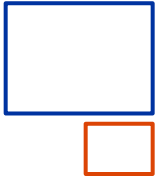


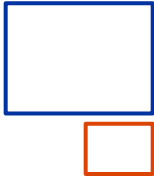
Enersis:  
corporate reorganization  
update and 1H 2015 results

July 28 , 2015

**enersis**



# Corporate Reorganization Update



# Corporate structure reorganization

## Objectives of the transaction under analysis

### To simplify the Corporate Structure



- ✓ To Simplify the organizational structure and to accelerate the decision process.
- ✓ To create a focused management team in each of the entities with defined responsibilities and accountability by geography.
- ✓ To customized investment and growth plans to meet distinct corporate profiles (Chile vs. Americas).

### To Unlock value on Group companies

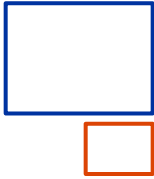


- ✓ To increase assets visibility obtaining potential positive effect on companies valuation.
- ✓ To Create companies with clearer focus/growth strategy will provide easier peers benchmarking.
- ✓ To create a clearer structure for the international<sup>1</sup> participations.

### To Generate Value for all shareholders



- ✓ To provide greater flexibility to minority shareholders by separating Chile from rest of Latam.
- ✓ To create the basis for a dividend policy revire based on better cash flow generation visibility.
- ✓ To Provide different and compelling investment opportunities with distinctive equity stories.



# Corporate structure reorganization

## Business overview<sup>1</sup>



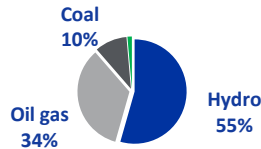
Enersis  
Investor Relations

### Chile

#### Operating data

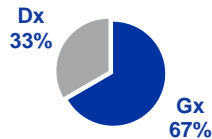
- Installed capacity: 6,351 MW
- Distribution clients: 1.7m

#### Capacity by technology<sup>2</sup>:



Chile  
100%

EBITDA contribution  
(0.9 bn USD)



Potential Organic Growth

Up to 3 GW

Capex plan 2015-19

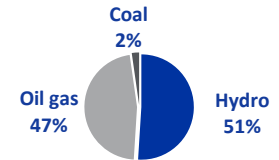
USD 2.4bn

### Rest of Latam

#### Operating data

- Installed capacity: 10,517 MW
- Distribution clients: 13.0m

#### Capacity by technology<sup>2</sup>:



EBITDA contribution  
(3.1 bn USD)

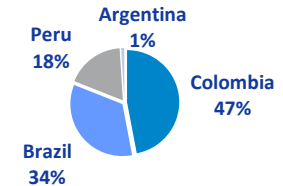


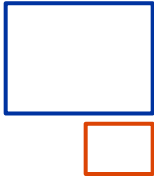
Potential Organic Growth

Up to 3.3 GW

Capex plan 2015-19

USD 7.2 bn





# Corporate structure reorganization

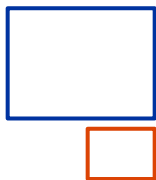
## Description of the transaction under analysis

EXECUTION STRUCTURE

- This Transaction would be carried out through the following corporate transactions:
  1. **Spin-offs of Chilectra, Endesa Chile and Enersis:**
    - Chilectra would spin-off its non-Chilean activities into a new company: “Chilectra Americas”.
    - Endesa Chile would spin-off its non-Chilean activities into a new company: “Endesa Americas”.
    - Enersis would spin-off its Chilean participations into a new company, “Enersis Chile”, and will rename itself as “Enersis Americas”.
  2. **Once the spin-offs are effective, “Chilectra Americas” and “Endesa Americas” would merge into “Enersis Americas”, grouping all non-chilean participation of the Group.**

FINAL CORPORATE STRUCTURE

- The Transaction would result in 2 new Enersis independent Chilean companies, that would be listed on the same stock exchanges as the existing companies which are part of the Transaction:
  - **“Enersis Chile”**: pure Chilean player to manage the activities of electricity generation and distribution in Chile
  - **“Enersis Americas”**: Chilean investment vehicle grouping all international participations of the Group



