



Annual Report
Enel Américas
2018



Santiago Stock Exchange

ENELAM

New York Stock Exchange

ENIA

Enel Américas was initially established under the name Compañía Chilena Metropolitana de Distribución Eléctrica S.A. On December 1, 2016 the company changed its name to Enel Américas S.A. The Company's paid-in capital on December 31, 2018 reached \$6,763,204,424 and was represented by 57,452,641,516 shares. These shares are traded in the Chilean stock exchanges and in the New York Stock Exchange in the form of American Depositary Receipts (ADR).

The main business of the Company is the operation, development, generation, distribution, transmission, transformation and/ or sale of energy in any of its forms or nature, directly or through other companies. The Company can also exercise activities in the telecommunications sector, provide engineering advisory in the country and abroad, and also can invest and manage its investments in its subsidiaries and associate companies.

Total assets amounted to \$27,396,356 thousand on December 31, 2018. Enel Américas controls and manages a group of companies that operates in the electricity markets in four countries in Latin America (Argentina, Brazil, Colombia and Peru). In 2018, net income attributable to the controlling company reached \$1,201,381 thousand and operational income was \$2,434,520 thousand. By the end of 2018, the Company employed 18,3931 people through its subsidiaries companies in Latin America.

1 Includes senior executives shared with Enel Chile.

Annual Report Enel Américas 2018





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1. Letter From the Chairman

Dear shareholders:

You are holding the Annual Report and Financial Statements of Enel Américas S.A. for to the year 2018, in which you will find the main actions taken by the company. This was a period where important milestones were achieved in accordance with our business strategy.

The year 2018 has been determined by events that are transforming the social, political and economic context in the countries where we operate, being sometimes hard to predict, which also brought other long-term change factors and deep long-term consequences, such as technological advances, growing digitalization.... All of the aforementioned circumstances are constantly challenging the ability of the companies to achieve their goals.

In any case, our company has been able to achieve excellent economic and financial results, thus being capable to meet its commitments, all of which are detailed below.

Results of the period

Enel Américas showed fairly positive financial results. Actually, the company's EBITDA grew 13.9% compared to 2017, mainly explained by the accomplishments of our companies in Argentina and the actions carried out in Brazil, particularly through the incorporation of Eletropaulo and the good results of Enel Distribución Río and Enel Distribución Goiás.

Enel Américas' net results increased 69.4% compared to the previous year, reaching US\$ 1,201 million.

Industrial growth

2018 was a positive year in terms of industrial growth, while revenues amounted to US\$13,184 million, meaning 26.3% growth in relation to 2017. This result is mainly explained by the revenues obtained in Brazil, country where the year was particularly good, which also resulted in important consolidation of our clients' base in the country.

Enel Brasil Investimentos Sudeste was awarded the acquisition of Eletropaulo Metropolitana Eletricidade de Sao Paulo, becoming the largest energy distribution operator in the country, with more than 17 million clients and a market share of nearly 20% in the distribution business. This acquisition meant the brand name change of Eletropaulo to Enel Distribuição São Paulo. In addition, this transaction proves a fundamental commitment in our growth strategy, while the first results show that it will become a great investment. Also the company Celg changed its name to Enel Distribuição Goiás, firm acquired in 2017, which added new 2.9 million clients to our clients' base.

In Argentina, we carried out large investments that improved the quality of supply for our clients in different areas of the country. In this country, our works plan for 2018 reached 5,000 million Argentinean pesos. As such, Ede-sur commissioned three Substations: Móvil Puesto Roca, in Temperley, benefiting 90,000 clients; Padre Novak, in Florencio Varela, benefiting 42,000 clients; and finally the Substation in Sarandí, meaning an improvement in service quality for more than 150,000 people.

In Peru, we also had a year of strong investments in distribution, with the construction of the new Electricity Transmission Substation Izaguirre, which will supply energy to large businesses and also improve service to 110,000 clients in North Lima.

In Colombia, through our subsidiary Codensa, we inaugurated a modern service center in Bogotá, located in Restrepo neighborhood, which required an investment of 2,900 million Colombian pesos.

Our future

In 2018 Enel Américas consolidated as one of the largest private electricity companies in Latin America, achievement based on steady growth both in energy generation and distribution businesses. Nevertheless, we have the challenge to keep our long-term position, following the path of looking for new opportunities in the region which will enable us to continue growing.

These efforts have greatly paid off. We are very proud to inform you that in 2018 Enel Américas was included in Dow Jones Sustainability Emerging Markets Index and in Dow Jones Sustainability MILA Pacific Alliance INDEX, in addition to the confirmation for the second consecutive year of our presence in Dow Jones Sustainability Chile.

The continued safety of our collaborators, with no distinction between own employees and contractors, is another fundamental pillar of Enel Américas. We need to redouble our efforts to achieve our main priority, which is zero accidents at the workplace, through the consciousness and promotion of the awareness of procedures and safety norms, its systematic application at all times and the detailed analysis of any risk or incident.

In conclusion, our strategy is clearly oriented towards making Enel Américas an active company in building a sustainable future through the execution of our values, which are aimed at facilitating access to progress through energy in every community where we are present, in the promotion of new technologies, uses and more efficient ways of managing and using energy, and establishing lasting partnerships with our stakeholders in order to achieve our common objectives.

Our company is living a positive development cycle. Our achievements consolidate our growth and stability. This is, without any doubt, a reason for satisfaction, but at the same time means to take great current and future responsibilities, while maintaining high standards of corporate behavior, being capable of combining competition, skills and ethics in the expansion of our business.

Finally, I would like to express my gratitude to the Directors, CEO, executives, professionals, technicians and employees of Enel Américas for their permanent effort and dedication. All of them have been absolutely essential for the development of the company in 2018. With nothing more to add, I invite you to continue making positive contributions to the future of Enel Américas as an energy leader in Latin America.

Thank you.



Francisco de Borja Acha
Chairman of the Board
Enel Américas



2. Enel Américas is Open Power



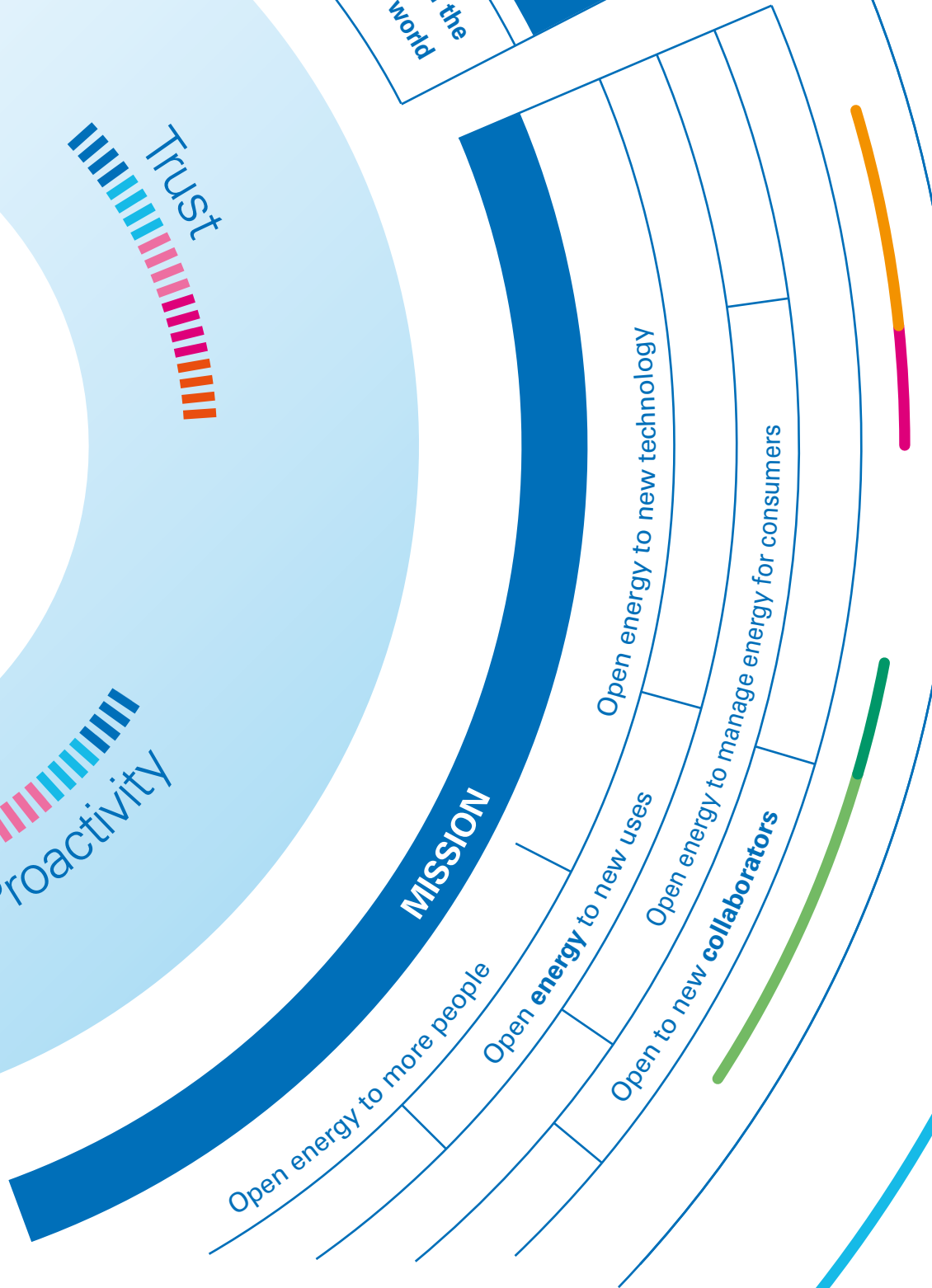


VISION
Open Power to overcome some of the greatest challenges facing the world



Trust

Proactivity



MISSION

Open energy to more people

Open energy to new uses

Open energy to new technology

Open to new **collaborators**

Open energy to manage energy for consumers



3. Milestones in 2018



JANUARY

Maintenance works started in Emgesa's hydroelectric power plant El Quimbo

The Colombian company announced the beginning of several works in the main dam of the hydroelectric power plant El Quimbo, as part of the scheduled maintenance programs for the power plant's main civil works.

Edesur inaugurated Substation Padre Novak, in the Florencio Varela area

Edesur is subsidiary of Enel Américas in Argentina. This substation directly benefits 42 thousand clients in the Florencio Varela and Almirante Brown areas. Investment reached ARS\$102 million, being part of a whole investments plan of ARS\$5,000 million in 2018. Works at Florencio Varela included the construction of a new substation with a 40 MVA transformer, a medium voltage room with 8 feeders and 13 kilometers of medium voltage wires.

FEBRUARY

Codensa inaugurated a modern service center in Restrepo neighborhood in Bogotá

The Service Center estimates to serve monthly approximately 12,500 clients. The project required investments of COP\$2,900 million and has 18 service modules, being especially designed to be closer to clients. The Service Center was designed with modern infrastructure and comfortable facilities, allowing clients to have a better service experience.

Moody's assigns "Baa3" to Enel Américas

On February 23, Moody's credit risk rating agency assigned "Baa3" rating to Enel Américas, and changed the outlook from stable to negative mainly due to the macroeconomic situation in Colombia.

MARCH

Celg changed its name to Enel Distribución Goiás

The brand name change is part of the transformation of the company that started after its acquisition and included greater investments and a restructuring process addressed to improve service quality to satisfy clients' needs.

Codensa and Emgesa were the first companies of the electricity sector in Colombia to gain the Sello de Oro de Equidad Laboral-Equipares

This acknowledgement was the first in Colombia. Codensa and Emgesa were certified as companies that have introduced verifiable equity policies, closing gender gap regarding salaries, opportunities and inclusion.

Codensa inaugurated the first generation and distribution energy renewable project in Cundinamarca

This small grid benefited 20 families living in sites difficult to access in the Alto Redondo area, located 230 kilometers from Bogotá, but almost 8 commuting hours.

Edesur received the "Ring the bell for gender equality" award, due to the integration of women in its board of directors

Comisión Nacional de Valores distinguished Edesur for being one of the companies with better gender equality in its board of directors. Mónica Diskin, Legal Manager, and Alejandra Martínez, Communications Manager, attended the ceremony.

Announcement of an agreement between Enel Argentina and Margarita Barrientos, for health improvement of people living in Los Piletos neighborhood

The sustainability area of Enel Argentina hired a health professional in the neighborhood's Health Center to carry out "non-invasive" checkouts with cutting-edge technology. These controls can identify chronic diseases. The plan is to expand this project to other communities where the company operates.

APRIL

Successful local bond issue of Codensa for COP\$360,000 million

The company performed a successful bond issue in the Colombian capital market amounting to COP\$360,000 million at 7 and 12-year term. This issuance was registered under the Bond Issuance and Placement program approved by the Financial Superintendence of Colombia.

El Quimbo became a scientific international benchmark regarding the research and restocking of fish

Emgesa, in alliance with Universidad Surcolombiana (USCO) and Experimental Station of Hydrobiologic Resources of South Colombia (ESRH in its Spanish acronym), performed the "I International Seminar for the Ecological Management of Dams", in which El Quimbo was a scientific reference regarding the restocking and relocation of native fish. This activity is part of the Fishery and Fishing Program of Alto Magdalena, and developed by Emgesa at El Quimbo for six years. This initiative has driven cooperation agreements with different universities and funding reached more than COP\$15,000 million.



MAY

Enel Distribución Perú launches digital energy bill in Lima and Callao

This initiative benefits 1,400,000 clients in Lima and Callao, enabling annual savings of up to 40 tons of paper and 250,000 liters of water.

Codensa is the first electricity company to certify as healthy organization

The Colombian Hart Foundation granted Codensa the certification of Healthy Organization, thanks to the enforcement of policies and practices that promote healthy life routines. This distinction was granted for the first time ever to an electricity company, recognizing Codensa as a pioneer in the implementation of actions to manage its employees' health, which is based on seven fundamental premises designed to decrease workplace absenteeism, provide timely detection of health problems and increase physical and mental well-being of employees.

Vuelta de Obligado Combined Cycle Power Plant located in in Santa Fe Province was commissioned

Enel Américas Group, Central Puerto and Orazul Energy Argentina are the owners of the combined cycle facilities Vuelta de Obligado power plant. Together with other the authorities, the Minister of Energy in Argentina, Juan José Aranguren, participated in the inauguration ceremony. The plant is located in the city of Timbúes, province of Santa Fe; its installed capacity is 800 MW, being one of the thermal power plants with the most advanced technology in the country. The plant can supply electricity to slightly more than one million homes. Total investments for this project amounted to US\$744 million.

JUNE

Enel Brasil acquires Eletropaulo (currently Enel Distribución São Paulo)

Enel Brasil Investimentos Sudeste, subsidiary of Enel Américas, accomplished successfully the voluntary offer for the acquisition of the entire social capital of Eletropaulo Metropolitana Eletricidade de São Paulo SA. With this transaction, Enel Américas became the largest electricity distribution operator in the country, with more than 17 million clients and 19.0% market share in energy distribution. Enel Brasil Investimentos Sudeste received confirmation that between June 5 and July 4, 2018, in line with the regulations of the Brazilian stock exchange, shareholders of Eletropaulo Metropolitana Eletricidade de São Paulo SA sold additional shares of Eletropaulo to Enel Sudeste equivalent to 19.9% of the social capital of the company. Along with this, Enel Sudeste reached 93.3% share ownership of the distribution company.

