 - ✓ Progress in negotiations with the Government related to general corporate sustainability
- Gx:
 - ✓ Progress in reviewing standards foreseen in Resolution 95/2013

Colombia

- ✓ New tariffs should be approved by the end of 2014 become and effective from 2015 going forward.

Consolidated results 1Q 2014

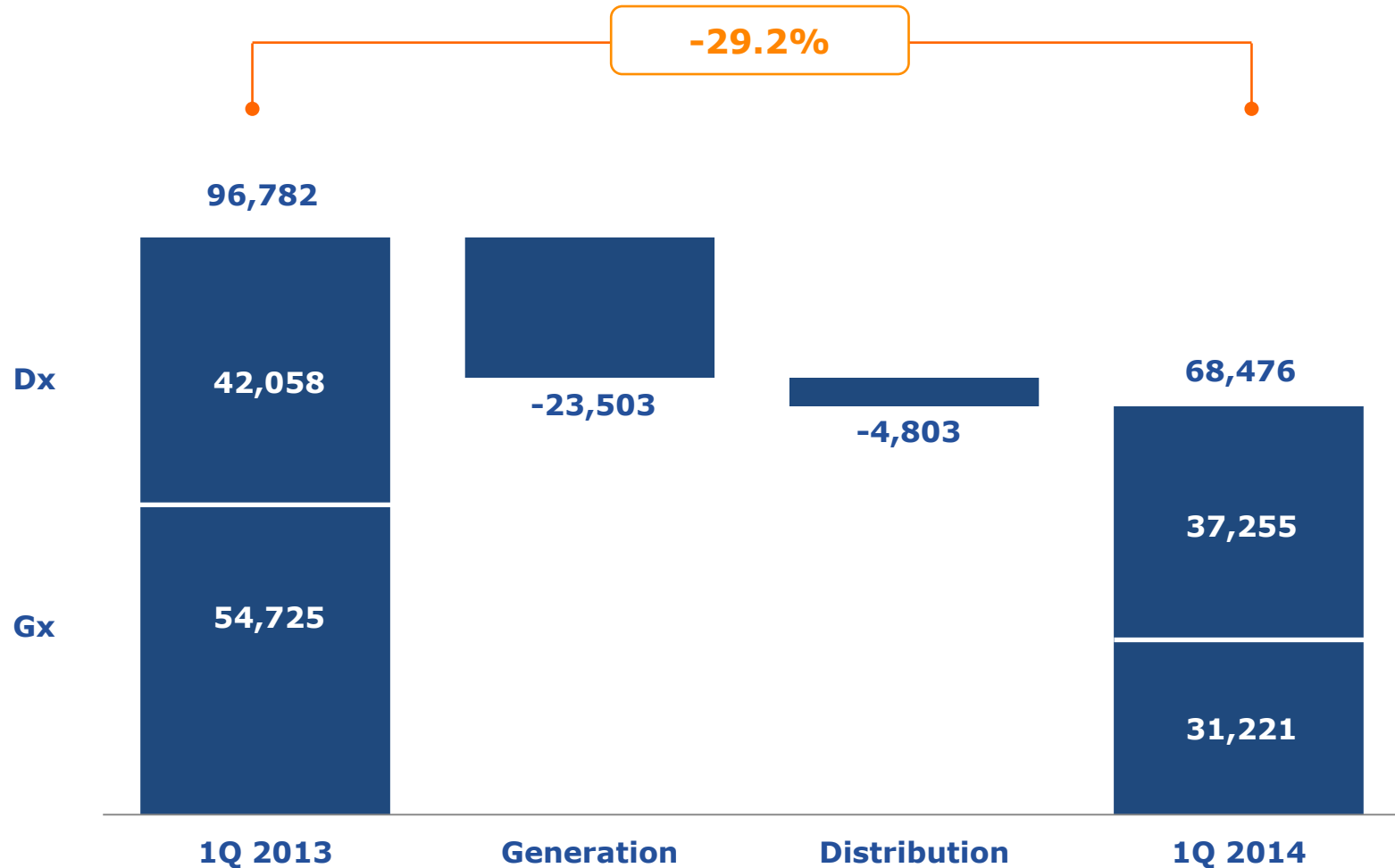
EBITDA evolution (Ch\$ Million)