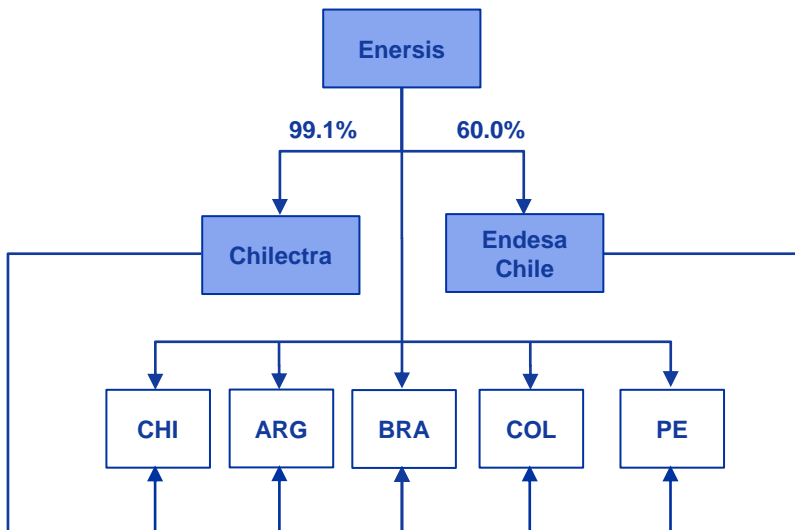
# Corporate structure reorganization

## Pro-forma corporate structure

energis

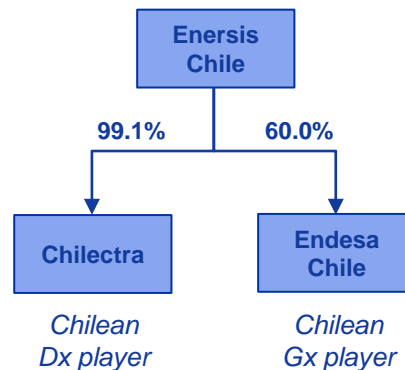
Energis  
Investor Relations

### Current Structure

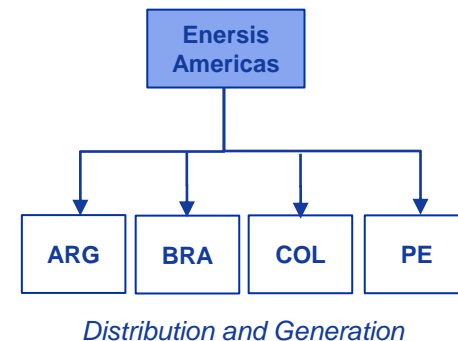


### Post Transaction

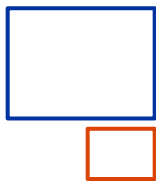
#### Pure Chilean Group



#### Chilean Latam<sup>1</sup> investment vehicle



■ Listed



# Corporate structure reorganization

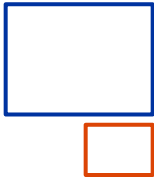
## SVS requirements

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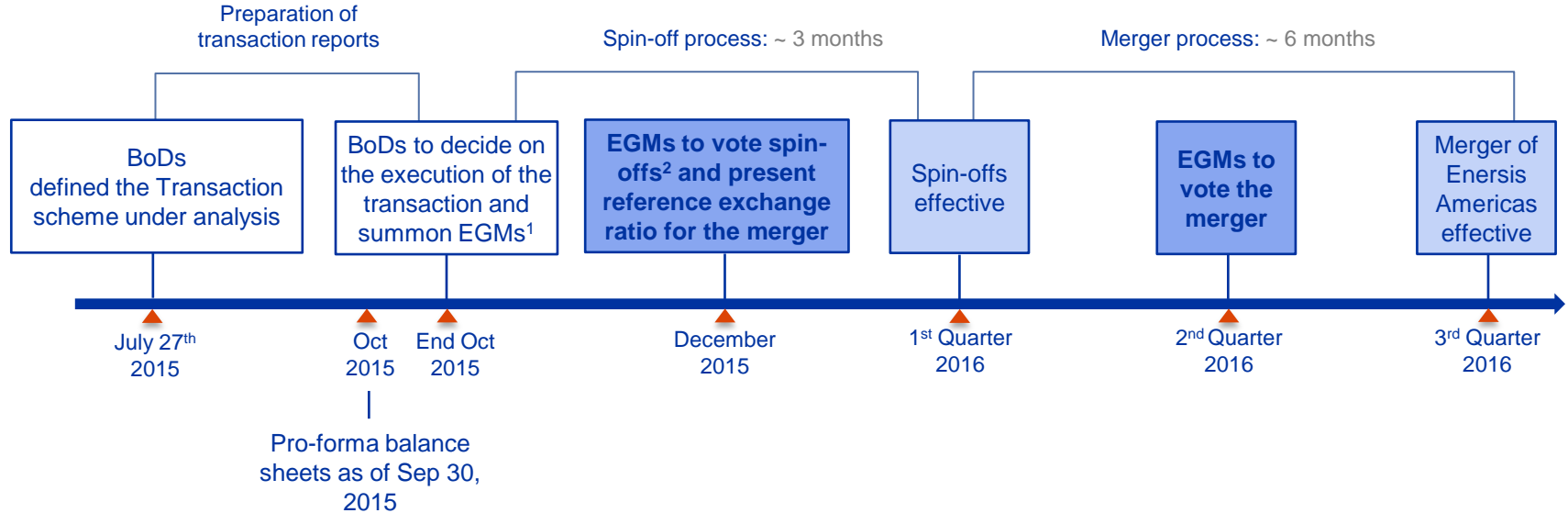
- In accordance with the “Oficio n° 15443” notified by the Chilean stock Exchange regulator (“SVS”) on July 20th 2015:
  - **Neither the spin-offs, nor the merger, nor the combination of spin-off/merger, are considered related parties transactions.**
  - The reorganization process needs to be legally examined in each of its stages, **but considered as a single transaction.**
  - BoD needs to consider as ground for the reorganization its **objectives and expected benefits as a whole and adequately consider its implications and contingencies.**
  - **Only the Merger phase triggers withdrawal right** for the dissident or not present shareholders.
  - BoD has to inform all the shareholders before the spin-off providing the report issued by independent experts (“Peritos Independientes”) on **the estimated value of the companies to be merged in the second part of the transaction and the expected exchange ratio in such merger.**
  - BoD has decided to **ask the independent Directors Committee to grant an opinion** on the transaction.

**The Transaction proposed not only complies with SVS’ requirements but also accelerates the process by reducing the time between spin-offs and merger, minimizing possible uncertainties**



# Corporate structure reorganization

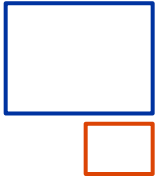
## Indicative transaction timeline



**Completion of the merger expected in the second half of 2016**

1. EGMs of Energis, Endesa Chile and Chilectra  
2. Spin-offs approved on the basis of the pro-forma balance sheets as of September 30, 2015





# 1H2015 Enersis results



1H 2015 results  
**Highlights of the period**

**1H15 EBITDA increased by about 8% reaching 1,606 mnUSD.**

**Net income attributable to Enersis shareholders increased by 51%  
reaching 463 mnUSD.**

**New generation portfolio reviewed and defined for more than 6 GW**

**Distribution client base increased by 231,000 in 1H15**

**350 Mw Bocamina II restarted its operation on July.  
El Quimbo 95% completed.**

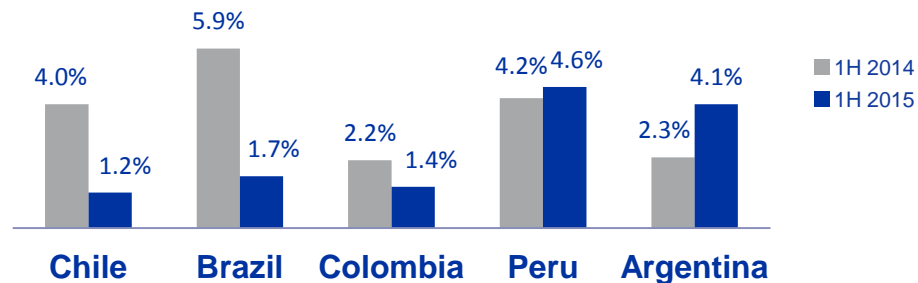
# 1H 2015 results

## Market context in the period

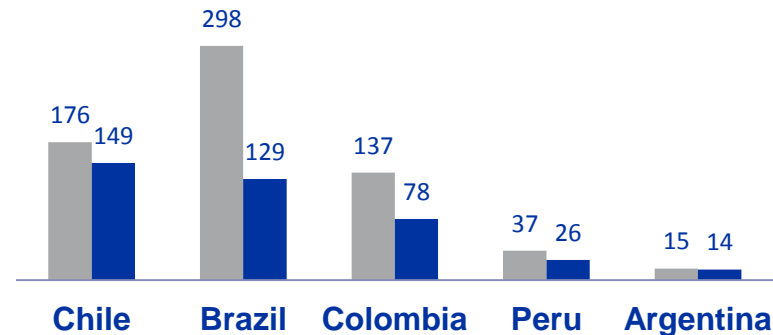
energis

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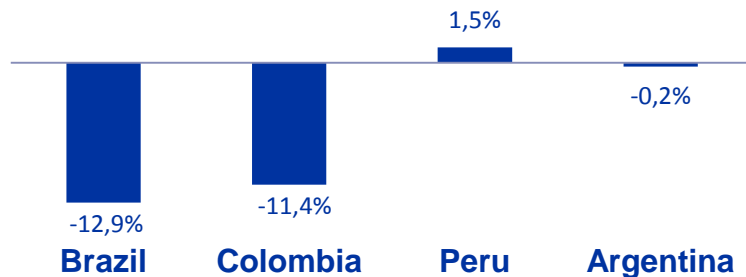
### Energis Demand growth (%)<sup>1</sup>