Credit Rating Agencies affirmed Enel Américas' rating after the acquisition of Eletropaulo (Enel Distribución São Paulo)

After the acquisition of Enel Distribución São Paulo, on June 5 S&P affirmed the international rating of the company at "BBB" and "Stable" outlook. Likewise, Fitch Ratings reviewed and affirmed Enel Américas' international rating at "BBB+" and "Stable" outlook and "AA (cl)" national scale rating with "Stable" outlook. Later, on June 7, Moody's assigned Enel Américas at Baa3 rating with negative outlook. Similarly, the following day, Feller Rate assigned national rating to Enel Américas at "AA-" with "Stable" outlook.

Enel Américas affirmed its presence in the FTSE4GOOD Index Series

This index classified the top companies globally, assesses its environmental, social, and governance practices (ESG in its English acronym). Enel Américas was distinguished in the Emerging Markets Index and Latin America Index categories, after the revision carried out in the second semester.

JULY

Enel Américas' Board of Directors appointed Maurizio Bezzeccheri as Chief Executive Officer

At the extraordinary meeting, Enel Américas' Board of Directors appointed Maurizio Bezzeccheri as the new Chief Executive Officer of the company, as of August 1, 2018.

Maurizio Bezzeccheri obtained a Doctor Cum Laude degree in Chemical Engineering from Università degli Studi di Napoli. His career in the Enel Group started in 1999. Before taking the position of general manager of Enel Américas, he held the position of Country Manager of Enel Argentina.

Enel Américas was awarded a certificate on Crime Prevention Model

Enel Américas was awarded a certificate on Crime Prevention Model in accordance with Law N° 20,393, of Chilean regulation, which establishes the criminal responsibilities of legal entities concerning asset laundering, financing of terrorism, illicit enrichment and bribery. The certification was granted in July 2018 for two years, the maximum period established by law, thus confirming the commitment of the company in maintaining control and compliance systems as mandated by local regulatory frameworks.

Codensa and Emgesa, were recognized as companies that had advance most in the PAR Ranking of Gender Equality since 2015

These companies were acknowledged as the ones that had advanced most in the Ranking of Gender Equality of PAR-Organizations-PAR in Colombia since 2015. This Ranking is developed by the consulting firm Aequales, Women District Secretariat and Colegio de Estudios Superiores de Administración (CESA for the Spanish abbreviation). A total of 209 organizations were assessed in 2018.

Emgesa and Codensa were recognized for having the best work environment

The award was granted in the context of ANDESCO Congress 2018. This acknowledgement was the result of an evaluation of the policies, practices and initiatives implemented by Codensa and Emgesa, with the purpose of promoting gender equality, working development and safety and occupational health of employees.





AUGUST

Enel Américas was acknowledged as one of the best companies in the capital markets in 2018

This award was presented in Capital Markets Awards, part of the financial markets magazine Latin Finance. The magazine highlights the successful company restructuring started in 2015, with which its assets in Chile were divided from the rest of the region and the acquisition of Eletropaulo (currently Enel Distribución São Paulo) in June 2018, becoming the largest electricity distribution company of Sao Paulo in Brazil.

Codensa was recognized as one of the most inspiring companies in the country

The company was recognized as one of the most inspiring companies in the country, in the context of ANDI Congress 2018. This award distinguishes Colombian companies committed to solve the main social challenges in the world and in the country, through strategic activities of their businesses. In the case of Codensa, the company was acknowledged by its program Cundinamarca at 100%, which is focused on supplying energy to families living in hard to reach areas and also due to geographic dispersion, didn't have access to this service in the past.

Fundación Enel Colombia and Uniminuto granted scholarships for higher education

Codensa and Emgesa, through Fundación Enel Colombia and Universidad Minuto de Dios, opened a call for 21 people in 7 neighborhoods of Cundinamarca district to apply for the scholarship in such university for technical, technological and professional careers. The granted scholarship consisted on 70% of the tuition and transport costs equivalent to 50% of a minimum monthly wage.

Edesur inaugurated a substation in Sarandí, whose investment reached ARS\$154 million

Edesur inaugurated repowering works of Sarandí Substation, directly benefitting 47 thousand homes and businesses – more than 150 thousand neighbors—in Sarandí, Villa Domínico, Wilde, Monte Chingolo and Gerli. The company's investment reached ARS\$154 million, in the context of a broader plan of more than 5,000 million pesos for this year in the entire concession area.

SEPTEMBER

Enel Américas announced changes in the Administration, Finance and Control Department

Enel Américas' Board of Directors appointed Aurelio Bustilho as new Chief Financial Officer of the company. The new executive has a Degree in Business Administration and an MBA from Coppead / UFRJ, with a major in Competitive Intelligence. He previously held the position of CFO of Enel Brasil.

Enel Américas confirms its leadership in sustainability, being included in the Dow Jones Index

The company was included for the first time in the Dow Jones Sustainability Emerging Markets Index and the Dow Jones Sustainability MILA Pacific Alliance Index. Additionally, it was confirmed its presence in the Dow Jones Sustainability Chile Index for the second consecutive year.

Fitch Ratings affirmed Enel Americas' rating

On September 20, Fitch Ratings affirmed the national rating at AA with Stable outlook and the international rating at BBB+ with Stable outlook.

Institutional Investor in the Latin America Executive Team 2018 recognized Enel Américas

The award was the result of the total votes of 924 managers, portfolio managers and investment analysts that cover Latin American stock. The company ranks top three in the Electric & Other Utilities category.

Edesur installs smart meters to make energy consumption more efficient

With the purpose of improving service quality and digitize the grid, Edesur started the installment of the first smart meters. The pilot project includes the installation of 5,000 units in the concession area in Argentina before the end of the year.

In Colombia, Enel defines its growth strategy with the evolution of its brands

After 20 years operating in Colombia, Codensa and Emgesa incorporate Enel brand in their logos, evolving to Enel - Codensa and Enel -Emgesa.

OCTOBER

Enel Distribución Perú invested 42 million soles for the improvement of electricity service in the Lima North area

Enel Distribución Perú started the construction of the new Electricity Transmission Substation (SET for the Spanish acronym) Izaguirre, located in San Martín de Porres district. The latter represents an investment of PEN\$42 million and will improve the electricity service of approximately 110 thousand clients, in addition to satisfy the energy demand of large businesses.

Enel Generación Perú will install the first energy storage battery in Peru

A 14 MW capacity device will be installed in Ventanilla thermal power plant. The estimated investment amounts to USD9 million. The beginning of civil works and the lasts licensing are estimated to take place during the first half of 2019, so the new system would start in the second half of the year.



The alliance between Codensa and Bancóldex promotes electric mobility projects in Colombia

On October 4, these companies signed a collaboration agreement to foster electric mobility projects in Colombia. This new alliance will create a new joint working group in order to identify and evaluate electricity mobility projects regionally and nation wide, and with the objective of participating in these initiatives as structuring, proponents, funders and/or investors.

The companies of Enel Group in Colombia were once again recognized by the stock exchange for their IR performance

For the sixth consecutive year, Codensa and Emgesa were awarded by the Colombian Stock Exchange for their IR (Investor Relations) performance. This recognition considers high standards in terms of disclosure of information, relationships and corporate governance of the Group in the country.

NOVEMBER

Enel Brasil was awarded with Prêmio Guia Exame de Sustentabilidade

Nacional Exame magazine ranks annually the most sustainable companies in Brazil, Enel Brasil and Eletropaulo (currently Enel Distribución São Paulo) were among them. Enel was ranked as the most sustainable Brazilian company in every sector and Enel Distribución São Paulo was awarded in the ethics and transparency category.

Emgesa presented successful results in the pilot plan for the ecological restoration of El Quimbo

The successful results of the Pilot Plan for the Ecological Restoration of the Tropical Dry Forest, developed between 2014 and 2018, were presented in the context of the Symposium for Ecological Restoration and Environmental Sustainability organized by the company. The program covers 140 hectares, located in the biotic compensation area of El Quimbo hydroelectric power plant.

Edesur inaugurated the mobile Substation Puesto Roca to improve its service in Temperley

This investment directly benefits 90 thousand inhabitants at Lomas de Zamora and Almirante Brown. Investment carried out by the company in this project reached ARS\$26 million, in the context of a broader plan of more than 5,000 million pesos for 2018 with the purpose of improving the distribution network.

Edesur installed remote control devices in the medium voltage network

In order to reduce the amount of power blackouts in the Cañuelas district –especially in the countryside–Edesur installed four control devices in strategic locations of the medium voltage network. These devices are remotely controlled and when a shortage emerges, its possible to drift the supply, thus accelerating detection times and the repair of electrical faults.

DECEMBER

Eletropaulo changes its name to Enel Distribución São Paulo

The brand change positions this electricity distribution company as part of a multinational energy group, which operates in every segment of the energy sector, and its prepared to offer all sorts of products and services related to the energy market. The brand change also seeks to emphasize the global scale of Enel and the focus of the company on digitization, technology and innovation.

Enel Américas is awarded in the Best Emerging Markets Performers ranking of Vigeo-Eiris

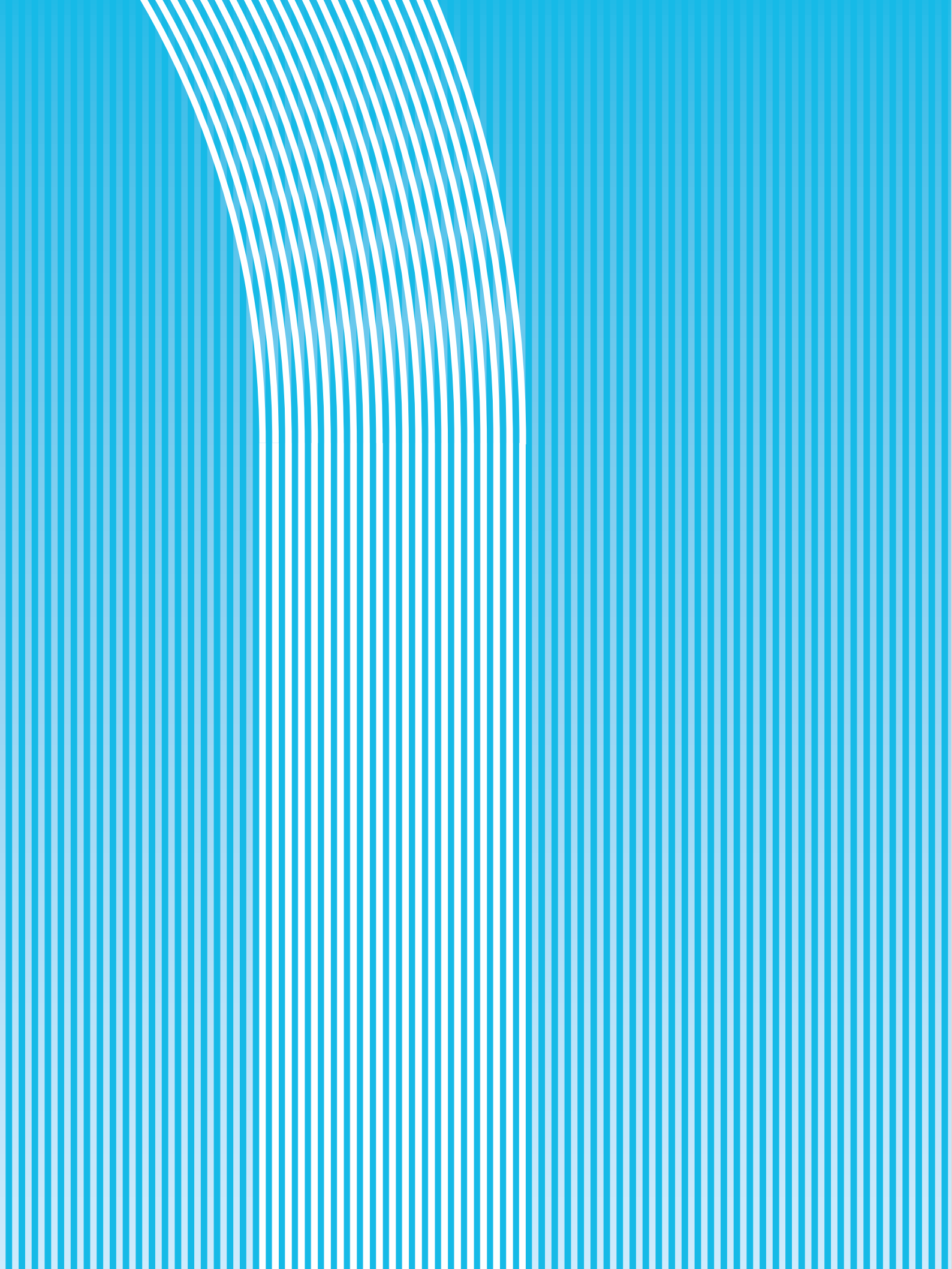
The measurement comprises companies in emerging markets with the best performance, and is determined by the Equitics© methodology. The selected companies have reached the highest scores in the emerging markets universe. A total of 855 companies were evaluated, from 35 sectors and 31 countries. Enel Américas was awarded in the Electric & Gas Utilities Emerging Market.

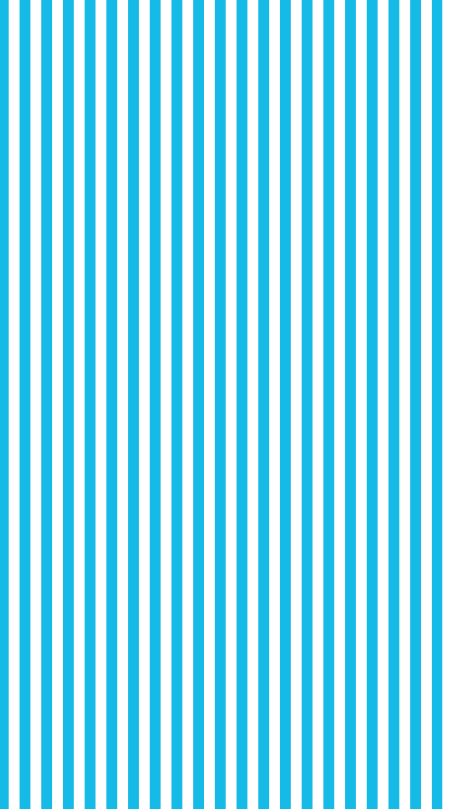
Edesur was awarded with the Quality prize

The National Quality Award for “Management of Board of Directors” is the most important and renowned award for companies and nonprofit organizations, in exposing their excellence in organizational management. The directors of Edesur received this acknowledgement in Casa Rosada.

The National Quality Award is the only distinction that Argentina gives to companies that stands out as a model of excellence in their management, in order to support and incentive their modernization, innovation and competitiveness. The assessment process is rigorous and has three levels, including an individual diagnosis, consensus among evaluators and the final choice carried out by prestigious judges.