1 Other: Holding and consolidation adjustments

Consolidated results 1Q 2014

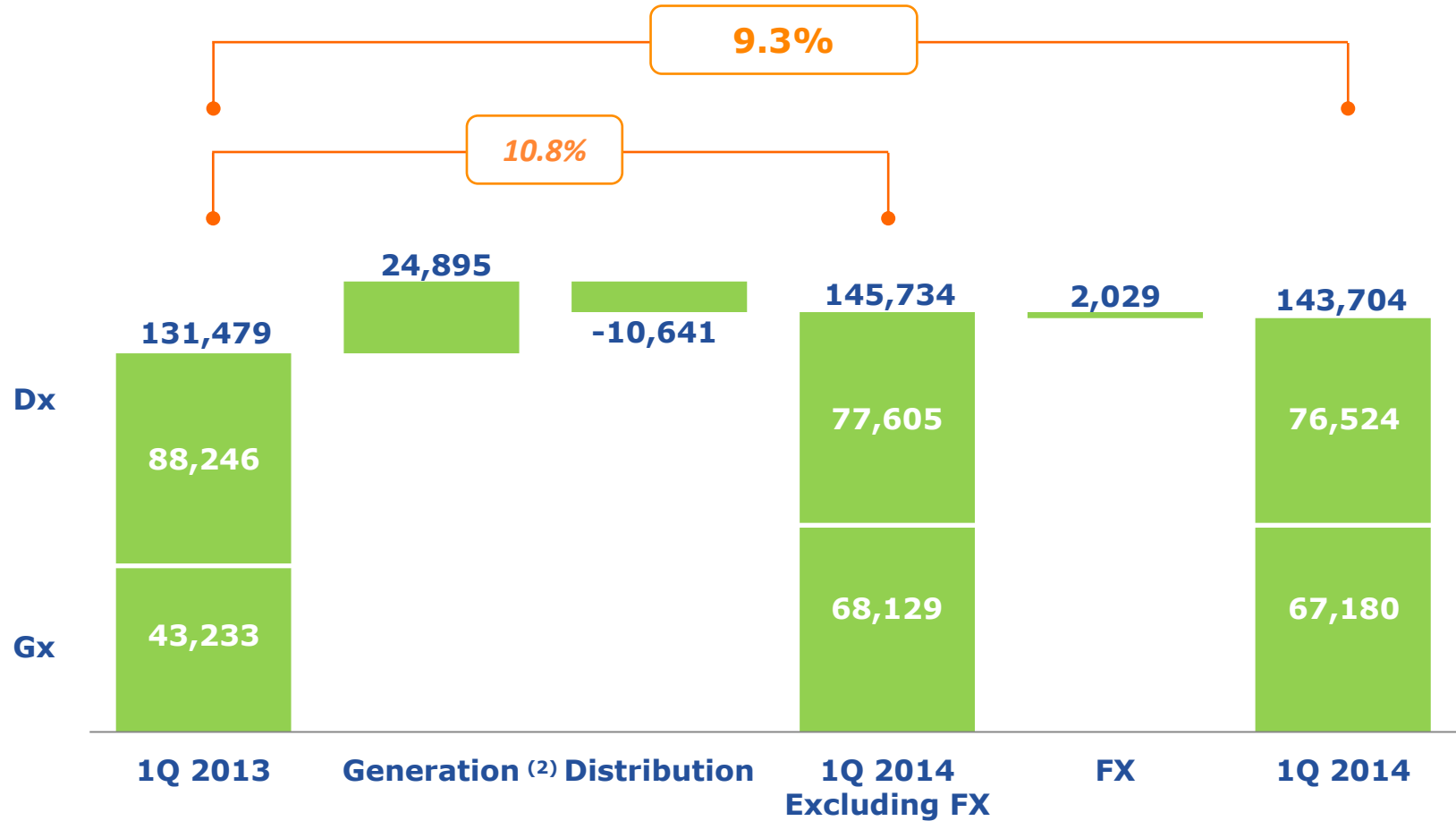
EBITDA⁽¹⁾ – Chile evolution (Ch\$ Million)



1 Figures differ from data published in financial statements ("Nota Segmentos") due to the elimination of investment vehicles and the corresponding consolidation adjustments.

Consolidated results 1Q 2014

EBITDA⁽¹⁾ – Brazil evolution (Ch\$ Million)

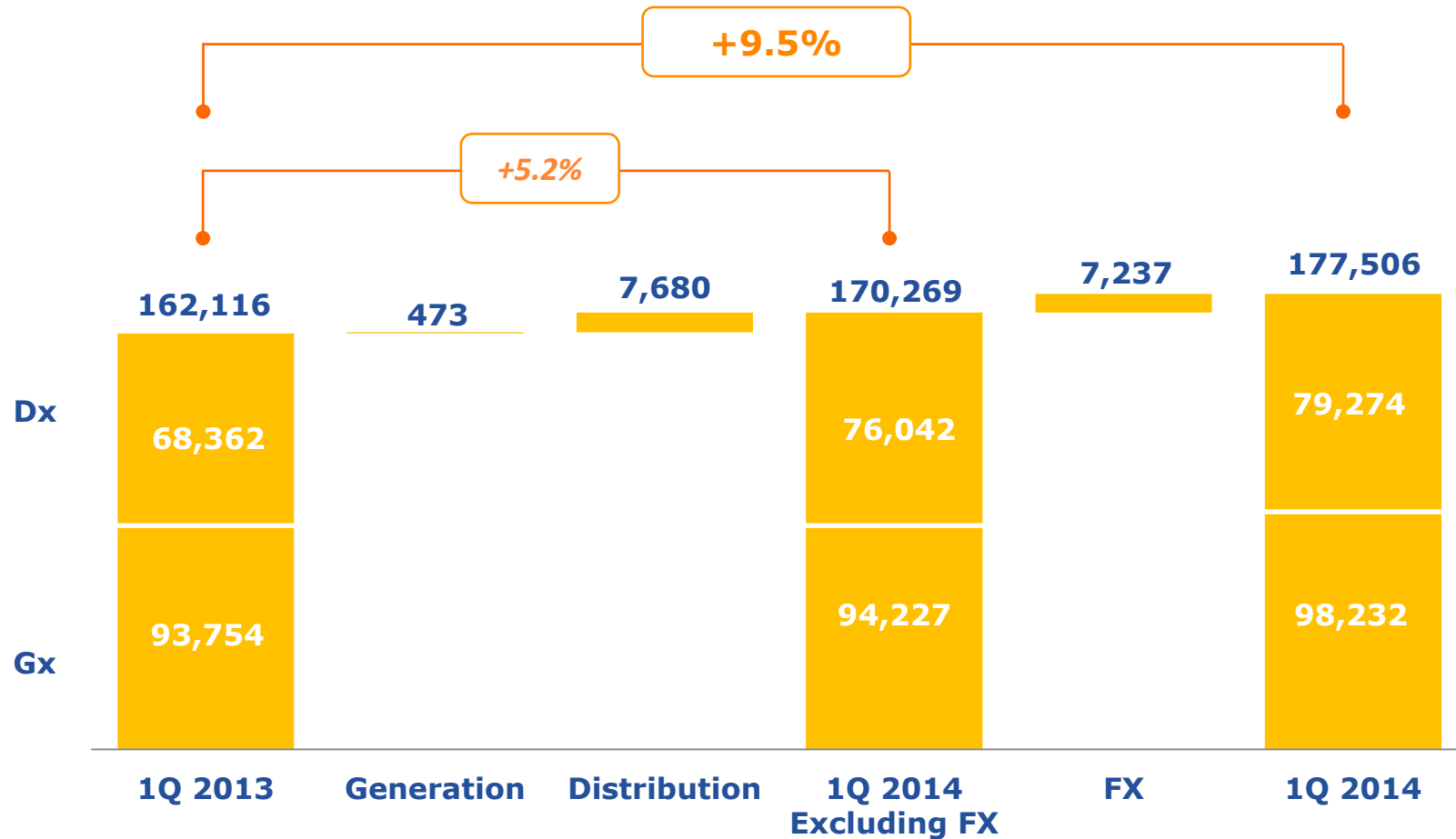


1 Figures differ from data published in financial statements ("Nota Segmentos") due to the elimination of investment vehicles and the corresponding consolidation adjustments. Foreign exchange effect calculated for presentation purposes. The effect of translating the financial statements from Brazilian reais to Chilean pesos in both periods was a 1.4% reduction in Chilean peso terms in March 2014 when compared to March 2013.