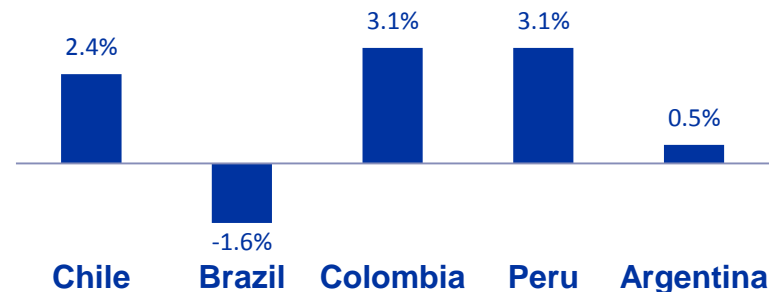
### Spot prices (US\$/MWh)



### Local Currencies vs CLP (%)<sup>2</sup>



### GDP growth expected for 2015 (%)<sup>3</sup>



1. Chile: Chilectra, Brazil: Ampla y Coelce, Colombia: Codensa, Peru: Edelnor, Argentina: Edesur.

2. Source: Internal data.

3. Source: Latin America Consensus Forecast as of July 2015.

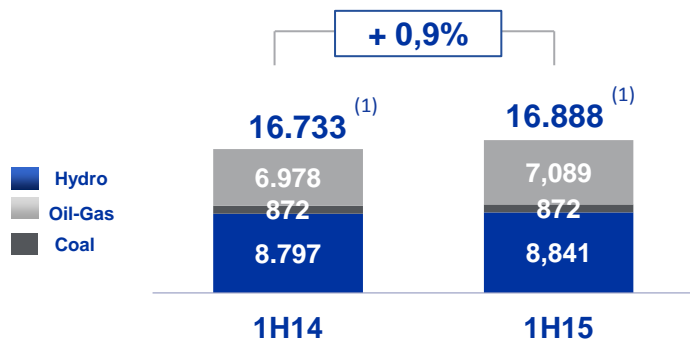
# 1H 2015 results

## Enerasis' operational highlights

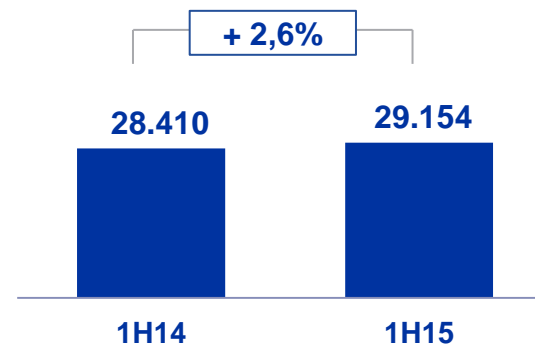
enerasis

Enerasis  
Investor Relations

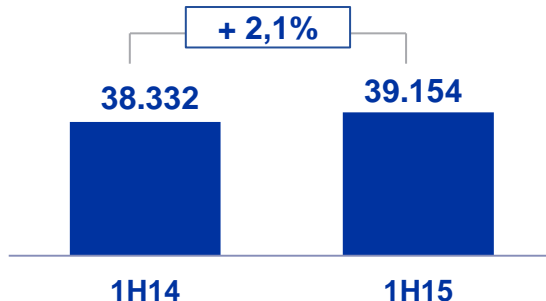
### Installed capacity (MW)



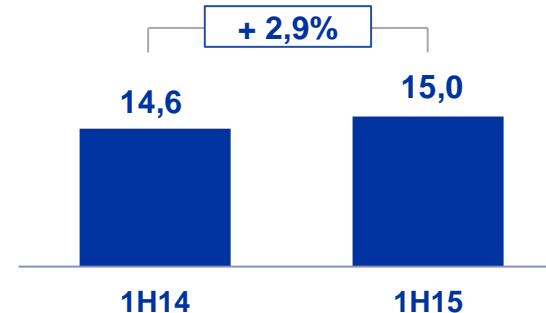
### Net production (GWh)



### Electricity distributed (GWh)

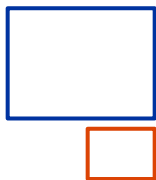


### Number of customers (mn)



1. NCRE 87 MW.

Differences between 1H15 vs 1H14: TG7 (+137 MW) in Peru and Salaco (+18 MW) in Colombia.



1H 2015 results

## Regulation – relevant updates during the period

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### Argentina

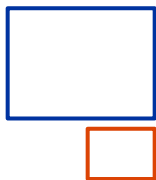
- **Dx:**
  - **MMC costs recognition:** In January 2015 , ~ +70 US\$mn
  - **Resolution 32:** Since February 1<sup>st</sup> . It will cover current expenses of operation and maintenance. EBITDA impact: ~ +195 US\$mn.

### Colombia

- **Dx:**
  - **Tax Reform:** -23 US\$mn in 1Q15. No additional impacts expected for the rest of the year.
  - **New WACC and final distribution tariffs expected for 2H15.**

### Brazil

- **Dx - Coelce:**
  - **Extraordinary review:** +10.3%. From March 2<sup>nd</sup> ,2015.
  - **Periodic tariff revision:** +11.7%. From April 2015.
  - **New regulatory WACC<sup>1</sup> :** 8,09% real post taxes. From April 15<sup>th</sup> , 2015.
- **Dx - Ampla:**
  - **Extraordinary review + periodic tariff revision:** +37.3%. From March 15<sup>th</sup> 2015.