04

Main
financial
indicators



	2013	2014	2015	2016	2017	2018
Total Assets	15,177,664	15,921,322	15,449,154	11,281,556	20,168,991	27,396,356
Total Liabilities	6,670,199	7,642,104	7,259,346	6,006,307	11,890,484	18,564,456
Operating Revenues	6,264,446	7,253,876	5,301,440	5,197,286	10,438,003	13,184,062
Ebitda	2,251,489	2,300,020	1,615,112	1,643,369	2,947,261	3,357,708
Net Income ⁽²⁾	658,514	610,158	661,587	383,060	709,043	1,201,381
Liquidity Ratio	1.31	1.23	1.01	1.25	0.92	0.66
Leverage ⁽³⁾	0.78	0.92	0.65	1.14	1.44	2.10

As of December 31 of each year

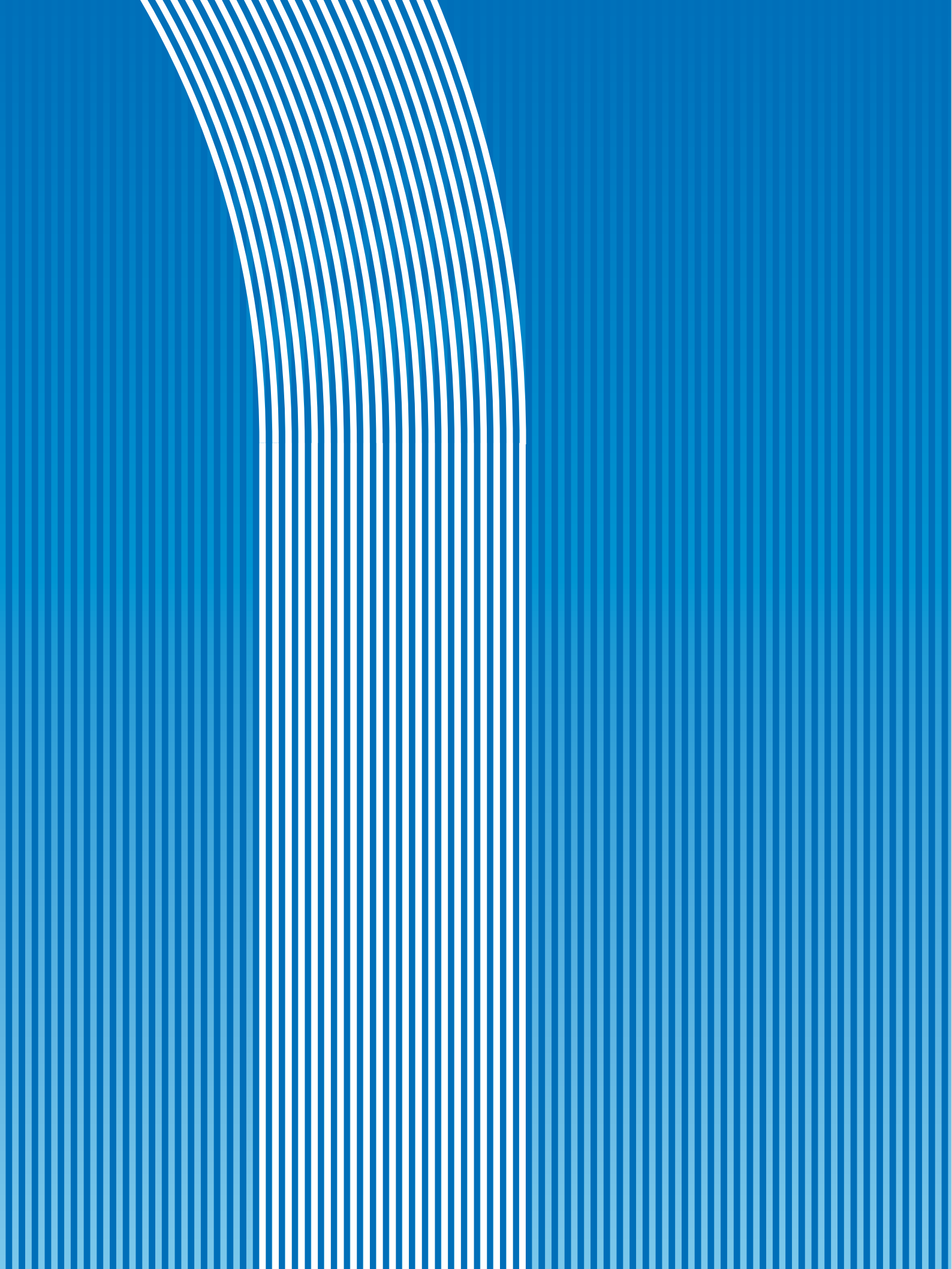
Generation Business	2013	2014	2015	2016	2017	2018
ARGENTINA						
Number of employees	628	645	657	632	578	581
Number of generating units	25	25	25	29	29	29
Installed capacity (MW) ⁽⁴⁾	4,522	4,522	4,522	4,419	4,419	4,419
Electricity generated (GWh)	14,422	14,390	15,204	13,124	14,825	13,949
Energy sales (GWh)	16,549	15,276	15,770	13,312	14,852	13,952
BRAZIL						
Number of employees	200	208	194	185	146	158
Number of generating units	13	13	13	13	17	17
Installed capacity (MW) ⁽⁴⁾	987	987	987	974	1,354	1,354
Electricity generated (GWh)	4,992	5,225	4,398	3,665	4,034	3,755
Energy Sales (GWh)	6,826	7,108	6,541	9,448	12,587	22,236
COLOMBIA						
Number of employees	563	589	484	551	604	615
Number of generating units	29	32	36	36	36	36
Installed capacity (MW) ⁽⁴⁾	2,925	3,059	3,459	3,457	3,467	3,499
Electricity generated (GWh)	12,748	13,559	13,705	14,952	14,765	14,052
Energy Sales (GWh)	16,090	15,773	16,886	18,015	18,156	18,544
PERU						
Number of employees	316	324	292	310	320	325
Number of generating units	27	27	27	27	27	30
Installed capacity (MW) ⁽⁴⁾	1,842	1,949	1,983	1,934	1,979	1,985
Electricity generated (GWh)	8,489	9,062	8,801	8,698	7,430	8,106
Energy Sales (GWh)	9,497	9,916	9,283	9,800	10,457	10,597
TOTAL						
Number of employees	1,707	1,766	1,627	1,678	1,648	1,679
Number of generating units	94	97	101	105	107	112
Installed capacity (MW) ⁽⁴⁾	10,276	10,517	10,951	10,784	11,219	11,257
Electricity generated (GWh)	40,651	42,236	42,108	40,439	41,053	39,863
Energy Sales (GWh)	48,962	48,073	48,480	50,575	56,051	65,329

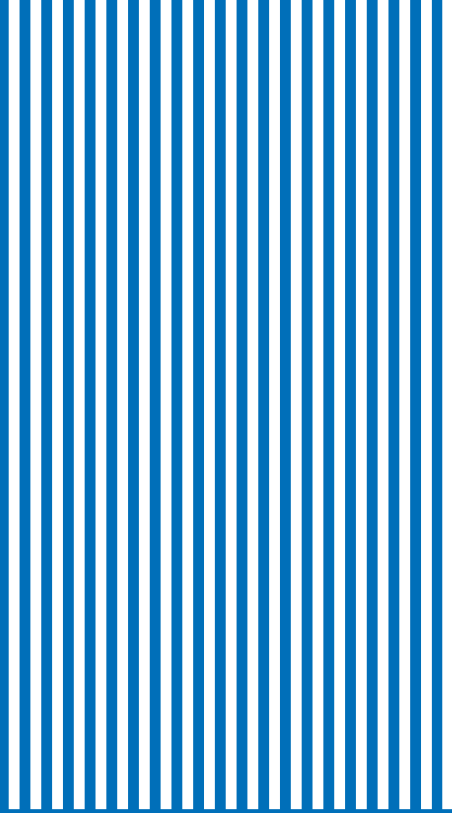
As of December 31 of each year

Distribution Business	2013	2014	2015	2016	2017	2018
ARGENTINA						
Energy sales (GWh) ⁽⁵⁾	18,137	17,972	18,492	18,493	17,736	17,548
Number of customers ⁽⁵⁾	2,444,013	2,464,117	2,479,559	2,504,558	2,529,307	2,529,953
Energy Losses	10.80%	10.75%	12.30%	12.04%	12.04%	14.25%
Number of employees	3,320	3,823	4,142	4,290	4,251	3,760
Clients / employees	736	645	596	584	595	673
BRAZIL						
Energy sales (GWh) ⁽⁵⁾	21,767	22,842	22,776	22,809	34,876	61,310
Number of customers ⁽⁵⁾	6,301,582	6,500,500	6,754,327	6,943,600	9,974,471	17,143,979
Energy Losses	16.10%	16.42%	17.30%	16.10%	15.22%	14,00%
Number of employees	2,370	2,415	2,348	2,244	3,336	10,632
Clients / employees	2,659	2,732	2,877	3,237	2,990	1,612
COLOMBIA						
Energy sales (GWh) ⁽⁵⁾	13,342	13,660	13,946	13,632	13,790	14,024
Number of customers ⁽⁵⁾	2,686,919	2,772,376	2,865,159	3,248,447	3,340,457	3,438,620
Energy Losses	7.00%	7.19%	7.30%	7.10%	7.84%	7,74%
Number of employees	1,036	1,043	947	1,337	1,376	1,529
Clients / employees	2,594	2,658	2,771	2,430	2,428	2,249
PERU						
Energy sales (GWh) ⁽⁵⁾	7,045	7,338	7,624	7,782	7,934	8,045
Number of customers ⁽⁵⁾	1,254,624	1,293,503	1,336,610	1,367,044	1,396,966	1,422,608
Energy Losses	7.90%	7.95%	8.30%	7.80%	8.24%	8,09%
Number of employees	616	619	570	620	588	590
Clients / employees	2,037	2,090	2,191	2,216	2,376	2,411
Total						
Energy sales (GWh) ⁽⁵⁾	60,291	61,812	62,838	62,715	74,337	100,927
Number of customers ⁽⁵⁾	12,687,138	13,030,496	13,435,655	14,063,649	17,241,201	24,535,160
Energy Losses	10.45%	10.58%	11.30%	10.76%	12.30%	10,96%
Number of employees	7,342	7,900	8,007	8,491	9,551	16,511
Clients / employees	1,728	1,649	1,678	1,656	1,805	1,486

- (1) Accounting figures are in accordance to the instructions and regulations issued by the CMF. Figures are presented in million Chilean nominal pesos for the years 2012, 2013, 2014, 2015 and 2016, and figures are in million dollars for 2017 and 2018. The Extraordinary Shareholders Meeting held on April 27, 2017 approved the change of functional currency of the company from Chilean pesos to US dollars.
- (2) Net Results attributable to the dominant company.
- (3) Total Liabilities/ Equity plus Minority Interest.
- (4) In contrast to the previous years, net installed capacity is considered for the years 2016, 2017 and 2018, and the difference with gross installed capacity is the discount for self-consumption.
- (5) Due to changes in the criteria, non-billable consumptions (CNF) are not included in 2014, 2015, 2016, 2017 and 2018.







05

Identification of
the company
and constituent
documents



Identification of the company

Name or company name	Enel Américas S.A.
Domicile	Santiago, Chile, being able to establish agencies or subsidiaries in other parts of the country or abroad
Type of company	Publicly traded company
Rut	94,271,000-3
Address	Santa Rosa N° 76, Santiago, Chile
Postal code	833-009 SANTIAGO
Phones	(56-2) 2353 4400 - (56-2) 2 378 4400
P.O. Box	1557, Santiago
Securities Registration number	N° 175
External auditors	Ernst & Young
Subscribed and paid-in capital (USD)	6,763,204,424
Web site	www.enelamericas.com
Email	comunicacion.enelchile@enel.com
Investor Relations phone	(56-2) 2353 4682
Ticker symbol in Chilean stock exchanges	ENELAM
Ticker symbol in New York stock exchange	ENIA
ADR's Custodian Bank	Banco Santander Chile
ADR's Depository Bank	Citibank N.A.
Local credit rating agencies	Feller Rate Clasificadora de Riesgo Limitada, Fitch Chile Clasificadora de Riesgo Limitada
International credit rating agencies	Fitch Ratings, Moody's Investor Services y Standard & Poor's International Rating Services

Constituent Documents

The company that gave rise to Enel Américas S.A. was formed initially under the name Compañía Chilena Metropolitana de Distribución Eléctrica S.A. by public deed dated June 19, 1981, granted by the notary Patricio Zaldívar Mackenna in Santiago, and modified by public deed on July 13 the same year and in the same notary. The company's incorporation was authorized and its bylaws approved by Resolution 409-S of July 17, 1981 of the Securities and Insurance Commission (SVS). The extract of the incorporation authorization and approval of the bylaws was registered in the Santiago Trade Registry on page 13,099 N°7,269 for the year 1981, and were published in the Official Gazette of July 23, 1981. The bylaws of Enel Américas S.A. have undergone a number of modifications ever since.

On August 1, 1988, the company's name was changed to Enersis S.A.

In April 2015 Enersis S.A. started a corporate reorganization process. As part of this process, on December 18, 2015 the Company's Extraordinary Shareholders Meeting was held, where shareholders of Enersis S.A. approved the first stage of the reorganization process called "the Spin-off". Therefore, the Spin-off of the Company was approved, and the entity "Enersis Chile S.A." was created, which represented the unique vehicle for the control of generation and distribution assets that the Group owns in Chile and, the former Enersis S.A. was named "Enersis Américas S.A.", which controls the businesses in the other countries of the region (Argentina, Peru, Brazil and Colombia). The Spin-off was formalized in a public deed of January 8, 2016, granted in the Notary Iván Torrealba Acevedo in Santiago, whose excerpt was registered on pages 4013 N° 2441 of the Commerce Registry in 2016 of the Property Register in Santiago and was published in the Official Journal on January 22, 2016. A supplementary extract was registered on pages 10.743 N° 6.073 in the same Registry, year and the Property Register and was published in the Official Journal on February 10, 2016.

The Extraordinary Shareholders Meetings of Enersis Américas S.A. and its subsidiaries Endesa Américas S.A. and Chilectra Américas S.A. were held on September 28, 2016. Among other topics, at these meetings the second stage of the corporate reorganization plan denominated "The Merger" was approved. Therefore, Enersis Américas S.A., the absorbing entity, acquired all the assets and liabilities of the subsidiaries Chilectra Américas S.A. and Endesa Américas S.A., succeeding them in every right and obligation and incorporating to Enersis Américas S.A. the entirety of shareholders and equity of Chilectra Américas S.A. and Endesa Américas S.A.

In addition, it was agreed that after the Merger, on December 1, 2016, Enersis Américas S.A would change its name to "Enel Américas S.A.". Such meeting was formalized in a public deed of October 18, 2016, granted in the Notary Iván Torrealba Acevedo, whose excerpt was registered on pages 79,974 N°43,179 of the Commerce Registry in 2016 of the Property Register in Santiago and was published in the Official Journal on October 29, 2016.

The functional currency of the company was changed from pesos to US dollars at the Extraordinary Shareholders meeting held on April 27, 2017, thus the fifth permanent article and the first transitory article of the bylaws were modified.

Corporate Purpose

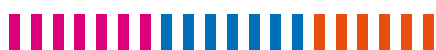
The corporate purpose of the Company is stated in the statutory modification approved by the Extraordinary Shareholders Meeting held on September 28, 2016, formalized in a public deed of October 18, 2016, granted in the Notary Iván Torrealba Acevedo in Santiago, whose excerpt was registered on pages 79,974 N°43,179, of the Commerce Registry in 2016 of the Property Register in Santiago and was published in the Official Journal on October 29, 2016.