2 Includes CIEN.

Consolidated results 1Q 2014

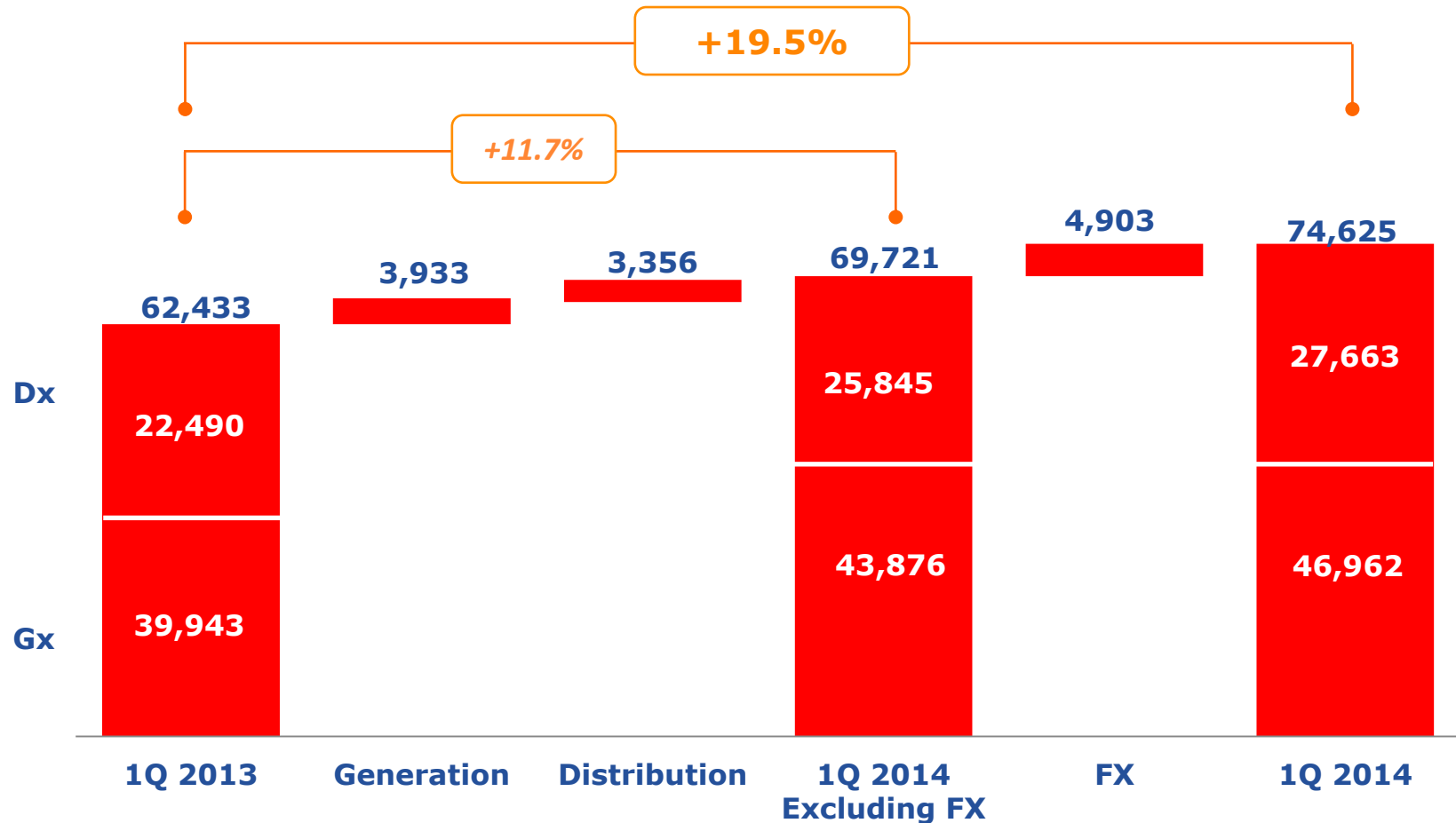
EBITDA⁽¹⁾ – Colombia evolution (Ch\$ Million)



1 Figures differ from data published in financial statements ("Nota Segmentos") due to the elimination of investment vehicles and the corresponding consolidation adjustments. Foreign exchange effect calculated for presentation purposes. The effect of translating the financial statements from Colombian pesos to Chilean pesos in both periods resulted in a 4.3% increase in Chilean peso terms at March 2014 when compared to March 2013.