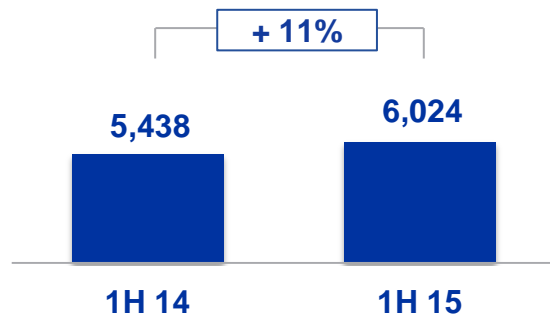
# 1H 2015 results

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

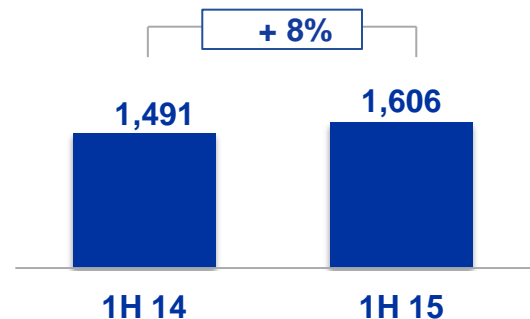
energis

Enersis  
Investor Relations

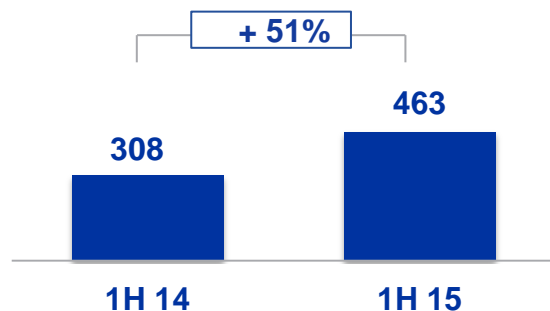
### Revenues



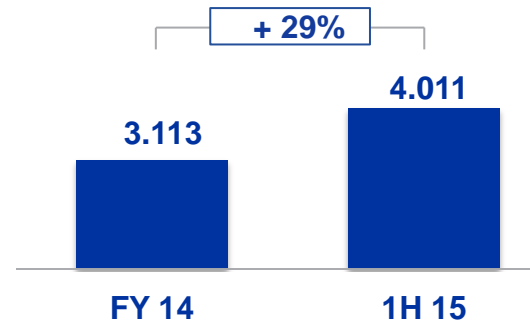
### EBITDA



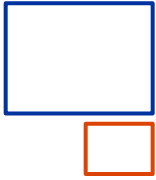
### Attributable Net Income



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

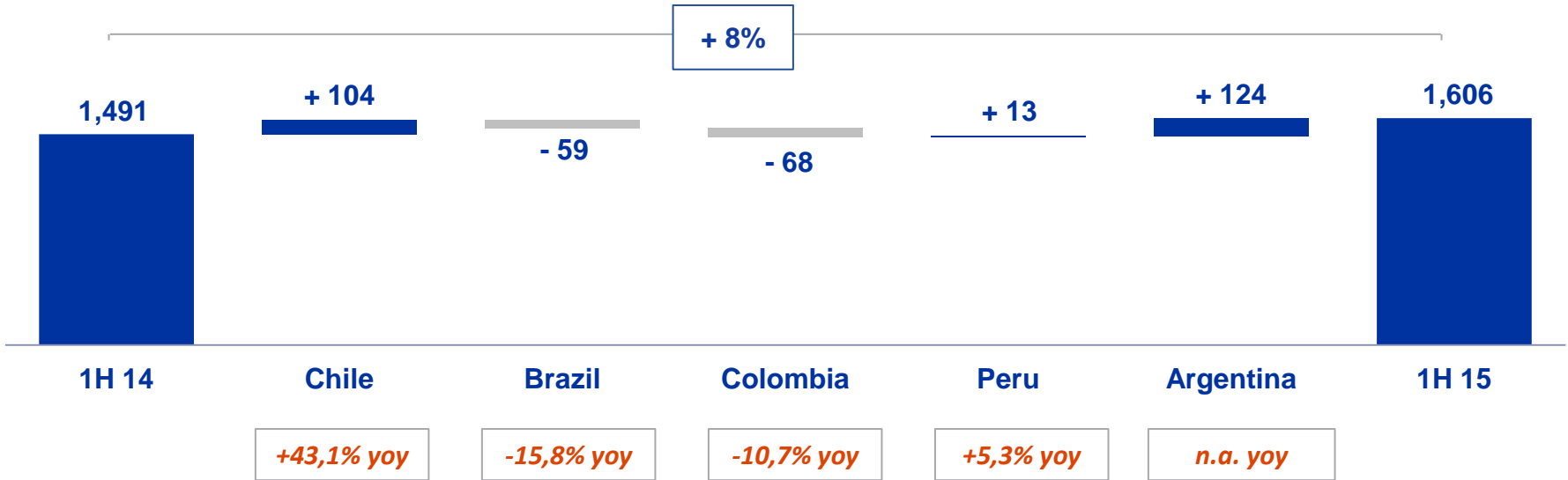


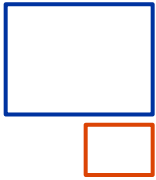
1. Comparisons between periods are made using USD. The average exchange rate for the period January – June 2015 was 621,41 CLP/USD, and the exchange rate as of June 30, 2015 was 639,04 CLP/USD.  
2. Cash and Cash Equivalents considers in addition "Other current financial assets", linked to investments in financial instruments with maturity greater than 90 days. Refer to Note 8 of the financial statements.