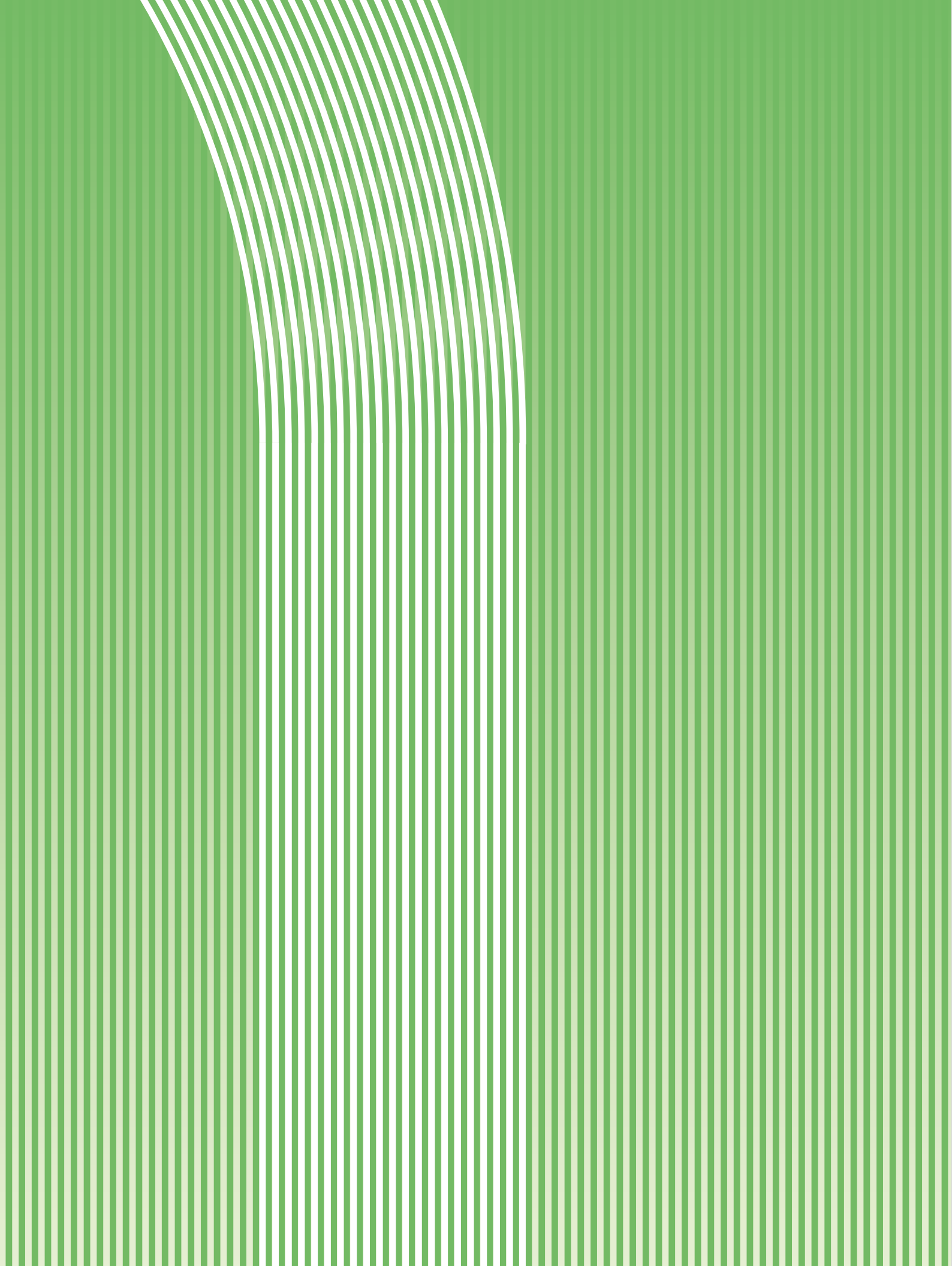
The Company's purpose is to perform in the country or abroad the exploration, development, operation, generation, distribution, transmission, transformation and/ or sales of energy in any of its forms and nature, or directly or through intermediate companies, likewise, and also telecommunications activities and the provision of engineering consultancy in the country and abroad. It may also invest and manage its subsidiaries and associate companies, whether generators, transmission companies, distributors or traders of electricity or whose business is any of the following: (i) energy, in any of its forms or nature, (ii) the supply of public utilities or whose main raw material is energy, (iii) telecommunications and information technology, and (iv) trading over internet. In complying with its main objects, the company will carry out the following functions:

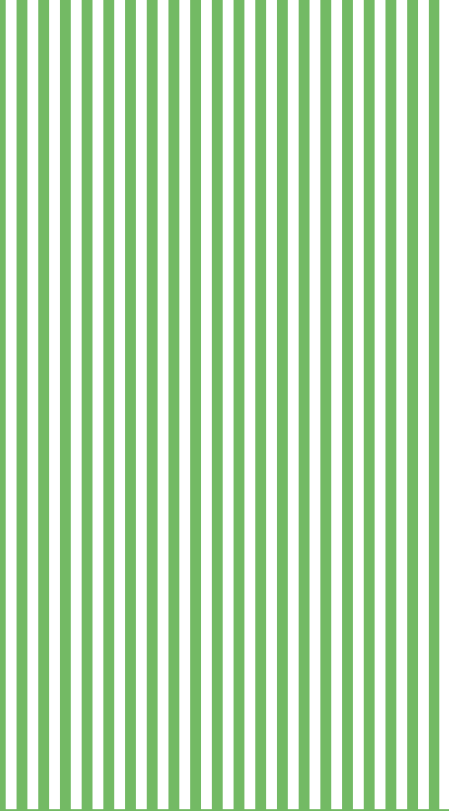
- a) Promote, organize, build, modify, dissolve or liquidate companies of any nature, which have similar corporate objects to its own.
- b) Propose investment, financing and business policies to subsidiary companies, as well as accounting criteria and systems that these should follow.
- c) Supervise subsidiary management.
- d) Provide subsidiary or associate companies with the necessary financing for their business development and provide management services; financial, technical, legal and auditing advice; and in general any type of service that appears necessary for their best performance.

In addition to its main objects and always acting within the limits established by the Investment and Financing Policy approved by the Shareholders Meeting, the Company may invest in:

- 1.- The acquisition, operation, construction, rental, administration, intermediation, trading and disposal of all kinds of movable and immovable assets, either directly or through subsidiaries or associate companies.
- 2.- All kinds of financial assets, including shares, bonds and debentures, commercial paper and in general all kinds of titles or securities and company contributions, either directly or through subsidiaries or associate companies.







06

Property and
control



Ownership Structure

Ownership structure

The company's capital is divided into 57,452,641,516 shares, with no nominal value, all holds the same single series and each share represents one voting right, and there are no state-owned preferred shares.

As of December 31, 2018, all shares were subscribed and paid-in, and were distributed as follows:

Shareholders	Number of shares	Shareholding
Enel S.p.A.	29,762,213,531	51.80%
Chilean Pension Funds	7,946,536,863	13.83%
ADR'S (Citibank N.A. according to circular N°1,375 of the CMF)	4,384,417,428	7.63%
Foreign Investment Funds	831,284,457	1.45%
Custodian banks	8,190,992,728	14.26%
Stockbrokers, insurance companies, mutual funds	4,824,578,112	8.40%
Other shareholders	1,512,618,397	2.63%
Total Shares	57,452,641,516	100.00%

Identification of Controllers

As defined in Title XV of Law No. 18,045, Enel Américas S.A. is a publicly traded company directly controlled by Enel S.p.A., an Italian joint stock company, and owner of 51.8030% of the shares issued by Enel Américas S.A.

Shareholders of Enel S.p.A	Shareholding
Ministero dell'Economia e delle Finanze de Italia	23.6%
Other Investors (Institutional and Retail)	76.4%
Total	100.0%

Controller's members don't have a joint action agreement.



List of the Twelve Main Shareholders of the Company

As of December 31, 2018, 23,286 shareholders owned Enel Américas. The twelve main shareholders were:

Name or Company Name	Rut	Number of Shares	Shareholding
ENEL SPA	59,243,980-8	29,762,213,531	51.80%
CITIBANK N.A. SEGUN CIRCULAR 1375 S.V.S.	59,135,290-3	4,384,417,428	7.63%
BANCO DE CHILE POR CUENTA DE TERCEROS NO RESIDENTES	97,004,000-5	3,210,128,764	5.59%
BANCO SANTANDER POR CUENTA DE INV EXTRANJEROS	97,036,000-K	2,401,980,484	4.18%
BANCO ITAU CORPBANCA POR CTA DE INVERSIONISTAS EXTRANJEROS	97,023,000-9	2,344,499,854	4.08%
AFP PROVIDA S.A. PARA FDO. PENSION C	76,265,736-8	1,246,543,955	2.17%
AFP HABITAT S. A. PARA FDO PENSION C	98,000,100-8	891,818,720	1.55%
AFP CAPITAL S. A. FONDO DE PENSION TIPO C	98,000,000-1	798,743,379	1.39%
JP MORGAN SECURITIES INC	47,009,201-7	761,063,736	1.32%
AFP CUPRUM S. A. PARA FDP PENSION C	76,240,079-0	748,242,585	1.30%
BANCHILE C DE B S A	96,571,220-8	632,343,103	1.10%
AFP CUPRUM S. A. FONDO TIPO A	76,240,079-0	514,913,078	0.90%
Subtotal twelve major shareholders		47,696,908,617	83.02%
OTHER 23,274 SHAREHOLDERS		9,755,732,899	16.98%
TOTAL 23,286 SHAREHOLDERS		57,452,641,516	100.00%

There are no shareholders representing the founding families of the Company neither related to the government or state entities owning shares exceeding 5% ownership.





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Most Significant Changes in Ownership

During 2018, the most important changes in the ownership of Enel Américas are the following:

Name or Company Name	RUT	Dv	Number of shares on 12/31/2017	Number of shares on 12/31/2018	Variation in percentage points with respect to subscribed and paid capital	Number of shares variation
CITIBANK N.A. SEGUN CIRCULAR 1375 S.V.S.	59,135,290	3	4,384,417,428	5,064,445,978	1.18363	680,028,550
BANCO DE CHILE POR CUENTA DE TERCEROS NO RESIDENTES	97,004,000	5	3,210,128,764	3,895,552,189	1.19302	685,423,425
BANCO ITAU CORPBANCA POR CTA DE INVERSIONISTAS EXTRANJEROS	97,023,000	9	2,344,499,854	2,523,158,948	0.31097	178,659,094
AFP PROVIDA S.A.	76,265,736	8	2,247,892,567	2,278,366,257	0.05304	30,473,690
AFP CAPITAL S A	98,000,000	1	1,646,207,724	1,995,066,955	0.60721	348,859,231
BANCO SANTANDER POR CUENTA DE INV EXTRANJEROS	97,036,000	K	2,401,980,484	1,883,016,703	-0.90329	-518,963,781
AFP HABITAT S A	98,000,100	8	1,671,887,493	1,797,479,247	0.21860	125,591,754
AFP CUPRUM S A	76,240,079	0	1,633,734,907	1,780,798,933	0.25597	147,064,026
BANCHILE C DE B S A	96,571,220	8	632,343,103	495,159,971	-0.23878	-137,183,132
AFP MODELO S.A.	76,762,250	3	485,430,607	468,847,590	-0.02886	-16,583,017
LARRAIN VIAL S A CORREDORA DE BOLSA	80,537,000	9	510,591,005	290,453,220	-0.38316	-220,137,785
AFP PLANVITAL S A	98,001,200	K	261,383,565	286,008,391	0.04286	24,624,826
SANTANDER CORREDORES DE BOLSA LIMITADA	96,683,200	2	228,911,532	216,115,682	-0.02227	-12,795,850
BTG PACTUAL CHILE S A C DE B	84,177,300	4	232,602,612	203,106,375	-0.05134	-29,496,237
BICE INVERSIONES CORREDORES DE BOLSA S A	79,532,990	0	236,490,136	202,660,202	-0.05888	-33,829,934
BANCO SANTANDER-HSBC BANK PLC LONDON CLIENT ACCOUN	97,036,000	K	178,732,113	198,136,422	0.03377	19,404,309

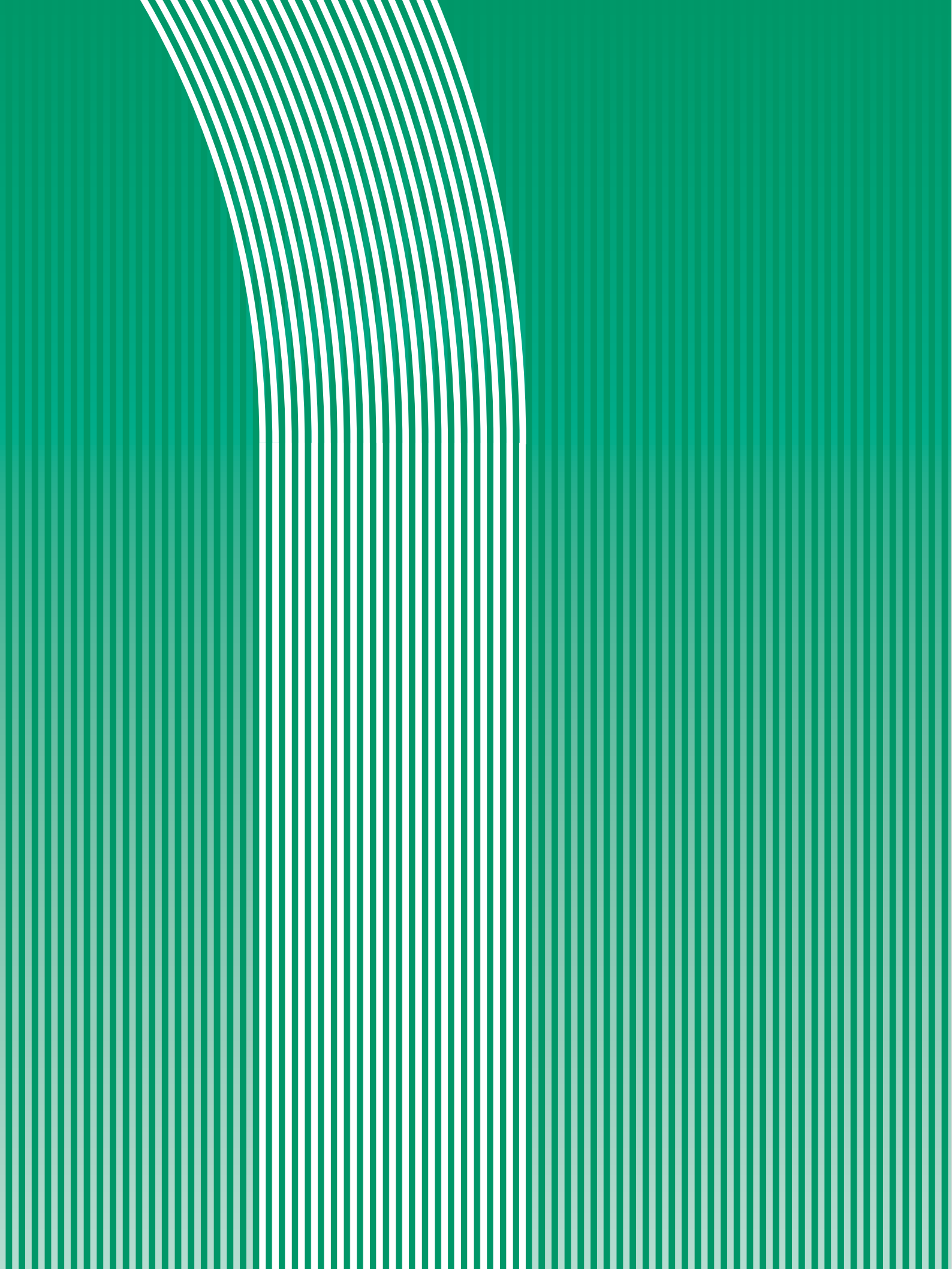
Exchange Transactions Performed by Related Individuals during 2018

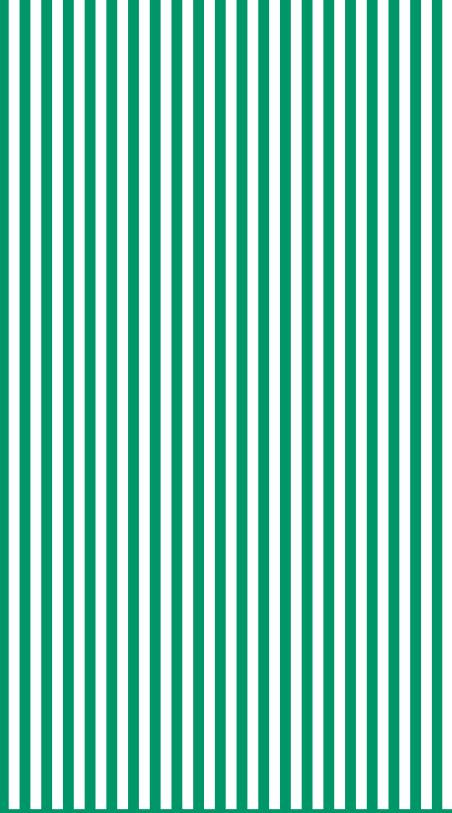
No exchange transactions between related individuals were made during 2018.