Consolidated results 1Q 2014

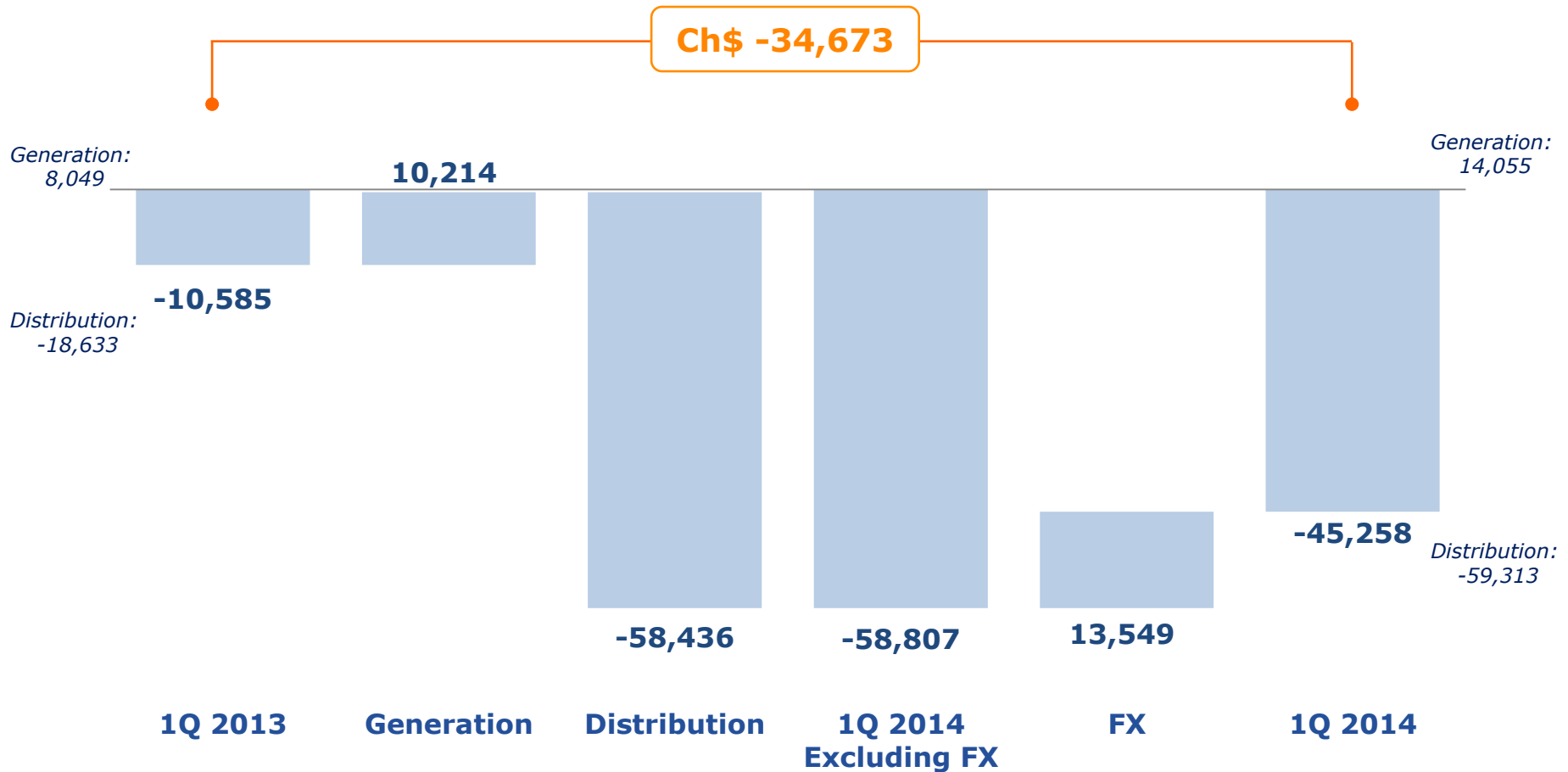
EBITDA⁽¹⁾ – Peru evolution (Ch\$ Million)



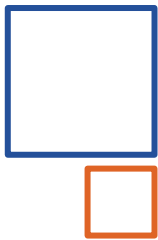
1 Figures differ from data published in financial statements ("Nota Segmentos") due to the elimination of investment vehicles and the corresponding consolidation adjustments. Foreign exchange effect calculated for presentation purposes. The effect of translating the financial statements from Peruvian soles to Chilean pesos in both periods resulted in a 7.0% increase in Chilean peso terms at March 2014 when compared to March 2013.

Consolidated results 1Q 2014

EBITDA⁽¹⁾ – Argentina evolution (Ch\$ Million)