# 1H 2015 results

## Group EBITDA evolution by country (US\$ mn)

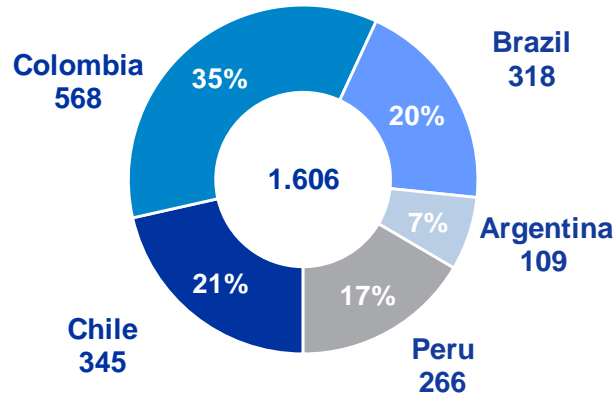




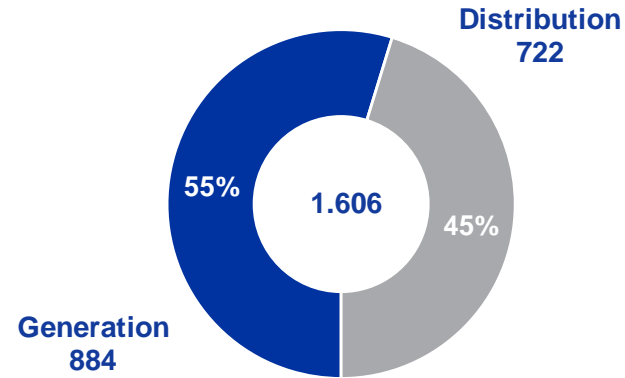
# 1H 2015 results

## Group EBITDA analysis (US\$ mn)

By Country



By business

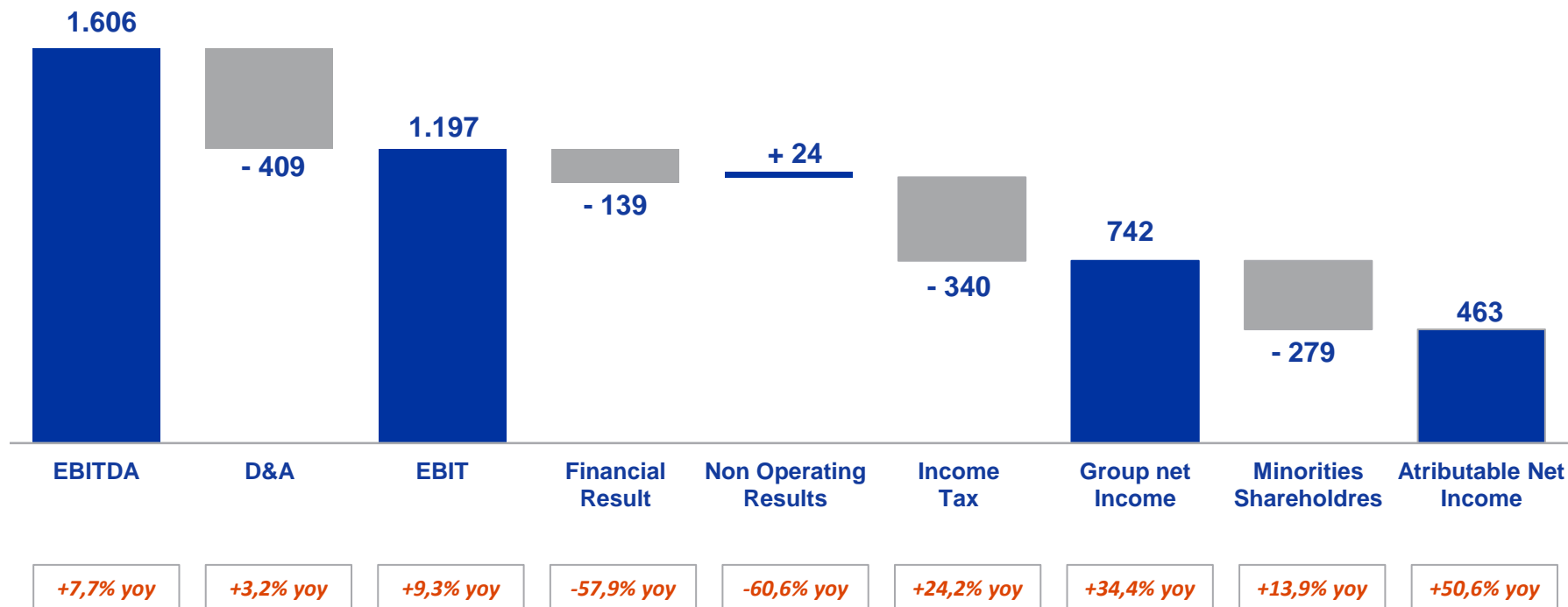


**All countries contributing to EBITDA**

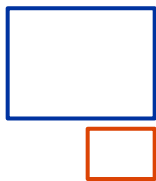


# 1H 2015 results

## From EBITDA to Group net income (US\$ mn<sup>1</sup>)



1. The average exchange rate for the period January – June 2015 was 621,41 CLP/USD. Original data in Chilean Peso.

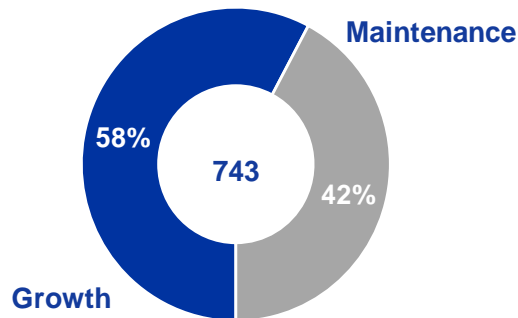


# 1H 2015 results Capex (US\$ mn)<sup>1</sup>

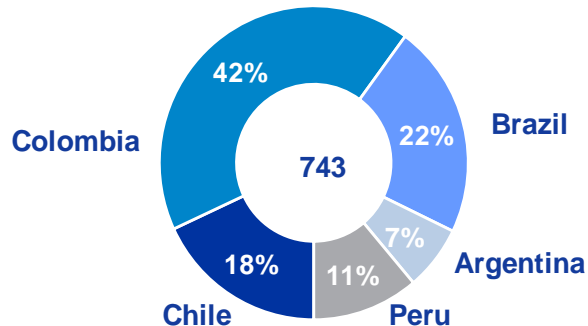
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Investor Relations