Summary of Directors' Committee and Shareholders Comments and Proposals

Enel Américas S.A. received neither comments nor proposals with regards to the progress of company business between January 1st and December 31st, 2018 from the Directors' Committee or Shareholders who own or represent 10% or more of the shares issued with voting rights as stated in Articles 74 and 136 of Law No. 18,046 of the Regulation to Public Companies.







07

Administration



Board of Directors



1. CHAIRMAN

Francisco de Borja Acha Besga

Attorney at Law Universidad Complutense de Madrid
DNI: 05263174-S
From 04.28.2016 (1)

2. DIRECTOR

José Antonio Vargas Lleras

Attorney at Law Universidad Colegio Mayor del Rosario, Colombia
DNI: 79.312.642
From 04.28.2016

3. DIRECTOR

Enrico Viale

Engineer Degree Universidad Politécnica de Turín
MBA Escuela de Negocios Universidad de Santa Clara
DNI: AU 2580379
From 04.28.2016

4. DIRECTOR

Livio Gallo

Electronic Engineer Universidad Politécnica de Milán
DNI: AV 0246369
From 04.28.2016

5. DIRECTOR

Hernán Somerville Senn

Lawyer Universidad de Chile
Master of Comparative Jurisprudence University of New York
DNI: 4,132,185-7
From 04.28.2016 (2)

6. DIRECTOR

Domingo Cruzat Amunátegui

Industrial civil engineer Universidad de Chile
MBA The Wharton School de la Universidad of Pennsylvania
Rut: 6,989,304-K
From 04.28.2016

7. DIRECTOR

Patricio Gómez Sabaini

Business Administration Degree George Mason University, Virginia
Master of Business Administration George Washington University, Washington DC
Passport: 16941675N
From 04.28.2016

(1) He was originally appointed Director of the former Enersis Américas S.A. on 06.30.2015, currently Enel Américas.

(2) He was originally appointed Director of the former Enersis Américas S.A. on 07.29.1999, currently Enel Américas.

Enel Américas is managed by a Board of Directors comprised of seven members, who remain in office for a three-year period and may be re-elected. The Board was appointed at the Ordinary Shareholders' Meeting held on April 28, 2016. According to the Corporations Law, if a Director's vacancy occurs, the whole board shall be renewed at the next ordinary shareholders' meeting the corporation shall hold, and, in the meanwhile, the board may name a substitute. The Company doesn't consider any substitute members.

Board of Directors' and Directors' Committee Compensations

Pursuant to Article 33 of Law No. 18,046 Corporations Law, the Ordinary Shareholders' Meeting held on April 26, 2018 approved the compensations for the Board of Directors and Directors' Committee for the 2018 accounting period. The compensation for the Board of Directors is a fixed monthly payment. It was agreed to pay a fixed monthly compensation, part at any event and the other part eventual. This compensation consists of 216 UF of monthly fixed compensation at any event and 79,2 UF of attendance fees per meeting of the Board, up to a maximum of 16 sessions altogether. The compensation of the Chairman of the Board will be twice the compensation of a Director.

The compensation for the Directors' Committee consists on a fixed monthly compensation, part at any event and the other part eventual. This compensation consists on 72 UF of monthly fixed compensation at any event and 26,4 UF of attendance fees per meeting of the Board, up to a maximum of 16 sessions altogether.

Total compensation expenses in 2018 were US\$ 642,836 and are shown in the following table. The Board of Directors did not incur in any expenses for external consulting services.

2018

Figures in US\$ Name	Position	Fixed Compensation	Ordinary and Extraordinary Board Sessions	Committee's Fixed Compensation	Committee's Ordinary and Extraordinary Sessions	Total 2018
Francisco de Borja Acha ⁽¹⁾	Chairman					
José Antonio Vargas Lleras ⁽¹⁾	Director					
Livio Gallo ⁽¹⁾	Director					
Enrico Viale ⁽¹⁾	Director					
Hernán Somerville Senn	Director	103,798	62,032	34,636	14,739	215,205
Domingo Cruzat Amunátegui	Director	103,798	62,032	34,636	14,739	215,205
Patricio Gómez Sabaini	Director	103,798	59,253	34,636	14,739	212,426
Total		311,394	183,318	103,909	44,216	642,836

(1) Messrs. Francisco de Borja A., José Antonio Vargas LI., Livio Gallo and Enrico Viale, renounced to any compensation payment.

Total compensation expenses in 2017 were US\$526,856 and are shown in the following table. The Board of Directors did not incur in any expenses for external consulting services.

2017

Figures in US\$ Name	Position	Fixed Compensation	Ordinary and Extraordinary Board Sessions	Committee's Fixed Compensation	Committee's Ordinary and Extraordinary Sessions	Total 2017
Francisco de Borja Acha ⁽¹⁾	Presidente					
José Antonio Vargas Lleras ⁽¹⁾	Director					
Livio Gallo ⁽¹⁾	Director					
Enrico Viale ⁽¹⁾	Director					
Hernán Somerville Senn	Director	93,417	39,968	31,139	12,367	176,891
Domingo Cruzat Amunátegui	Director	93,417	37,106	31,139	11,413	173,075
Patricio Gómez Sabaini	Director	93,417	39,968	31,139	12,367	176,891
Total		280,250	117,042	93,417	36,147	526,856

(1) Messrs. Francisco de Borja A., José Antonio Vargas LI., Livio Gallo and Enrico Viale, renounced to any compensation payment.





Social responsibility and sustainable development

Board diversity

Number of people by gender:	
Female	0
Male	7
General Total	7

Number of people by nationality:	
Chilean	2
Spanish	1
Argentine	1
Colombian	1
Italian	2
General total	7

Number of people by age range:	
Between 41 and 50 years old	0
Between 51 and 60 years old	4
Between 61 and 70 years old	2
Over 70 years old	1
General Total	7

Number of people by seniority:	
Less than 3 years	5
Between 3 and 6 years	1
More than 12 years	1
General total	7

Board of Directors' Consulting Expenses

During 2018, the Board of Directors did not make any expenses in consulting services.

Property over Enel Américas

As of December 31, 2018, according to the Shareholders' Register, none of the current Directors held ownership of the company. Nevertheless, Director Mr. Hernán Somerville is controlling shareholder in Inversiones Santa Verónica Limitada, entity that owns 5,044,782 shares of the company.

Directors' Committee

Pursuant to Article 50 bis of law No. 18,046 Corporations Law, Enel Américas S.A. has a Directors' Committee comprised by three members, with faculties and duties enumerated in said article and those delegated by the Board as established in the Regulation of the Director's Committee.

The Company's Board of Directors created the Audit Committee on June 29, 2005, which is composed of three directors that are also members of the Board, as mandated by Sarbanes-Oxley Law and corporate governance regulations of the NYSE. Later, on April 22, 2010, the Company's bylaws were amended at Extraordinary Shareholders Meeting, and the Audit Committee merged with the Directors' Committee.

As of January 1, 2018, the Directors' Committee of Enel Américas S.A. was comprised by Messrs. Hernán Somerville (independent), Domingo Cruzat Amunátegui (independent) and Patricio Gómez Sabaini (independent). The Chairman and Financial Expert was Mr. Hernán Somerville Senn and the Secretary of the Directors' Committee was Mr. Domingo Valdés Prieto.

At the ordinary session of the Board of Directors held on April 29, 2016 were appointed as members of the Directors' Committee Messrs. Hernán Somerville Senn, Patricio Gómez Sabaini and Domingo Cruzat Amunátegui. Mr. Hernán Somerville Senn was appointed Financial Expert of the Directors' Committee. On the other hand, at the ordinary session of the Directors' Committee held on April 29, 2016, Mr. Hernán Somerville Senn was appointed Chairman of the Directors' Committee and Mr. Domingo Valdés Prieto, Legal Counsel of the Company, was appointed secretary of the committee.

Directors' Committee Management Annual Reports

The Directors' Committee held fourteen meetings in 2018.

During the sessions held in 2018, the Director's Committee addressed subjects regarding their interests, giving due fulfillment of their obligations dictated by the Article 50 statute number 18,046 about Public Limited Companies and the Sarbanes Oxley Act of the United States of America, as well as the other applicable regulations.

1. Consolidated Financial Statements

At the ordinary session held on February 28, 2018, the following documents were unanimously declared to have been examined; the Consolidated Financial Statements as of December 31, 2018, its Notes, Financial Statements and Significant Events, as well as the External Auditor's and Account Inspectors opinions. At the ordinary session held on May 3, 2018, the Directors' Committee unanimously declared examined the Consolidated Financial Statements of the Company as of March 31, 2018, its Notes, Income Statement and Significant Events.

At the extraordinary session held on July 27, 2018, the Directors' Committee unanimously, declared to have examined the Consolidated Financial Statements of the Company as of June 30, 2018, its Notes, Financial Statement Analysis, Income Statement and Significant Events, as well as the opinion "without any observation" issued by external auditors on July 27, 2018, signed by Mr. Gastón Villarroel Olivares, partner of Ernst & Young.





At the ordinary session held on April 26, 2018, the Directors' Committee unanimously, declared to have examined the Consolidated Financial Statements of the Company under IFRS contained in 20-F form to be presented to the Securities and Exchange Commission of the United States of America (SEC), with the goal of complying by their norms and requirements issued by said public authority.

At the ordinary session held on October 31, 2018, the Directors' Committee unanimously, declared to have reviewed the Consolidated Financial Statements of the Company as of September 30, 2018; its Notes, Income Statement, Significant Events and the letter concerning the operations between related parties prepared by the external auditors.

2. Services provided by External Auditors and the recruitment of former employees of Ernst & Young Review

At the ordinary sessions held on January 31, February 28, March 28, April 26, May 30, June 27, August 29, September 28, October 31 and at the extraordinary session held of July 27, all during 2018, the services provided by external auditors were analyzed, those that were not from external auditors, and it was agreed to declare that they do not compromise the suitable technique nor the independence of judgment of the respective external auditing companies. The latter is in conformity to what is written in Section 202 of the Law Sarbanes Oxley, in article 242, final subsection, of the Law 18.045, of the Value Market and in the Directors' Committee Guidelines.

3. Operations between Related Parties Review

At the extraordinary session held on April 15, 2018, the Committee declared unanimously to have examined the operation between related parties consisting on the inter-company loan granted by Enel Américas to its subsidiary Enel Brasil and/or Enel Brasil Investimentos Sudeste S.A. for an amount that would not exceed the acquisition price

of the asset Eletropaulo Metropolitana de Eletricidade de Sao Paulo S.A. (Eletropaulo). Also in this session, the Board declared to have reviewed the operation that consisted on providing a guarantee to the subsidiaries Enel Brasil S.A. and Enel Brasil Investimentos Sudeste S.A., in favor of the Brazilian entity Banco BTG Pactual S.A. and/or any other entity, valid for 90 days renewable, and for the total amount needed to guarantee the obligations contracted by Enel Brasil S.A. and Enel Brasil Investimentos Sudeste S.A. with Banco BTG Pactual arising from the "Contrato para Prestacao de Grantia Firme", to be subscribed by these companies regarding the public offering launched by Enel Brasil Investimentos Sudeste S.A. for the stock purchase of Eletropaulo. The guarantee included a compensation for Enel Américas from the respective subsidiary.

At the extraordinary session held on May 3, 2018, the Directors' Committee of Enel Américas S.A., regarding the voluntary public tender offer for the shares (IPO) of Eletropaulo, carried out by the subsidiary Enel Brasil S.A. through its vehicle Enel Brasil Investimentos Sudeste S.A. (100% owned by Enel Brasil S.A.), declared to have examined unanimously by its members, the transactions related to the granting of guarantees and joint co-debt from the Company in association with the Issuances and the scheduled repayment agreements, pursuant to Chilean law, in a irrevocable, joint, supportive and unconditional manner, as co-debtor and main beneficiary of the Issuer (Enel Brasil S.A. and/or Enel Brasil Investimentos Sudeste S.A.) and the y el Offeror (Enel Brasil Investimentos Sudeste S.A.), the total and timely payment of: (i) every capital payment obligations, interests, interest on arrears, fines and other amounts due in the Commercial Documents and Reimbursement Agreements, either on the maturity date nor as a result of the acceleration of debt, as well as any other amount due, as long as they are registered in any other instrument that the Issuer and the Offeror may execute or accept in the future related with the Commercial Documents or the Reimbursement Agreements, as well as the debts or documents that may replace totally or partially these obligations, in any manner, extension, renovation and/or amendment to be agreed in the future regarding the obligations included in the Commercial Documents and Reimbursement Agreements; (ii) any other payment obligation assumed by the Issuer and the Offeror in relation to the Commercial Documents and Reimbursement Agreements, including the fees, expenses, costs, charges, taxes, reimbursements and indemnities of lawyers; (iii) reim-

bursement obligations of every amount that the holders of Commercial Documents and/or their agents may disburse pursuant to Commercial Documents and/or resulting from the execution, improvement, maintenance, charge and/or compliance y/o fulfillment of the Corporate Guarantee, or the reimbursement of expenses related to the Reimbursement Agreements of the corresponding banks; (iv) every payment obligation owed to the subscribers of the Commercial Documents as defined in the Offers, including fees and compensations; y (v) each and every one of the obligations that the Issuer and the Offeror agree in the future, as a replacement to the Commercial Documents or the Reimbursement Agreements. This operation included compensation from Enel Brasil and/ or Enel Sudeste to Enel Américas, for the granting of guarantees and joint co-debt.

The Directors' Committee declared in both situations that the operations between related parties contributed to the social interest and were fair in price, terms and conditions to those prevailing in the market as of the time of their approval.

4. Supervision and Evaluation of External Auditors

At the ordinary session held on February 28, 2018, the Committee unanimously graded as reasonable the work performed by the external auditors of the Company, Ernst & Young, carried out during the fiscal year 2017.

5. External Auditors Report on money order and money brokerage

At the ordinary session held on February 28, 2018, the Directors' Committee unanimously agreed to record that they had received formal and express consent on the report of money brokerage and money orders prepared by the external auditors, Ernst & Young, dated February 28, 2018. The Committee also mentioned that the described regulation was no longer valid, therefore this is the last time that the referred report would be presented by External Auditors.