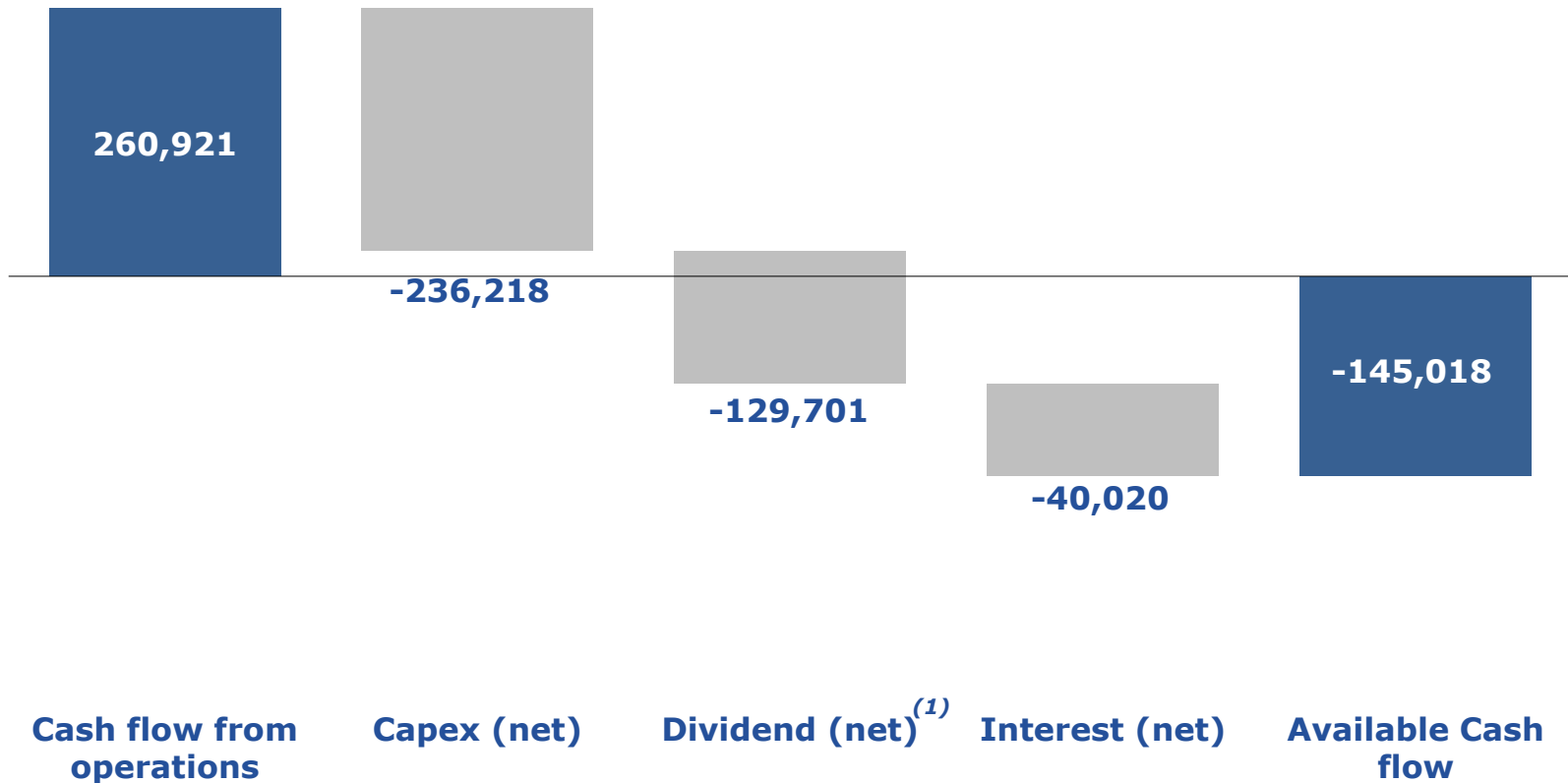


1 Figures differ from data published in financial statements ("Nota Segmentos") due to the elimination of investment vehicles and the corresponding consolidation adjustments. Foreign exchange effect calculated for presentation purposes. The effect of translating the financial statements from Argentine pesos to Chilean pesos in both periods led to a 23.0% decrease in Chilean pesos in March 2014 as compared to March 2013.



Consolidated results 1Q 2014

A solid financial position Cash flow YTD (Ch\$ Million)



1. Dividend considers cash outflow to Enersis and minorities' shareholders

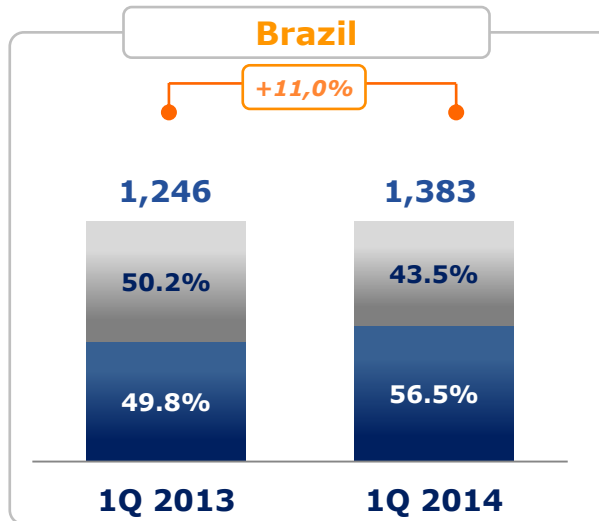
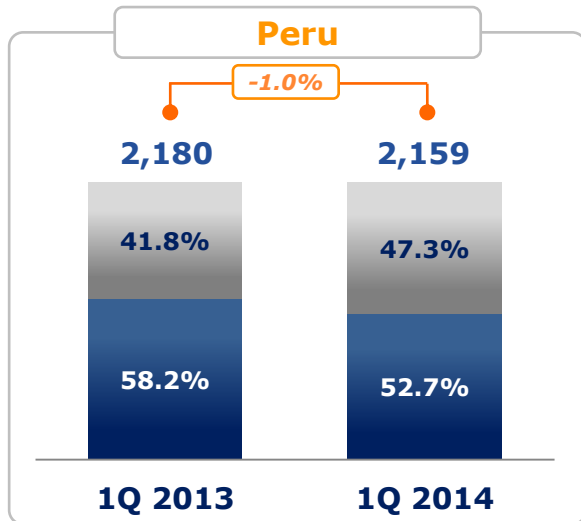
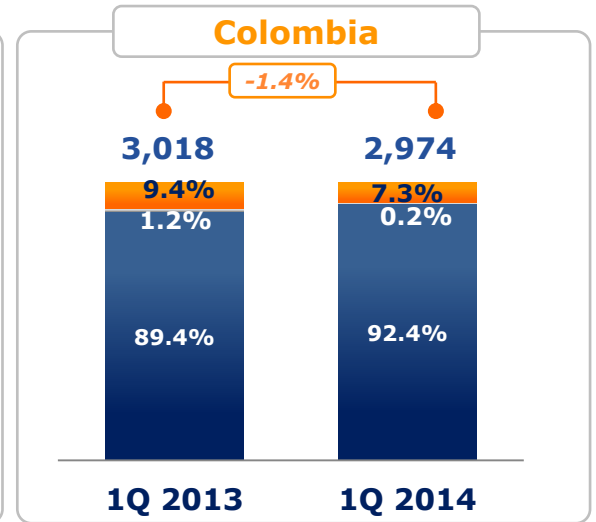
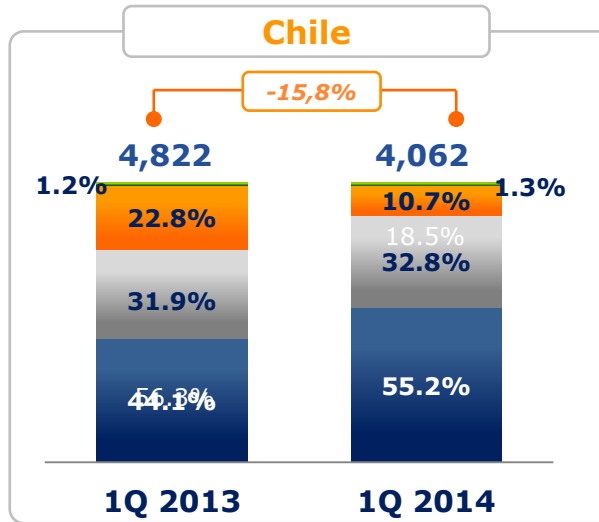
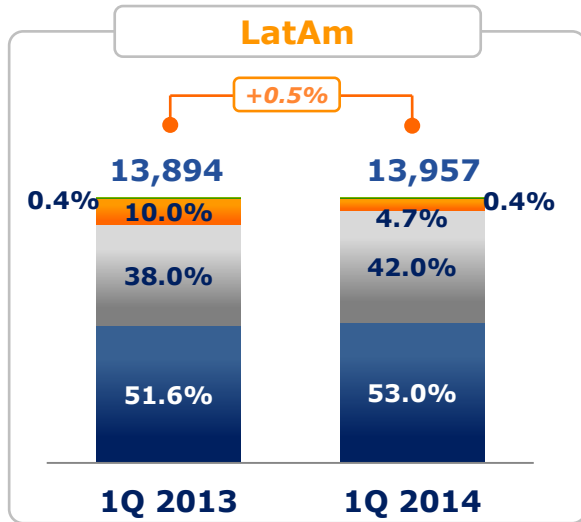
Annexes