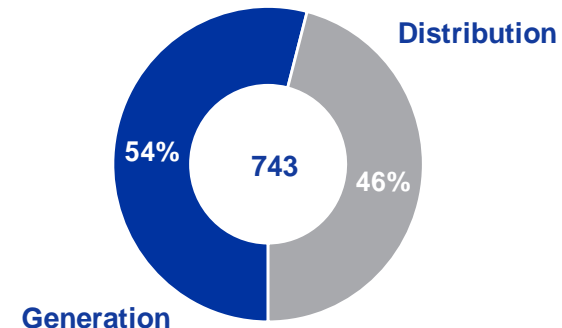
## By activity



## By country

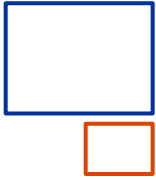


## By business



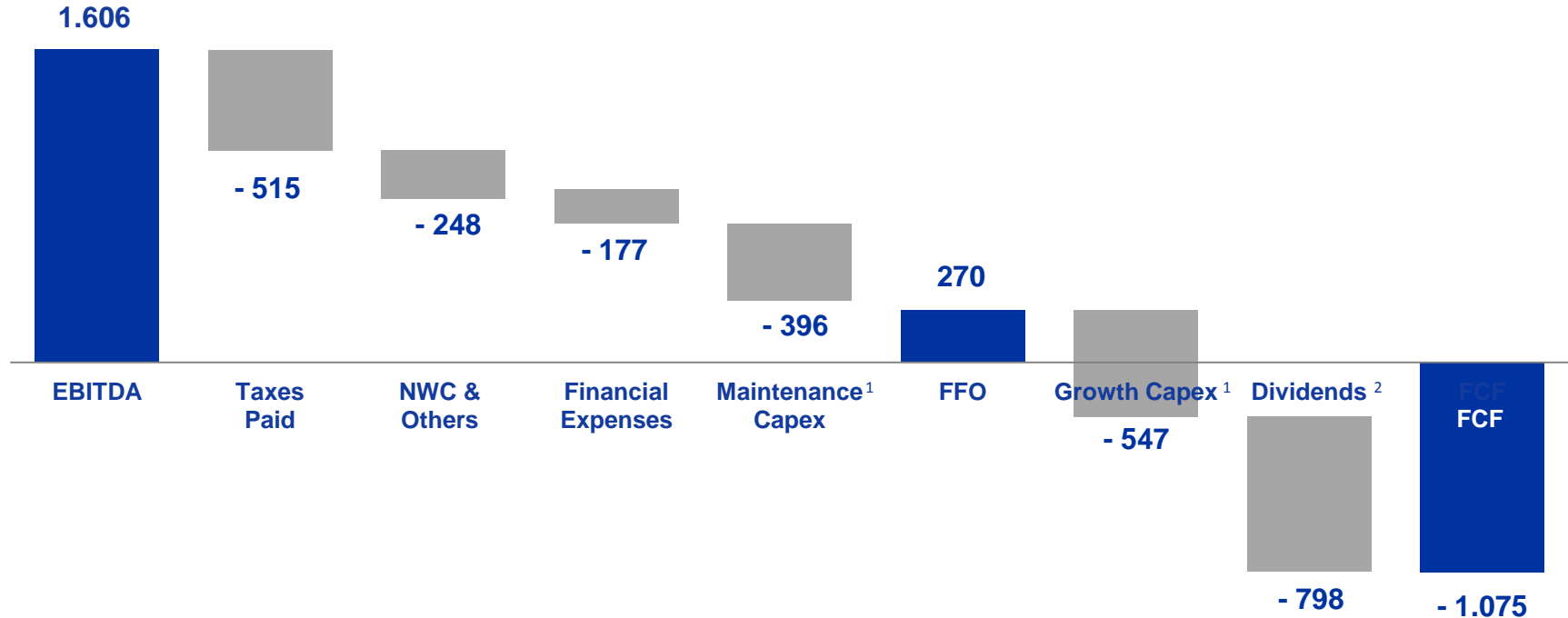
**The investments increased by 10% compared to last year**

1. Net of contributions and connection fees.

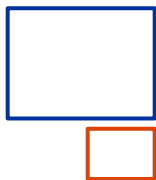


# 1H 2015 results

## Free cash flow (US\$ mn)

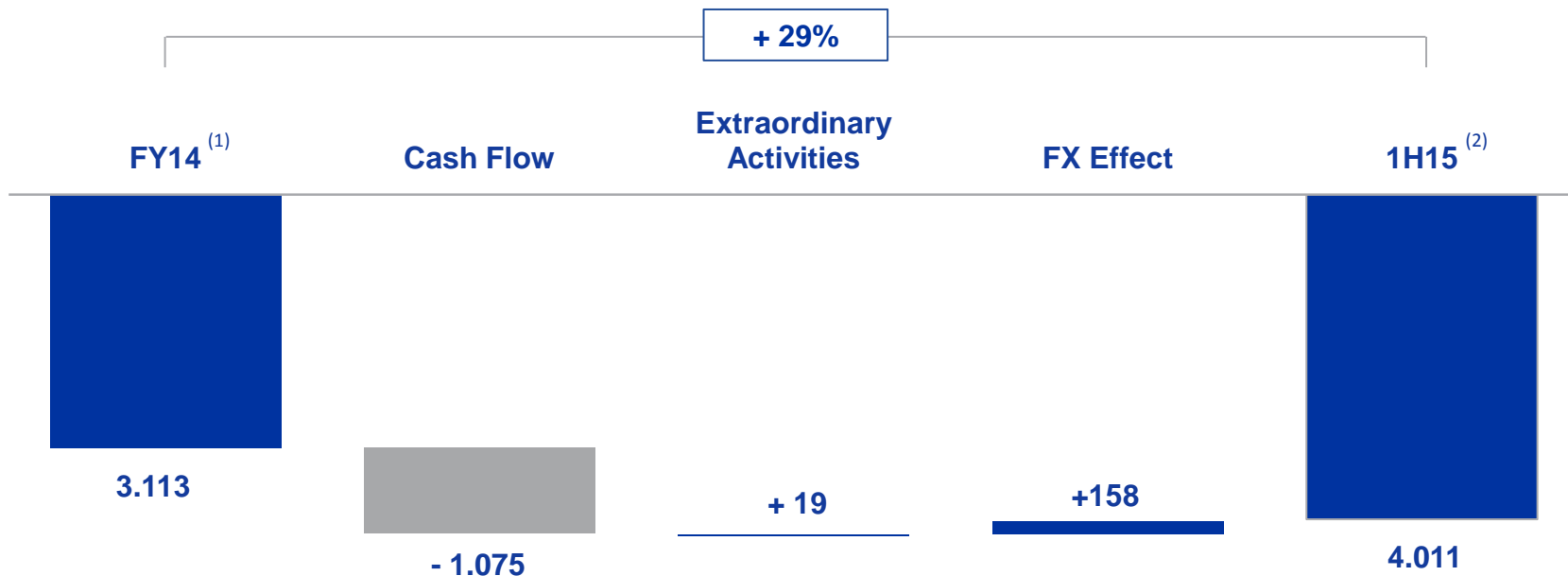


1. Gross of contributions and connections fees.  
2. Including minorities.



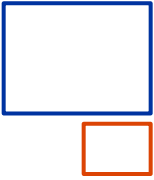
# 1H 2015 results

## Net debt evolution (US\$m)



1. As of 31 Dic. 2014

2. Net debt include cash and cash equivalence for more than 90 days



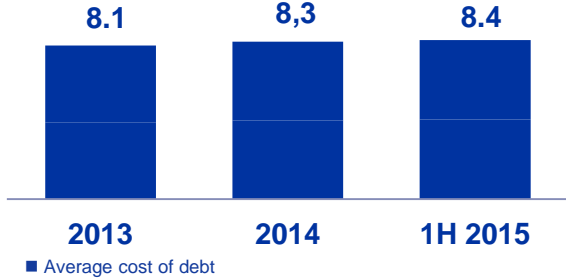
# 1H 2015 results

## Debt and financial expenses

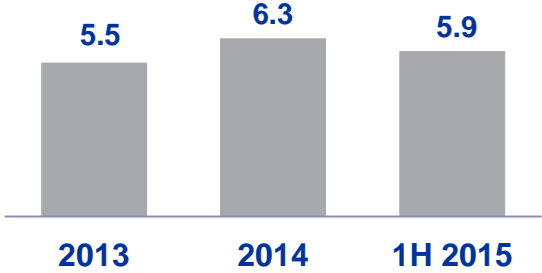


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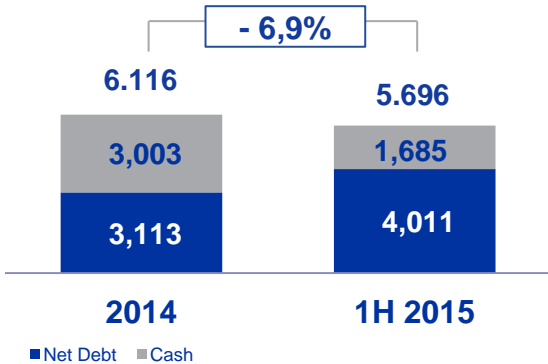
### Average cost of gross debt