6. Review of the Internal Control Letter Notice N°422 of the SVS

The Directors' Committee examined this issue during the session held on February 27, 2018. On December 6, 2007, the National Stock Market Commission, issued Notice N° 422, complementing Notice N° 980 of December 24, 1990. This Notice gives specific instructions regarding internal control procedures, so it provides an interim report and extends the period indicated in Notice N° 980 for internal auditors to submit an internal control final report, indicating that the delivery should be at the latest as of the date when the Board of Directors takes notice of the financial statements for the period ended December 31 of each year. The Chairman of the Directors' Committee, Mr. Hernán Somerville Senn, said that these regulations were revoked, nevertheless this derogation norm, article 246 of the Securities Market Law, among other subjects, establishes that external audit should indicate the Board and the Directors' Committee the deficiencies detected in the development of the external audit in the adoption and maintenance of standard accounting practices, administrative systems and internal audit, identify discrepancies between accounting principles related to financial statements and relevant criteria generally applied in the industry where the company carries out its business, and compliance with tax obligations of the company and its subsidiaries included in the referred external audit, which accordingly the need to inform internal control situations detected by EY is still required. He also said that the aforementioned revocation has not affect the submission terms mandated by NCG N°30 for the Financial Statements and therefore it must be understood that the internal control report is part of the information to be provided by external auditors during the first quarter each year together with the revision and approval of the annual Financial Statements. As such, at the ordinary session held on February 28, 2018, the Directors' Committee agreed unanimously that have formally become aware of the compliance with aforementioned regulation through the Internal Control Letter of February 28, 2018.





7. Review of the External Auditors of Matters Covered in the NCG N°385

At the ordinary session held on February 28, 2018, unanimously it was agreed as reviewed by the External Auditors the matters referred in paragraph 1 d) of the General Standard Legislation N° 385 of the SVS, and it was declared that none of the matters mentioned in sub-paragraphs ii, iii and v were referred to, of the previously mentioned item have occurred.

8. External Audit Contract between Enel Américas S.A. and Ernst & Young for the period 2018

At the ordinary session held on May 3, 2018, the Directors' Committee unanimously declared to have examined and approved the contract to be subscribed between Enel Américas S.A. and the external auditors Ernst & Young.

9. External Auditors' Proposal

At the ordinary session held on March 28, 2018, the Directors' Committee unanimously resolved to suggest the Board to propose at the Ordinary Shareholder Meeting that the following in priority order would be appointed for the examining of the current external auditing firm of Enel Américas S.A., for the year 2018: 1° E&Y; 2° PKF, 3° RSM and 4° BDO. The main reasons for proposing E&Y as the external auditor for Enel Américas S.A. are the following:

(i) the audit company presented the most competitive proposal according to verified technical and economic evaluations of the proposals received; (ii) it has a high qualification in the quality of available resources and has extensive experience in the electricity sector; (iii) is one of the four most important national and international audit firms, (iv) it is the audit firm with the highest level of synergy for Enel Américas S.A., as the parent and holding companies of Enel Américas S.A. , Enel S.p.A. have E&Y as their lead auditor, and . (v) The Directors' Committee has qualified the relationship of the company with EY as reasonable.

10. Private Risk Rating Agencies' Proposal

At the ordinary session held on February 28, 2018, the Directors' Committee unanimously agreed to propose to the Directors' Committee that Feller Rate Clasificadora de Riesgo Limitada and Fitch Chile Clasificadora de Riesgo Limitada will be proposed at the respective Shareholder's Meeting as private risk national rating agencies, and Fitch Ratings, Moody's Investors Service and Standard & Poor's International Rating Services will be appointed as the private international risk rating agencies for the accounting year 2018.

11. Analysis of Complaints to the Ethical Channel

At the ordinary session held on January 31 and at the ordinary session of August 29, both in 2018, the Directors' Committee issued unanimously its opinion on each of the complaints presented, delivering guidelines to follow up each one of them and confirming what has been resolved by this entity, in the sense that it will be responsibility of the Chairman of the Directors' Committee to agree upon a special meeting in the event that the complaint deem it appropriate, in the opinion of the Chairman of the Committee itself.

12. Self Assessment on Internal Control

At the extraordinary session held on July 27, 2018, the Directors' Committee unanimously agreed to declare that the Self-Assessment structures and procedures on Internal Control of Enel Américas S.A. have been reviewed.

13. Review of the Compensation System and Compensation Plans for Managers, Senior Executives and Employees of the Company

At the ordinary session held on June 27, 2018, the Directors' Committee unanimously declared to have examined the remuneration systems and compensation plans of the company's managers, senior executives, and employees.

14. Directors' Committee budget proposal for 2018

At the ordinary session of February 28, 2018, the Directors' Committee approved unanimously the Directors' Committee budget proposal for the accounting year 2018, consisting on 10.000 Unidades de Fomento for expenses related to the operation of the Committee and its advisors. Likewise, the Directors' Committee decided unanimously to submit the proposal to the next Ordinary Shareholders' Meeting of Enel Américas S.A. for its approval, to be held on April 2018, which will finally resolve within its sphere of competence.

15. Other

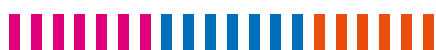
At the ordinary session of January 31, 2018, the Directors' Committee unanimously declared to have examined the payments made to external auditors regarding the companies of the Enel Américas Group to different external audit companies during 2017, differentiating the recurring and non-recurring external audit services and the services different from external audit, and the conclusion was that these have not impacted neither their independence nor their suitability.

At the ordinary session held on April 26, 2018, the Directors' Committee was informed by the then General Manager, Mr. Luca D'Agnesi, of the progress of the IPO for the acquisition of Eletropaulo.

As such, and as explained in this report, the Directors' Committee has fully complied the obligations included in the article 50 bis of the Corporations Law N°18,046.

Expenses of Enel Américas S.A. Directors' Committee

The Directors' Committee did not make use of the expense budget for ordinary functions approved by the Ordinary Shareholders Meeting held on April 26, 2018.



Organizational Structure

Chairman

Francisco De Borja Acha Besga

Managements

Chief Executive Officer
Maurizio Bezzeccheri (*)

Chief Financial Officer
Aurelio Bustilho de Oliveira (*)

Planning and Control Officer
Bruno Stella (*)

**General Counsel And Secretary
Of The Board**
Domingo Valdés Prieto (*)

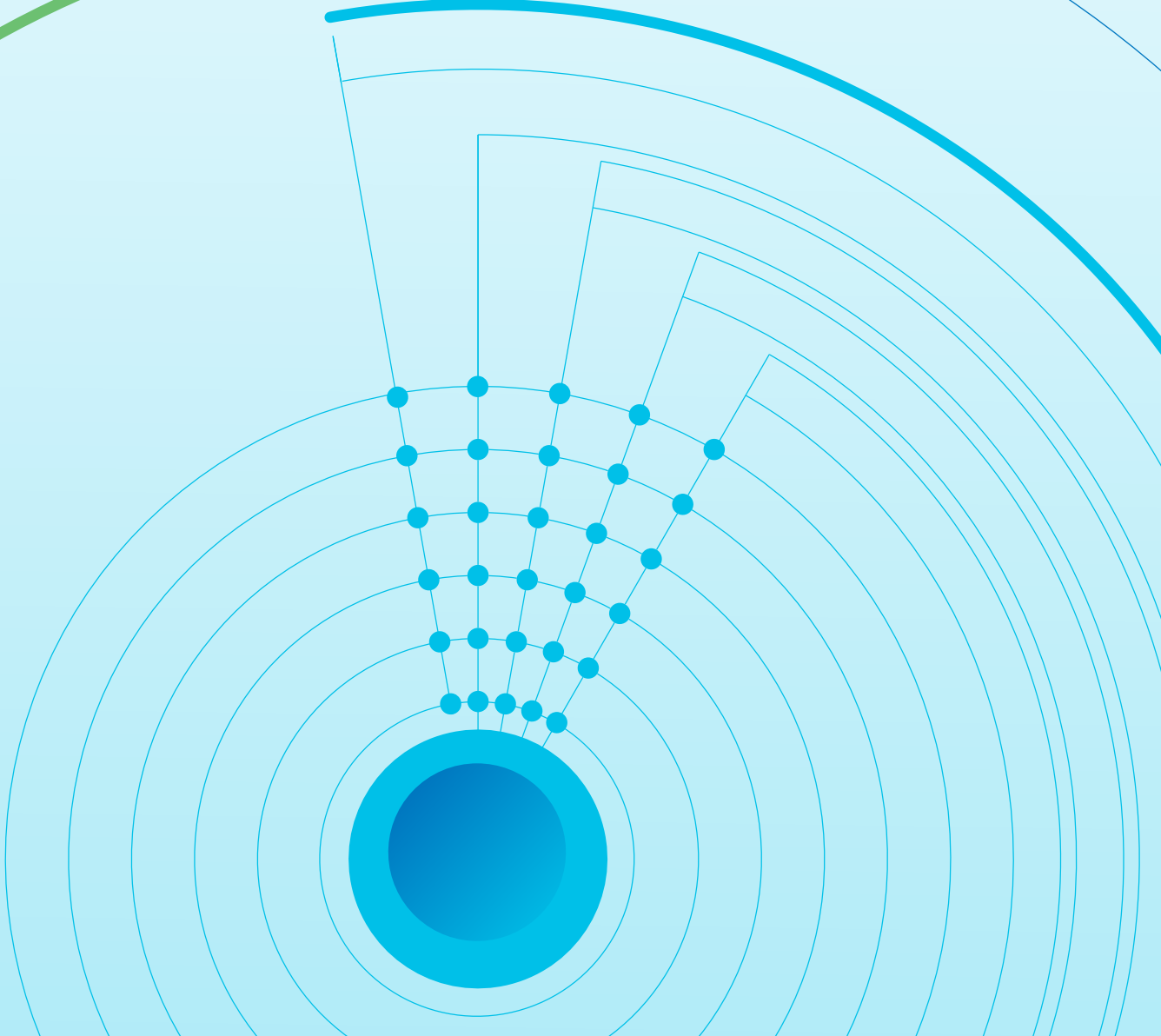
Communications Officer
José Miranda Montecinos (*)

Enel X South America
Simone Tripepi

Human Resources and Organization Officer
Liliana Schnaidt

Internal Audit Officer
Raffaele Cutrignelli (*)

(*) Senior executives



Senior executives



1. CHIEF EXECUTIVE OFFICER

Maurizio Bezzeccheri

Doctor Cum Laude degree in Chemical Engineering
Università degli Studi di Napoli
R+D Development of Steam Generators
Official Professional Qualification for engineering practice
Rut: 26,490,357-2
From 08.01.2018(1)

2. INTERNAL AUDIT OFFICER

Raffaele Cutrignelli ⁽³⁾

International Business Degree
Nottingham Trent University (United Kingdom)
Audit and Internal Control Masters Degree
Università di Pisa (Italy)
Certificate in Strategy, Innovation, Management and Leadership
Massachusetts Institute of Technology (MIT)
Rut: 25,553,336-3
From 10.01.2016

3. COMMUNICATIONS OFFICER

José Miranda Montecinos ⁽³⁾

Audiovisual Communicator
Professional Institute DUOC UC
Executive Competencies Diploma, Universidad de Chile
Corporate Undertaking and Open Innovation Studies, Berkeley University
Rut: 15,307,846-7
From 02.29.2016

4. CHIEF FINANCIAL OFFICER

Aurelio Bustilho de Oliveira

Business Administration
Universidad de Brasilia
MBA de Universidad Federal Rio Janeiro/ COPPEAD
Rut: 26,102,661-9
From 10.01.2018(2)

5. GENERAL COUNSEL AND SECRETARY OF THE BOARD

Domingo Valdés Prieto ⁽³⁾

Lawyer
Universidad de Chile
Master Degree in Law of University of Chicago
Rut: 6,973,465-0
From 04.30.1999

6. PLANNING AND CONTROL OFFICER

Bruno Stella

Economics and Business Degree
Università degli studi di Messina (Italy)
Rut: 25,52,.957-6
From 07.01.2018

(1) Maurizio Bezzeccheri took position on 08.01.2018 replacing Luca D'Agnesi.

(2) Aurelio Bustilho de Oliveira took position on 10.01.2018 replacing Paolo Pallotti.

(3) They also exercise the same positions in Enel Chile.





Officers and senior executives' compensations

During 2018, remunerations and benefits received by the Chief Executive Officer and senior executives of the company amounted to US\$2,586 thousand in fixed remunerations and US\$21 thousand in benefits.

During 2017, remunerations and benefits received by the Chief Executive Officer and senior executives of the Company amounted to US\$4,046 thousand in fixed remuneration and US\$119 thousand in benefits.

This amounts included compensations for senior managers and executives in exercise as of December 31, each year, as well as those that left the company during the respective period.

Benefits for managers and senior executives

The company provides the benefits of supplementary health insurance and a catastrophic insurance for its main executives and their family group recognized as a dependent charge. In addition, the Company has life insurance for its main executives. These benefits will be granted in conformance to the management level that corresponds to the employee in due time. In 2018, the amount spent in benefits was US\$10,128, which is included in the remunerations received by the senior management.

Incentive plans for officers and senior executives

Enel Américas has an annual bonus plan for complying with objectives and the level of individual contribution to the company results for its executives. This plan includes a definition of the ranges of bonus according to the hierarchical level of the executives. Bonuses are given to the executives is determined by a number of gross monthly wages.

Severance paid to managers and senior executives

There were no compensations for years of services paid to managers and senior executives during 2018.

Property over Enel Américas

As of December 31, 2018 the shareholders' registry reflected that no main executives had ownership on the Company. There are no requests for the Chief Executive Officer and senior executives to hold securities issued by the Company; however there is an obligation to inform securities' holdings and their transactions, both in the Securities Market Law and the Company's Information Management Manual of Market Interest.