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Operational annexes 1Q 2014

Production mix (GWh)

■ Hydro ■ Oil-gas ■ Coal ■ NCRE



Operational annexes 1Q 2014

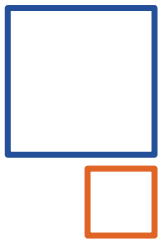
1Q 2014 Net installed capacity: Breakdown by source and geography

MW	Hydro	Oil-Gas	Coal	NCRE	Total
Chile	3,456	1,392	636	87	5,571
Colombia	2,512	208	236	0	2,956
Peru	750	1,090	0	0	1,840
Brazil	665	322	0	0	987
Argentina	1,328	3,194	0	0	4,522
Total	8,712	6,205	872	87	15,875

Operational annexes 1Q 2014

1Q 2014 total net production: Breakdown by source and geography

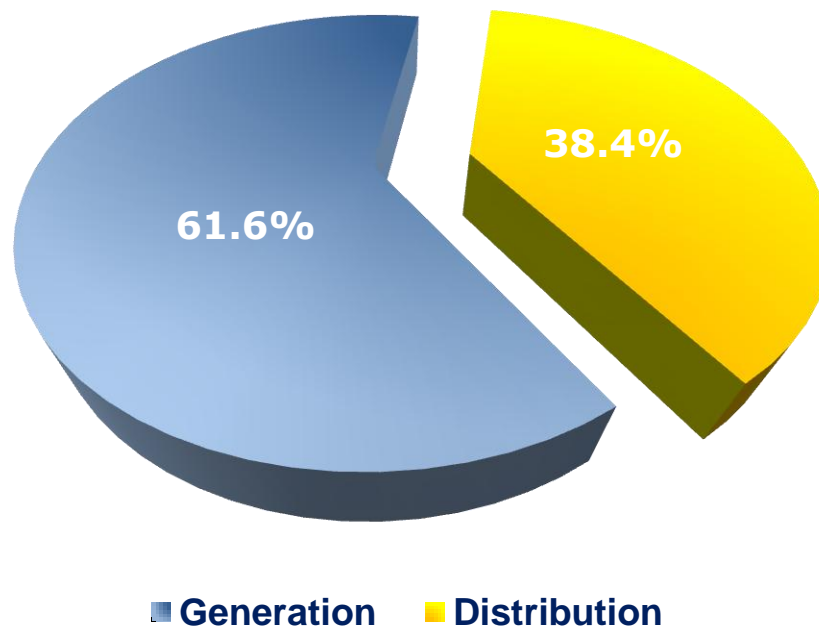
MWh	Hydro	Oil-Gas	Coal	NCRE	Total
Chile	2,241	1,334	433	54	4,062
Colombia	2,749	7	218	0	2,974
Peru	1,138	1,021	0	0	2,159
Brazil	782	601	0	0	1,383
Argentina	487	2,892	0	0	3,380
Total	7,396	5,855	651	54	13,957



Operational annexes 1Q 2014

EBITDA: generation/distribution businesses

1Q 2014 EBITDA: US\$ 750Mn¹



¹ The average exchange rate for the period January – March 2014 of 551.91 CLP/USD.

Operational annexes 1Q 2014

EBITDA: reconciliation of FX effect:

Financial Statements

1Q 2013	Chile	Brazil	Colombia	Peru	Argentina	Total
Generation	55,714	42,323	93,716	37,435	7,030	236,218
Distribution	41,572	87,728	68,362	22,490	-18,630	179,032
Total	97,286	130,051	162,078	59,925	-11,600	415,250

1Q 2014	Chile	Brazil	Colombia	Peru	Argentina	Total
Generación	30,780	66,535	98,217	47,110	14,700	257,342
Distribución	36,769	76,225	79,275	27,667	-59,311	160,625
Total	67,549	142,760	177,491	74,778	-44.611	417,967