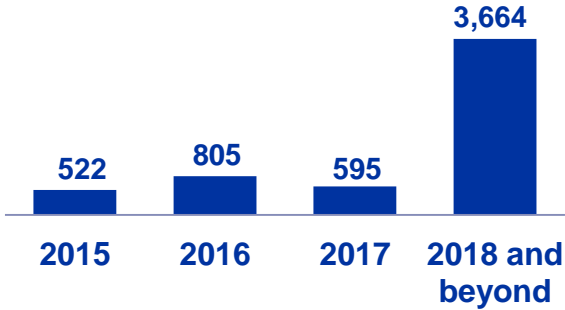
### Average residual maturity (years)

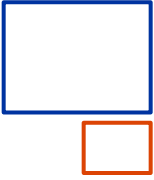


### Gross and Net Debt US\$ mn



### Debt profile (US\$ mn)





# Exhibits

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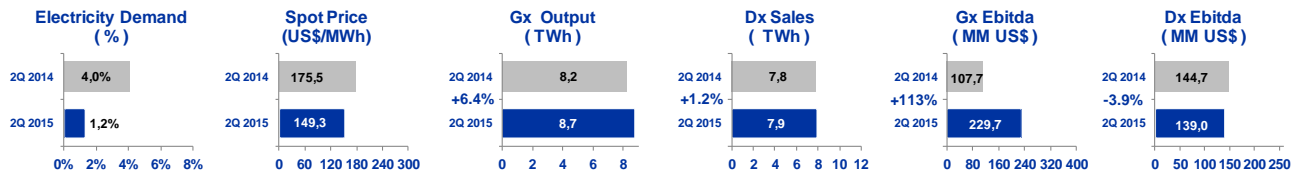
# Operating Exhibits 1H 2015

## Business context in 1H 2015 v/s 1H 2014

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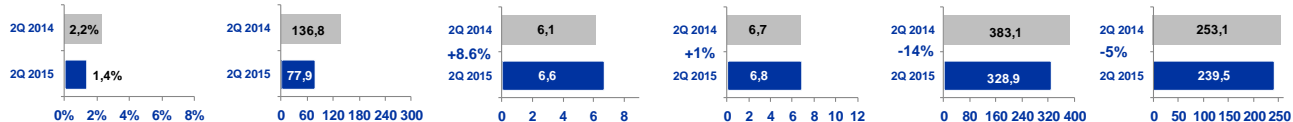
Energis  
Investor Relations

Chile



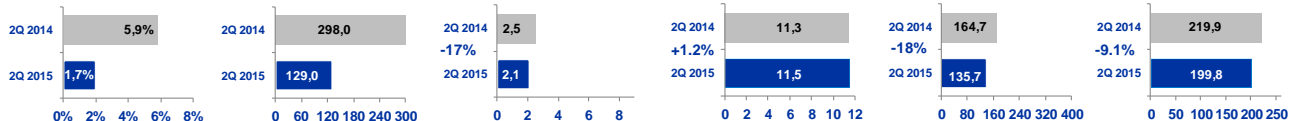
**Clients in Dx:** 1.760.002  
**Elec. Losses Dx:** 5,5%  
**Unit Margin Gx:** 29,5 US\$/MWh  
**Unit Margin Dx:** 27,1 US\$/MWh

Colombia



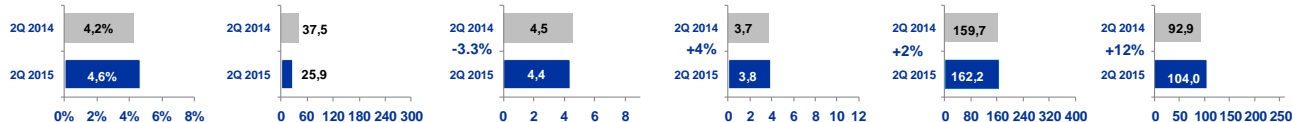
**Clients in Dx:** 2.821.255  
**Elec. Losses Dx:** 7,2%  
**Unit Margin Gx:** 46,1 US\$/MWh  
**Unit Margin Dx:** 46,7 US\$/MWh

Brazil



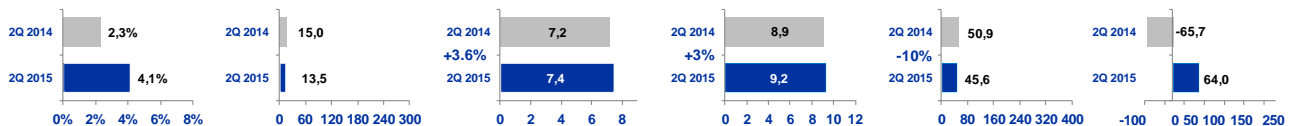
**Clients in Dx:** 6.629.451  
**Elec. Losses Dx:** 16,95%  
**Unit Margin Gx:** 32,7 US\$/MWh  
**Unit Margin Dx:** 34,0 US\$/MWh

Peru

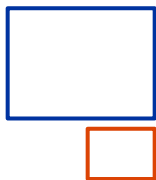


**Clients in Dx:** 1.318.692  
**Elec. Losses Dx:** 8,4 %  
**Unit Margin Gx:** 42,1 US\$/MWh  
**Unit Margin Dx:** 36,0 US\$/MWh

Argentina



**Clients in Dx:** 2.470.392  
**Elec. Losses Dx:** 10,9%  
**Unit Margin Gx:** 12,7 US\$/MWh  
**Unit Margin Dx:** 37,0 US\$/MWh



# Operating Exhibits 1H 2015

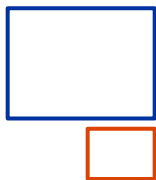
## Net installed capacity: Breakdown by source and geography

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MW	Hydro	Oil-Gas	Coal	NCRE	Total
Chile	3.456	2.173	636	87	<b>6.351</b>
Colombia	2.615	208	236	0	<b>3.059</b>
Peru	776	1.193	0	0	<b>1.970</b>
Brazil	665	322	0	0	<b>987</b>
Argentina	1.328	3.194	0	0	<b>4.522</b>
<b>Total</b>	<b>8.841</b>	<b>7.089</b>	<b>872</b>	<b>87</b>	<b>16.888</b>