Administration of main subsidiaries

ARGENTINA

Enel Generación Costanera

Andrea Biasotto

Degree in mechanical -
energetic engineering, industrial
engineering

Università degli Studi di Padova

Enel Generación El Chocón

Daniel Garrido

Electrician Engineer

Universidad Tecnológica Nacional

Edesur

Giuseppe Fanizzi

Electrical Engineer

Politecnico di Bari

Central Dock Sud

Juan Jose Marcet

Electrician Engineer

Universidad Tecnológica Nacional

Masters in Business

Administration

Universidad de Palermo

BRAZIL

Enel Brasil

Nicola Cotugno

Mechanic Engineer

Università di Roma, La Sapienza

Enel Green Power Cachoeira

Dourada

Matteo Francucci

Electrical Engineer

Università di Pizar

Enel Generación Fortaleza

Raimundo Câmara

Lawyer

Pontificia Universidad Católica de

Río de Janeiro

Enel Cien

Guilherme Gomes Lencastre

Civil and Production Engineer

Pontificia Universidad Católica de

Río de Janeiro

Enel Distribución Río

Artur Manuel Tavares Resende

Computer Engineer

Universidad Simón Bolívar/
Venezuela

Enel Distribución Ceará

Roberto Zanchi

Electrician Engineer

Universidad de Padova

Enel Distribución Goiás

Abel Alves Rochinha

Mechanic Engineer

Pontificia Universidad Católica de

Río de Janeiro

Enel Distribución São Paulo

Max Xavier Lins

Electrician Engineer

Universidad Federal de

Pernambuco

COLOMBIA

Emgesa

Bruno Riga

Aerospace Engineer

Universidad de Pisa

Codensa

David Felipe Acosta Correa

Electrical Engineer

Universidad Pontificia Bolivariana

PERU

Enel Generación Perú

Marco Raco

Aeronautical Engineer

Università di Pisa - Italy

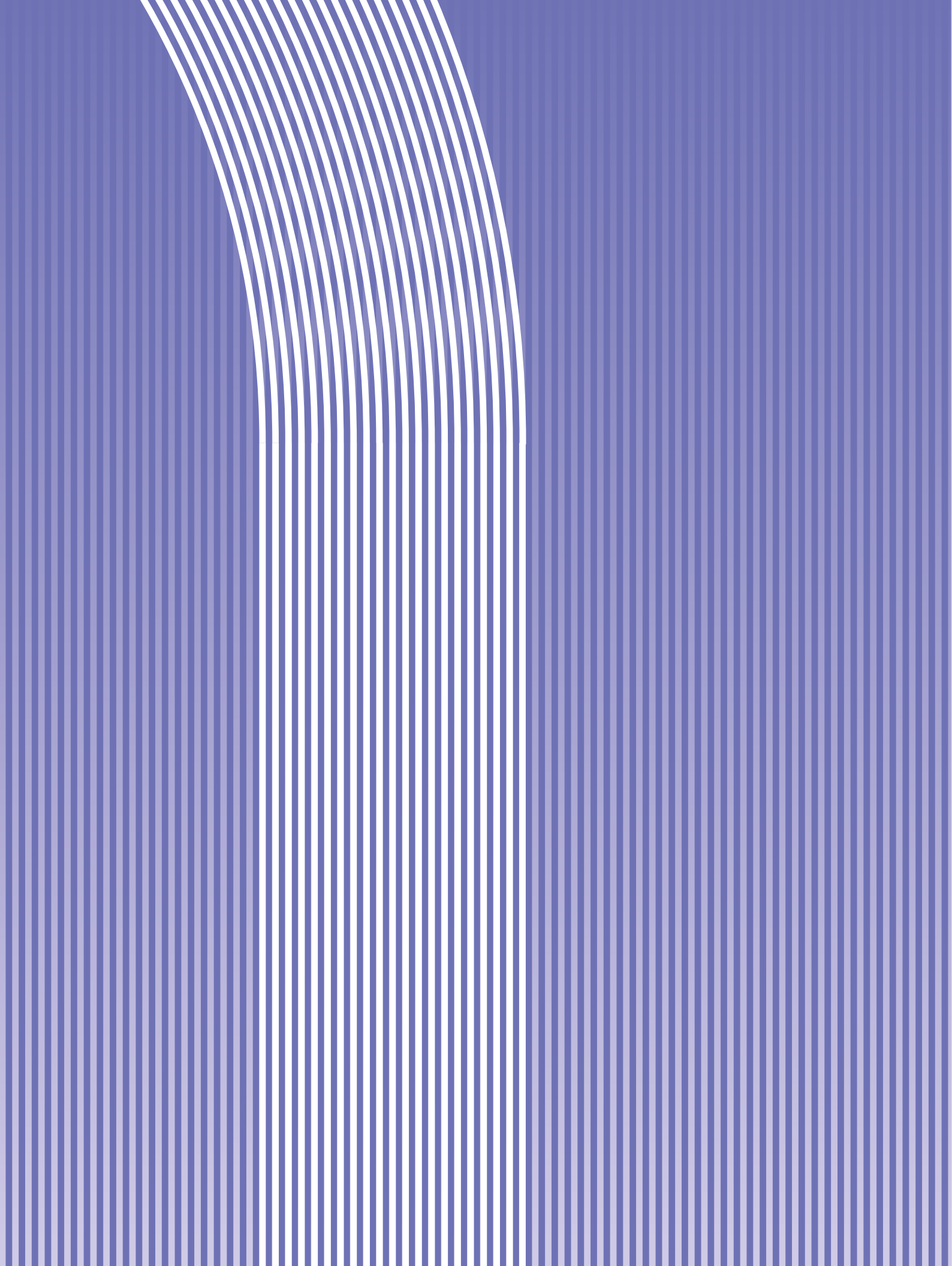
Enel Distribución Perú

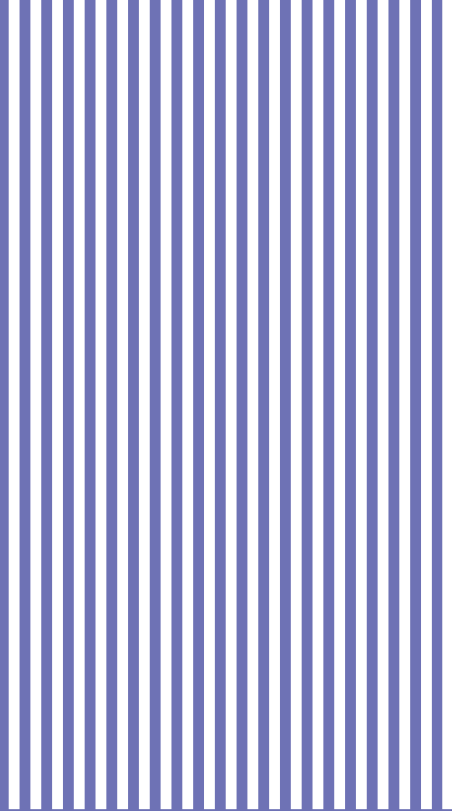
Riccardo Lama

Electrician Engineer

La Sapienza University of Rome







08

People and
organization



Human resources distribution

The employees' distribution of Enel Américas as of December 31, 2018, including information related to the subsidiaries in the four countries where Enel Group operates in Latin America and the joint control entities, was the following:

Company	Managers and Senior Executives	Professionals And Technicians	Employees and Others	Total
Enel Américas ⁽¹⁾	13	44	3	60
Enel Brasil	10	66	0	76
Cachoeira Dourada	1	63	30	94
Enel Generación Fortaleza	3	39	22	64
Enel Cien	1	24	9	34
Enel Distribución Río ⁽²⁾	8	768	342	1,118
Enel Distribución Ceará	9	626	500	1,135
Enel Distribución Goiás	3	421	677	1,101
Enel Distribución São Paulo	21	2,832	4,425	7,278
Enel Generación Costanera	0	59	385	444
El Chocón	1	36	12	49
Edesur	18	1,761	1,981	3,760
Enel Trading Argentina	2	7	20	29
Dock Sud	0	47	41	88
CTM y TESA	0	4	0	4
Enel Generación Perú ⁽³⁾	19	306	-	325
Enel Distribución Perú	22	568	-	590
Emgesa	14	601	-	615
Codensa ⁽²⁾	24	1,503	2	1,529
Total	169	9,775	8,449	18,393

(1) Includes senior executives shared with Enel Chile.

(2) Includes Enel X.

(3) Includes Enel Generación Piura.

Social responsibility and sustainable development

Diversity in senior executives of Enel Américas

Number of people by gender:	
Female	0
Male	6
General Total	6

Number of people by nationality:	
Chilean	2
Brazilian	1
Italian	3
General Total	6

Number of people by age range:	
Less than 30 years old	-
Between 30 and 40 years old	2
Between 41 and 50 years old	1
Between 51 and 60 years old	3
Between 61 and 70 years old	-
General Total	6

Number of people by seniority:	
Less than 3 years	5
Between 3 and 6 years	-
More than 6 and less than 9 years	-
Between 9 and 12 years	-
More than 12 years	1
General Total	6

Diversity in the rest of the organization in Enel Américas

Number of people by gender:	
Female	14
Male	40
General Total	54

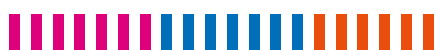
Number of people by nationality:	
Argentine	1
Brazilian	3
Chilean	43
Spanish	1
Italian	4
Peruvian	1
Romanian	1
General Total	54

Number of people by age range:	
Less than 30 years old	9
Between 30 and 40 years old	22
Between 41 and 50 years old	11
Between 51 and 60 years old	11
Between 61 and 70 years old	1
General Total	54

Number of people by seniority:	
Less than 3 years	18
Between 3 and 6 years	6
More than 6 and less than 9 years	8
Between 9 and 12 years	4
More than 12 years	18
General Total	54

Average fixed salary of women with respect to men according to their professional level

Contents:	
Senior Management	0%
Middle Management - Level 1	61%
Middle Management - Level 2	65%
Middle Management - Level 3	83%
Professionals - Level 1	87%
Professionals - Level 2	97%
Administratives	182%
Average	83%





Human Resources Activities

Labor Relations

During 2018, the Company continued having regular meetings program with unions, enabling an open dialogue with the employees' representatives, therefore improving work conditions and environment at the workplace.

Safety and occupational health

For Enel Américas safety and occupational health are objectives directly linked to the business, whose nature is subject to critical risks. In terms of occupational health, worth is to highlight the following:

Health Dissemination and Promotion

The objective of this program is to provide health, educate and train employees through activities related to the promotion quality of life, including a massive diffusion through posters, graphic material and information sent by mail. Among the topics that feature every month, we outline the following:

- > **March:** anti-stress campaign: including practical recommendations to suppress its causes.
- > **April:** Immunization campaign, a massive invitation to vaccination to prevent influenza.
- > **May:** Anti tobacco campaign, including advises to prevent its consumption.
- > **June:** Colon and gastric cancer campaign: recommendations for the timely detection of these diseases through preventive examination.
- > **July:** Viral contagion and respiratory diseases prevention: Recommendations to prevent infections.
- > **August:** Heart care campaign: Practical recommendations for its care.

- > **September:** Prostate and cervical cancer, an invitation to an annual preventive examination.
- > **October:** Breast cancer prevention: Invitation to participate in the prevention of this disease through its early detection and self-examination.
- > **November:** Healthy eating campaign: practical recommendations to improve nutrition, for a better life style.
- > **December:** Skin care campaign: Advises for skin care from ultraviolet radiation and other agents.

Immunization Program

The immunization of Enel Américas' employees is a preventive measure whose objective is to foresee the occurrence of diseases with the consequent massive contagion. The company gives every employee the vaccination to prevent seasonal influenza. This is delivered during the first quarter of the year, preventing the outbreak starting in early June.

Preventive exams program

Its objective is to carry out periodic medical evaluations to employees for the early detection of alterations or pathologies with potential damage for human health. This initiative is addressed to every employee of the company and is carried out through a defined protocol according to gender and age.

Cardiovascular risk program

This project falls within the framework of care of those employees that have cardiovascular risk, according to the preventive exams and its objective is to provide tools for health care, through specific fitness programs and nutrition control.

Break gym program

Work Gym or Active Break, is an exercise program that helps to prevent the main diseases produced in the workplace, such as stress, tendonitis, lumbago, carpal tunnel syndrome, neck and shoulders discomfort, among others.



People Management

Work environment management

Work environment and commitment are priorities for Enel América's strategy. In 2018 the Environment and Safety Survey was carried out, which counted with a participation of 93% of employees in Chile. Work environment management and commitment are the fundamental cornerstones of the company's strategy, due to its close relationship with the people that constitutes the human resources of the company. For this reason, the company has continued developing several initiatives that seek to maintain the employees' motivation, satisfaction and commitment, in the lines of leadership, communication, meritocracy and development, reconciliation measures and good labor practices.

These include, among others, Team building programs, collaborative work experiences, whose main focus is to develop relational skills and cooperation of work teams, in order to strengthen confidence and align for the achievement of common goals.

Enel Américas has a program developed to promote and strengthen the role of leaders in the generation of a cor-

porate environment that enables satisfaction and development of its employees. The "Leader to Coach" program has been designed to leverage the exercise of leadership and the role of the Manager in our "Open Power" culture, being an active and strategic role focusing on the mobilization of their equipment and the ability to promote learning. This is a comprehensive program for skills training, education and accompaniment that comprises the development of individual itinerary for each manager. The activities included in this program are: skills training workshop, individual coaching, guided accompaniment for meetings and the creation of a network of good practices and people management.

With the purpose of establishing a permanent and close contact with employees, Enel Américas has implemented a set of communication initiatives under the brand People & Organization, which daily informs and explains various topics of interest focused on people management. To that end, a weekly radio show is developed, a website, good practice manuals for managers and employees, among other actions.

The company has developed a professional management development for the programs oriented to meritocracy and development, through promotion actions by merit and through local work opportunities and abroad where the Group operates.





At Enel Américas, the chances for feedback of managers with employees are opportunities to generate greater closeness, transparency, align expectations and support for professional development. The promotion of a culture of continuous feedback guides us to the development of employees' talents and the conformation of high performance teams.

In 2018 the "Recognize" Program continued in a renovated version, which seeks to foster a culture of recognition within the company and to generate formal meetings where employees recognize their colleagues. The "Recognize People" Program is target to identify those initiatives that have produced great value for the entity through the "Recognize Contributions" Program. So also massive ceremonies were performed in the Company to recognize outstanding employees, work trajectory, among others.

Another interesting activity that has been developing in 2018, program agent of change comprised of approximately 50 employees in Chile. This team has developed initiatives for cultural change that help businesses to enforce their projects under the principles of cooperation and innovation. Each team had a Manager of the Company as Sponsor that supports and guides their initiatives, and make a link between the technical project and the initiatives of cultural change that the implementation demands.

Diversity

For Enel Américas, to have diverse team works and to promote an inclusive work environment is fundamental for generating a culture of innovation, enabling the formulation of different points of view that fortify the workplace and constantly add value.

Under the Diversity dimension and Inclusion Policy, Enel Américas has developed as part of its strategy a series of practices related to gender, age, nationality and disability. This policy promotes the principles of no discrimination, equality of opportunities, inclusion and balance between personal and work lives, and also fundamental values in the activities of the companies of the Group.

The Policy has established three general principles:

1. Reject any form of arbitrary discrimination, ensure and promote diversity, inclusion and equality of opportunities.
2. Promote and maintain a climate of respect for the dignity, honor and identity of the individual.
3. Ensure the highest confidentiality standards in relation to any information related to the private lives of employees that they would have access to.

In the Gender dimension, the Company evaluated the population and looks for a balance in the initial stage of the recruitment and selection processes, and to generate relationships with universities and professional institutes to promote the participation and inclusion of women students, specially in technical areas.

In the Age dimension, and in the context of the digital transformation of the company, this year the Company implements new On-Boarding platform, where each employee that joins Enel Américas has the chance to anticipate the contact and knowledge of the firm, being better prepared to his/ her labor and cultures adjustment. This personal and professional support to the new employee, shows how will be his/ her work daily routine.

In the Nationality dimension, a tutor is assigned to expatriate workers for assistance and support during the expatriation period in order to acknowledge, respect and manage the contrasts between people from different nationalities and promote their integration.

In the Disability dimension, in order to acknowledge, respect and manage the different skills of employees within the company, this year Enel Américas addressed the issues related with the people with disabilities' needs, supporting them in the acquisition of the credential established by Law and accredits them against the State. This also ensured the continuity of structural adjustments (dining room, bathrooms, ramps, delineated parking lots, access to the auditorium, elevators with braille system, etc.) in the company's facilities.

Regarding the series of awareness actions, the Enel Group in Chile had a special participation in the Diversity and Inclusion week, with the performance of the play called "With Open Arms", in which different issues related with diversity and inclusion were addressed in a playful way. Also the activity "In Your Shoes for One Day" enabled employees to experience on their own the obstacles that disabled people daily face.

The Company also signed an alliance The Inclusive Companies Network of Sofofa, ReIN, where best practices are shared monthly with more than 30 companies. Especially this year, Enel Group participated in Teletón campaign, with

the participation of a group of volunteers that support the cause.

Reconciliation measures and labor flexibility

One of the reconciliation and labor flexibility measures carried out during 2018, the telework program method "Smart Working" has consolidated in this period, being one of the most appreciated options in terms of reconciliation in the company, providing more flexibility in the job execution for the employee. Currently in Enel in Chile there are 360 employees that subscribed in the program, 9 of them from Enel Américas, who one day per week chosen by them (between Tuesday and Thursday), work from their homes or wherever they choose, and must comply with the safety and health measures established by current regulations. This initiative contributes to the harmony in the workplace and with their families, together with their quality of life.

Additionally, during 2018, and among those measures, the Company carried out the following initiatives oriented to strengthen the quality of live of their employees:

Extension Program of Sports and Culture: its a traditional program of sports activities performed in the facilities of the company and through external partnerships, with workshops and the practice of different sports, such as football, baby football, basketball, volleyball, among others. Also, the Company offers art workshops, exhibitions, tours, family trips and other extension initiatives addresses to the employee and their families. There are several actions addressed to the employees' children, both recreational and educational, among which summer and winter camps stand out, consisting in recreational days for the employees' children between 6 and 15 years old, which take place during the first month of the year and during the winter vacation period. The company also offers training workshops during the summer addressed to the employees' families.