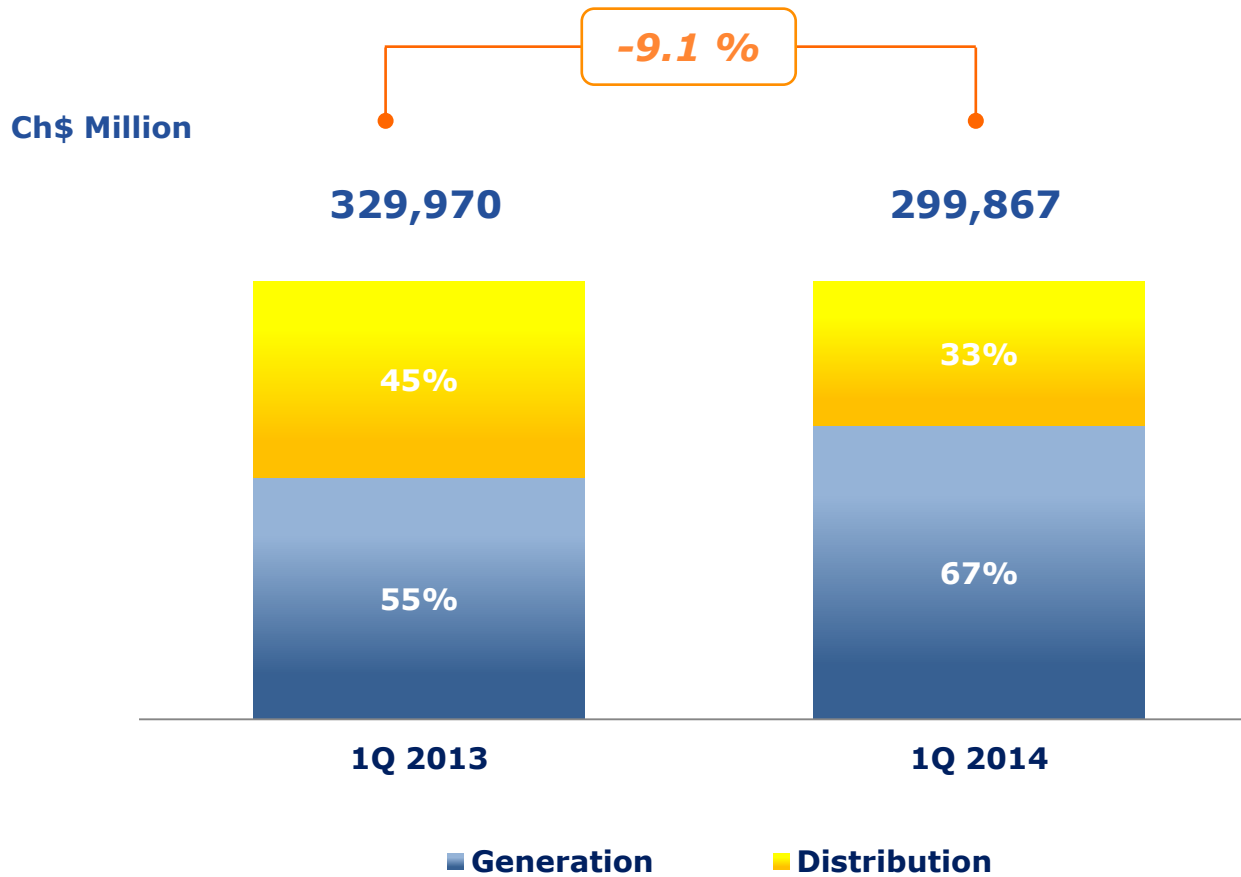
EBITDA net of FX

1Q 2013	Chile	Brazil	Colombia	Peru	Argentina	Total
Generation	54,725	43,233	93,754	39,943	8,049	239,704
Distribution	42,058	88,246	68,362	22,490	-18,633	202,522
Total	96,782	131,479	162,116	62,433	-10,585	442,225

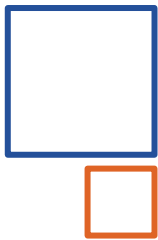
1Q 2014	Chile	Brazil	Colombia	Peru	Argentina	Total
Generation	31,221	67,180	98,232	46,962	14,055	257,649
Distribution	37,255	76,524	79,274	27,663	-59,313	161,404
Total	68,476	143,704	177,506	74,625	-45,258	419,053

Operational annexes 1Q 2014

EBIT⁽¹⁾ by business



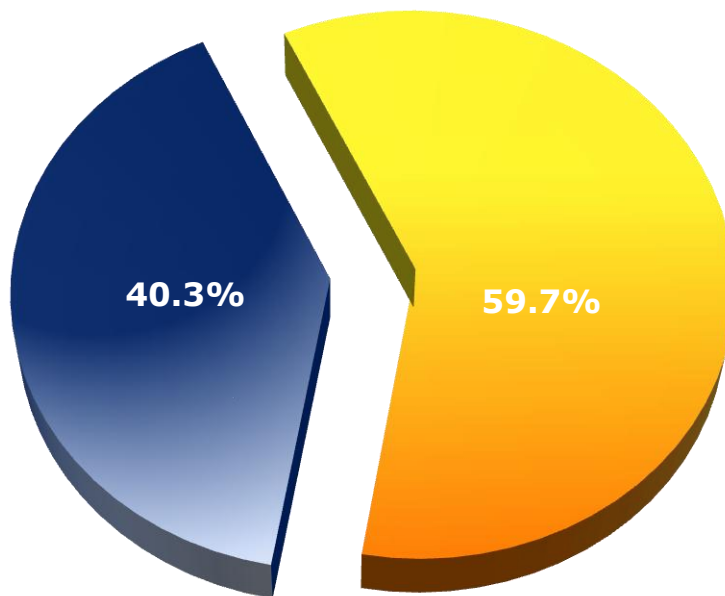
1. EBIT by business does not include holding companies or services



Operational annexes 1Q 2014

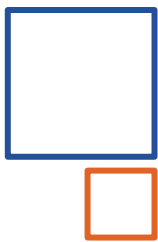
CAPEX by business

1Q 2014: Ch\$ Million 236,218



■ Generation

■ Distribution



Operational annexes 1Q 2014

Balance Sheet

Ch\$ Million	1Q 2014	1Q 2013	Change (%)	1Q 2014 Mn US\$⁽¹⁾
Net Debt	1,758,435	1,307,850	34.5%	3,190
Shareholder's equity	6,348,028	6,168,554	2.9%	11,517
Net capital employed⁽²⁾	8,106,463	7,476,404	8.4%	14,707

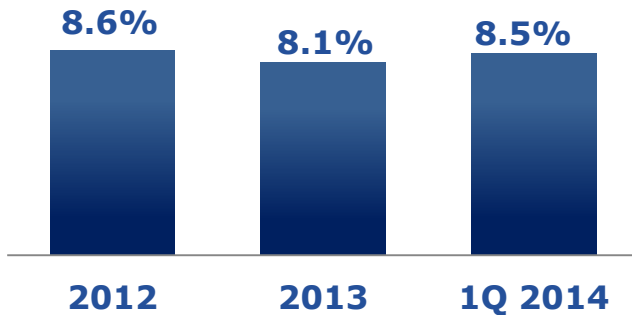
1. The exchange rate as of March 31, 2014 was 551.18 CLP/USD.