# Operating Exhibits 1H 2015

## Total net production: Breakdown by source and geography

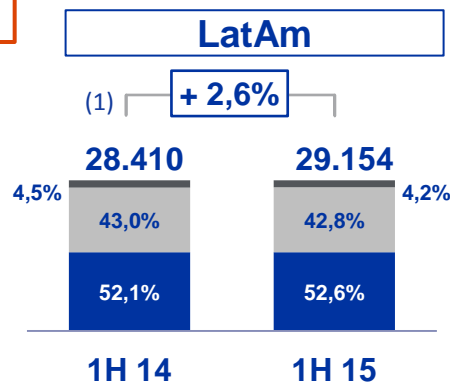
energis

Enersis  
Investor Relations

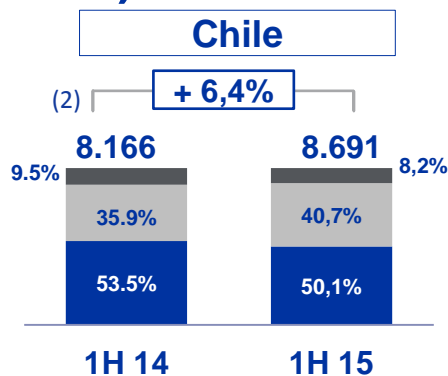
GWh	Hydro	Oil-Gas	Coal	NCRE	Total
Chile	4.352	3.538	714	86	8.691
Colombia	6.073	46	523	0	6.642
Peru	2.630	1.726	0	0	4.356
Brazil	995	1.061	0	0	2.056
Argentina	1.288	6.121	0	0	7.409
<b>Total</b>	<b>15.338</b>	<b>12.492</b>	<b>1.238</b>	<b>86</b>	<b>29.154</b>

# Operating Exhibits 1H 2015

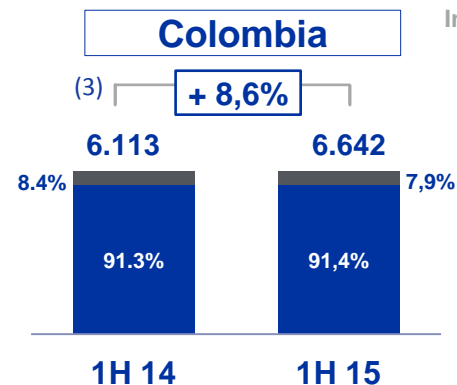
## Production mix (GWh)



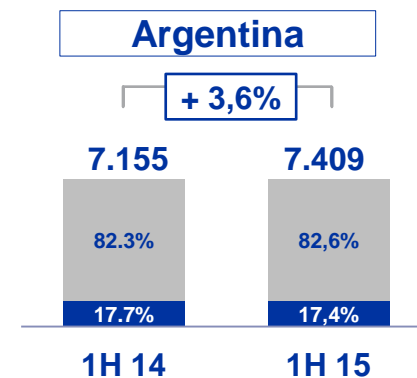
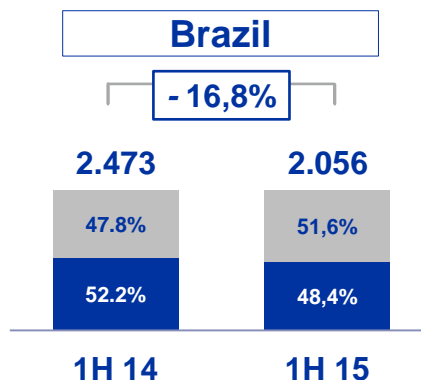
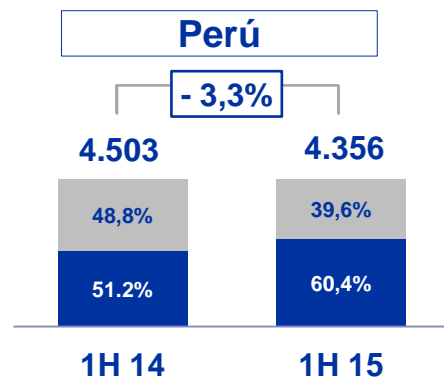
1. NCRE Latam 1H14 (0,3%), 1H15 (0,3%).



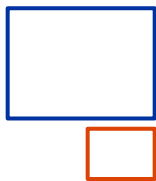
2. NCRE Chile 1H14 (1,2%), 1H15 (1,0%).



3. Oil-Gas Colombia: 1H14 (0,3%), 1H15 (0,7%).



■ Hydro ■ Oil-gas ■ Coal



# Operating Exhibits 1H 2015

## Distribution companies

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Distributor	Clients	Energy sold (GWh)	Energy losses (%)	City, Country	Concession area (km <sup>2</sup> )	Current regulatory return (pre-tax, real)	Next tariff revision
Chilectra	1.760.002	7.850	5,5%	Santiago, Chile	2.105	ROA 10%	2016
Codensa	2.821.255	6.798	7,2%	Bogotá, Colombia	14.456	WACC 13.9%	2015
Ampla	2.944.568	5.891	21,0%	Niteroi, Brazil	32.615	WACC 12.26%	2019
Coelce	3.684.883	5.564	12,9%	Fortaleza, Brazil	148.825	WACC 12.26%	2019
Edelnor	1.318.692	3.829	8,4%	Lima, Peru	1.517	ROA 12%	2017
Edesur	2.470.392	9.228	11,0%	Buenos Aires, Argentina	3.309	-	-

# Operating Exhibits 1H 2015

## Debt structure, liquidity and credit profile

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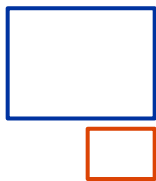
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Debt structure (US\$ mn)	Dec. 14	Jun. 15	%
Long-term	5.421	4.831	-10,9%
Short-term	695	865	24,5%
Cash <sup>1</sup>	3.003	1.685	-43,9%
<b>Net debt</b>	<b>3.113</b>	<b>4.011</b>	<b>28,8%</b>

Liquidity (US\$ mn)	Amount	Outstanding	Available
Committed credit lines	626	46	580
Cash and cash equivalents	1.685	n.a.	1.685
Uncommitted lines	734	16	718
<b>Total liquidity</b>	<b>3.046</b>	<b>62</b>	<b>2.984</b>

Credit Profile	S&P	Fitch	Moody's
LT international debt	BBB+	BBB+	Baa2
LT local debt	BBB+	AA (cl)	-
Outlook (Int'l)	Stable	Stable	Stable
Shares	1st Class Level 1	1st Class Level 1	-

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



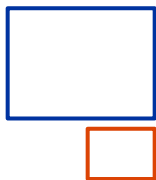
# 1H 2015 results

## Disclaimer



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# 1H 2015 results

## IR Team

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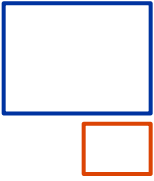
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