2. Net capital employed is the sum of Net Debt and Shareholder's Equity.

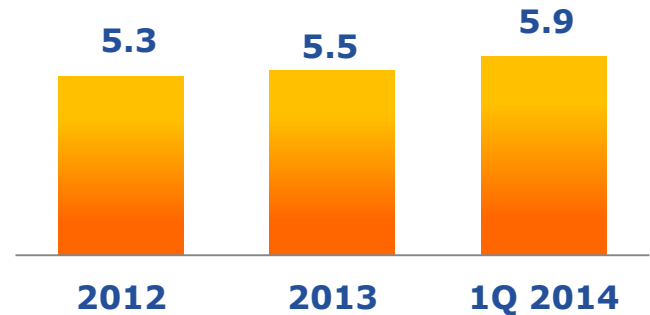
Operational annexes 1Q 2014

Financial debt

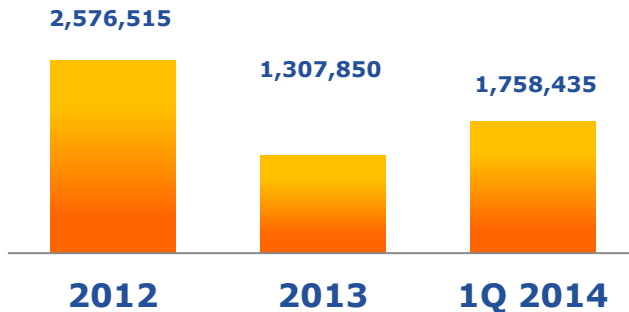
Average cost of gross debt



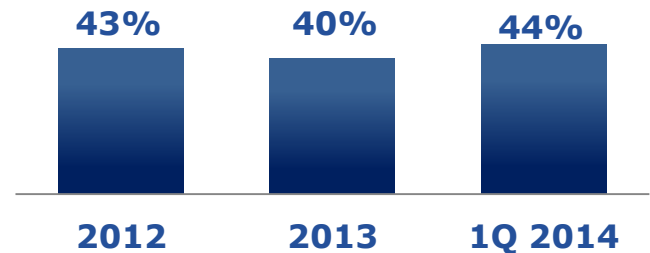
Average residual maturity (years)



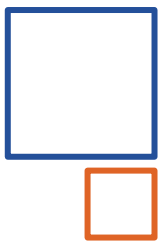
Net debt (CLP\$ MM)⁽¹⁾



Fixed + hedged / Total gross debt



1 Net debt considers "Other current financial assets" ("Inversiones mantenidas hasta el vencimiento" + "Activos financieros a valor razonable con cambio en resultados"), linked to investments in financial instruments with maturity over 90 days. Refer to Note 7 of the financial statements for further disclosure.



Operational annexes 1Q 2014

Liquidity analysis

US\$ Million	Amount	Outstanding	Available
Committed credit lines	791	0	791
Cash and cash equivalents ⁽¹⁾	3,099	n.a.	3,099
Uncommitted lines	783	0	783
Total liquidity	4,673	0	4,673

1 Cash and cash equivalents considers in addition "Other current financial assets" ("Inversiones mantenidas hasta el vencimiento" + "Activos financieros a valor razonable con cambio en resultados"), linked to investments in financial instruments with maturity greater than 90 days. Refer to Note 7 of the financial statements for further disclosure.

Operational annexes FY 2013

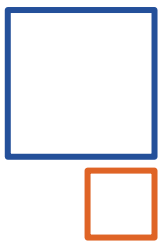
Debt structure

- **Average debt maturity:** 5.9 years
- **Average cost of gross debt:** 8.5%
- **Fixed+Hedged/ Total gross debt:** 44%
- **Rating:**
 - Standard & Poor's⁽¹⁾: BBB+ / AA, Stable
 - Moody's: BBB+, Stable
 - Fitch Ratings⁽¹⁾: Baa2 / AA, Stable

Ch\$ Million	Dec. 2013	1Q 2014	Change (%)
Long-term	2,790,249	2,878,841	3.2%
Short-term	906,675	587,770	-35.2%
Cash and cash equivalent⁽²⁾	2,389,075	1,708,177	-28.5%
Net debt	1,307,850	1,758,435	34.5%

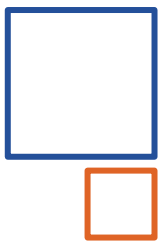
1 International / Local

2 Cash and cash equivalent considers in addition "Other current financial assets" ("Inversiones mantenidas hasta el vencimiento" + "Activos financieros a valor razonable con cambio en resultados"), linked to investments in financial instruments with maturity over 90 days. Refer to Note 7 of the financial statements for further disclosure.



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 announcement and include statements regarding the intent, belief or current expectations of Enersis and its management with respect to, among other things: (1) Enersis' business plans; (2) Enersis' cost-reduction plans; (3) trends affecting Enersis' 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 Enersis or its subsidiaries. Such forward-looking statements 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 Enersis' Annual Report on Form 20-F. Readers are cautioned not to place undue reliance on those forward-looking statements, which state only as of their dates. Enersis undertakes no obligation to release publicly the result of any revisions to these forward-looking statements.



Investor Relations Team (ir@enersis.cl)

- Pedro Cañamero +56 2 2353 4682
- Denisse Labarca +56 2 2353 4576
- Nicolás Donoso +56 2 2353 4492
- Jorge Velis +56 2 2353 4552
- Francisco Basauri +55 2 2353 4555
- Carmen Poblete +56 2 2353 4447
- María Luz Muñoz +56 2 2353 4682

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