During the year, the company also performs also various events to foster the reconciliation of work and family, is the Christmas Party, consisting on a family celebration for employees' children; "Come to my Birthday", is a celebration performed each month at the company's stadium for





children under 12 years old. The following important events also stand out: the End-of-Year Party, a corporate event for all employees, consisting on a dinner and entertainment party, contests and dance; and the “Work Trajectory Award”, which is a corporate celebration that each year acknowledges employees with over twenty years of service at the company.

Recruitment and Selection

Recruitment and Selection

The main objective of Enel Américas is to incorporate the best professionals, who additionally must have the skills related to the cultural changes we are experiencing with the digital transformation of the Company and Open Power.

During 2018, 8 vacant positions emerged in Enel Américas, 12.5% of which was covered internally. Regarding the work force that joined the company in 2018 (62.5% of the total vacants of Enel Américas), 45% were women.

Internships and Young Talent Attraction Program

In this area, an important project in terms of the generation of new recruitment sources is the incorporation of young future professionals from the best universities of the country as practitioners and thesis students. These students get the opportunity to consolidate theoretical learning in the context of Enel Américas’ business, thus achieving professional training with knowledge of reality and the challenges of the group, being an important source of recruitment.

This internship program is carried out on a permanent basis during the year, being the summer is the most active period. In 2018 a total of 3 students were practitioners of thesis in Enel América, 70% of them were women.

At a transversal level and considering the different lines of business of Enel Américas, 80% is concentrated in Audit and the remaining 20% in Procurement.

Diversity and inclusion

For Enel Américas, to foster an inclusive work environment is essential for promoting an innovation culture and respect for diversity. Diversity gives the possibility to visualize different points of view and opinions that enrich the work environment, adds value to the business, provides new opportunities and facilitates collaboration and the integration of teams.

The Company values the differences and turn them into competitive advantages, so it becomes empowered to improve processes, products and services, through incentives to creativity, learning, flexibility and respect. These also strengthen our brand and make us more attractive to the talents available in the market.

Finally, and in the field of continuous improvement, this year the On Boarding process was carried out to accompany and follow up the new employees through presentations to know the company, and the designation of a Tutor to guide them to become part of the company and transmits our Open Power culture, and in summary guide their integration to the Company. The Agile methodology is used for the design and development of the On-Boarding digital platform, which is oriented to provide a better experience to the new employees, offering them an early welcome with the connection to the platform.

Educational Action

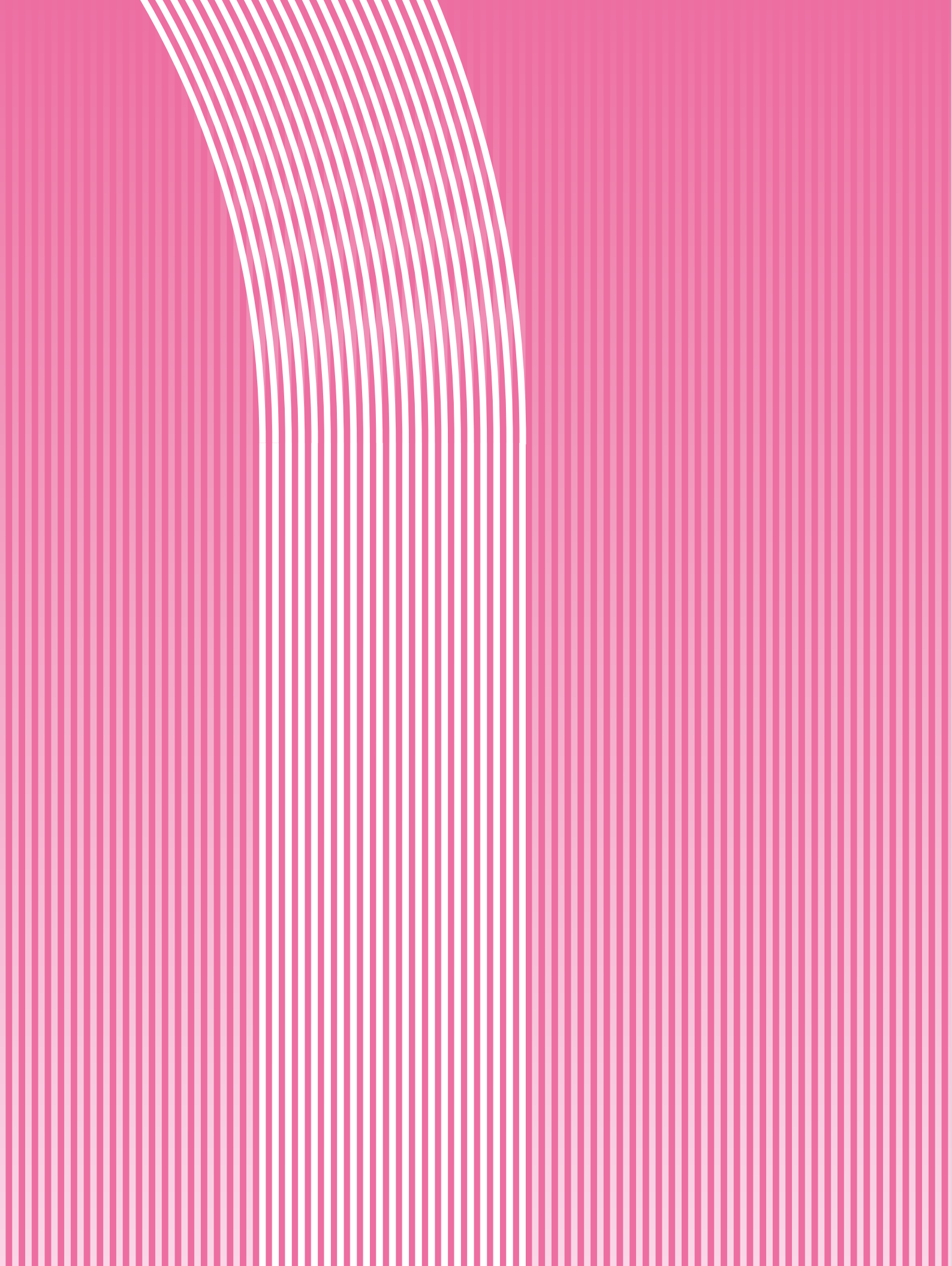
Training

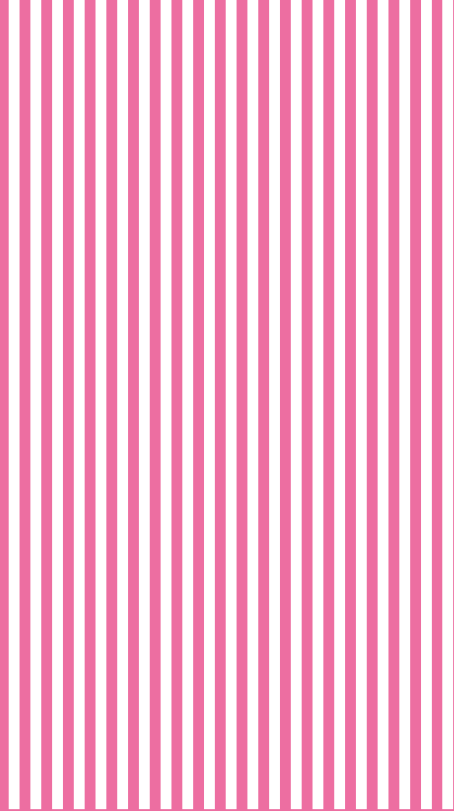
Enel América's training program for 2018 was built and executed on the basis of two main management principles: the first principle is to achieve the right balance between educational activities focused on skills development and essential technical knowledge in order to support the performance of our employees. The second principle is the training program financing, regarding the needs detection mechanism that enables the identification, together with the collaborator and the manager, the technical and behavioral gaps that needs to be covered, with regards to the individual productivity in the workplace in order to access to possible future development opportunities. The needs detection system is denominated IDP (Professional Development Itinerary), whose implementation takes two years.

In relation to the development of behavioral and management skills, diverse programs were implemented in 2018. Among them, the internal certificate of Project Management and Evaluation stands out, which Universidad de Chile offers under a design specially made for our company's needs. In this same context, the activities related to the development of leadership skills are also relevant, being especially important those addressed to consolidate and strengthen teamwork skills (cooperation, confidence, growth and productivity).

Finally, and as declared in every level and segment of employees within the company, risks prevention, health and in general safety of people is a particularly relevant focus and permanent attention.







09

Exchange
Transactions



Exchange Transactions

Below you will find a detail of the quarterly transactions in the last three years made in the stock exchanges where the Enel Américas' shares are traded: in Chile through the Santiago Stock Exchange, the Electronic Stock Exchange of Chile and the Valparaíso Stock Exchange, and in the United States through the New York Stock Exchange (NYSE).

Santiago Stock Exchange

During 2018, 14,329 million shares of Enel Américas were traded at the Santiago Stock Exchange, equivalent to CLP\$1,716,422 million. The closing price of the share in December was CLP\$122.51.

Period	Units	Amounts (Chilean Pesos)	Average Price
1st quarter 2016	1,540,145,250	266,620,137,076	172.74
2nd quarter 2016	1,753,142,660	212,677,167,355	110.85
3rd quarter 2016	1,232,162,338	140,048,801,925	113.49
4th quarter 2016	2,168,846,180	239,278,798,879	110.6
Total 2016	6,694,296,428	858,624,905,235	126.92
1st quarter 2017	2,229,781,463	273,721,586,257	122.9
2nd quarter 2017	2,009,919,858	261,422,184,124	130.71
3rd quarter 2017	2,356,887,602	309,180,255,882	131.24
4th quarter 2017	2,796,096,892	366,879,556,230	131.46
Total 2017	9,392,685,815	1,211,203,582,493	129.08
1st quarter 2018	2,771,570,034	383,425,705,091	138.45
2nd quarter 2018	3,290,495,998	427,006,940,711	130.51
3rd quarter 2018	3,404,682,608	364,271,802,874	107.10
4th quarter 2018	4,862,216,660	541,717,097,465	111.99
Total 2018	14,328,965,300	1,716,421,546,141	122.01

Chilean Electronic Stock Exchange

At the Electronic Stock Exchange, a total of 923 million shares of Enel Américas were traded during 2018, equivalent CLP\$113,974 million. The closing price of the share in December was CLP\$119.56.

Period	Units	Amounts (Chilean Pesos)	Average Price
1st quarter 2016	130,742,124	22,440,123,693	172.97
2nd quarter 2016	122,026,677	14,581,565,262	121.46
3rd quarter 2016	88,217,958	10,001,108,374	113.65
4th quarter 2016	228,583,097	25,262,018,950	111.66
Total 2016	569,569,856	72,284,816,279	129.94
1st quarter 2017	78,056,955	9,660,465,656	121.16
2nd quarter 2017	253,547,191	32,973,128,058	130.37
3rd quarter 2017	367,188,645	48,153,275,546	130.87
4th quarter 2017	272,011,584	35,937,385,836	132.97
Total 2017	970,804,375	126,724,255,096	128.84
1st quarter 2018	265,640,945	37,149,674,644	139.09
2nd quarter 2018	315,617,793	40,051,124,833	130.94
3rd quarter 2018	206,898,749	21,982,108,385	106.26
4th quarter 2018	134,618,362	14,791,542,973	110.56
Total 2018	922,775,849	113,974,450,835	121.71

Valparaíso Stock Exchange

A total of 207,2 thousand shares were traded during the year at the Valparaíso Stock Exchange, equivalent to CLP\$24.1 million. The closing price of the share in 2018 was \$103.5.

On October 5, 2018, la Financial Market Commission (CMF for the Spanish acronym) issued a resolution revoking the authorization on the existence of the Valparaíso Stock Exchange, due to the non-compliance of the requirement to have at least 10 stockbrokers pursuant to Securities Markets Law N° 18,045, No. 4 of article 40. Therefore, from October 8, 2018, Valparaíso Stock Exchange ceased to operate.

Period	Units	Amounts (Chilean Pesos)	Average Price
1st quarter 2016	0	0	
2nd quarter 2016	0	0	
3rd quarter 2016	120,460	13,512,912	112.46
4th quarter 2016	0	0	
Total 2016	120,460	13,512,912	112.46
1st quarter 2017	5,576	697,388	125.06
2nd quarter 2017	29,273	3,816,345	128.68
3rd quarter 2017	2,070	270,232	130.54
4th quarter 2017	126,000	15,624,000	124.00
Total 2017	162,919	20,407,965	127.07
1st quarter 2018	53,601	7,370,604	137.46
2nd quarter 2018	2,077	268,972	129.50
3rd quarter 2018	147,880	16,079,132	109.29
4th quarter 2018	3,680	380,880	103.50
Total 2018	207,238	24,099,588	119.94

New York Stock Exchange (NYSE)

The shares of Enel Américas began to trade in the New York Stock Exchange (NYSE) on October 20, 1993. At that time, the name of the company was Enersis and the ticker symbol was ENI. One ADS (American Depositary Share) of Enel Américas represents 50 shares and its current ticker symbol is ENIA. Citibank N.A. acts as depositary bank and Banco Santander Chile is custodian in Chile.

During 2018 272 million ADS were traded in the United States, equivalent to US\$2.516 million. The ADS closing price in December was US\$8.92.

Period	Units	Amounts (US Dollars)	Average Price
1st quarter 2016	58,523,621	719,235,235	12.35
2nd quarter 2016	59,311,337	562,497,059	9.68
3rd quarter 2016	45,809,391	395,562,633	8.59
4th quarter 2016	52,176,921	432,967,188	8.32
Total 2016	215,821,270	2,110,262,115	9.73
1st quarter 2017	55,867,021	532,101,627	9.45
2nd quarter 2017	66,972,268	653,636,388	9.81
3rd quarter 2017	59,641,261	603,478,379	10.14
4th quarter 2017	54,800,714	564,766,815	10.34
Total 2017	237,281,264	2,353,983,209	9.94
1st quarter 2018	47,259,808	540,952,152	11.44
2nd quarter 2018	65,764,152	687,363,196	10.50
3rd quarter 2018	61,238,283	488,063,068	8.08
4th quarter 2018	97,296,394	799,163,804	8.12
Total 2018	271,558,637	2,515,542,219	9.53





Market Information

During 2018, the Chilean stock market prices trended downwards, the S&P/CLX IPSA index fell 8% compared to the previous year, being the worst annual yield since 2013 and offsetted the good performance in 2017 (34%). Likewise, the main global markets also dropped, such as New York (Dow Jones, -5.6%) and London (FTSE 100, -12.5%) and some Latin American markets where Enel Américas operates, such as Colombia (COLCAP, -12.4%) and Peru (IGBVL, -3.1%). This is mainly due to the investors' concern for the rising tendency of interest rates in the United States and the potential negative effects of a trade war between China and the United States. Meanwhile, in Brazil the IBOVESPA grew 15.0% reflecting the market's optimism with presidential elections. Argentina was in line compared to the close of the previous year (Merval, 0.8%), despite the poor macroeconomic situation of the country with an inflation reaching 47.6% in the year, being the highest increase since 1991, and additionally de Argentinean peso depreciated against the US dollar and the GDP fell 2.6%.

The currencies in the countries where Enel Américas operates, Brazil, Colombia and Peru, also depreciated against the US dollar in 2018, while the GDP grew in these countries (Brazil, +1.1%; Colombia, +2.7%; Peru, +4.0%).

Santiago Stock Exchange

In the local market, the performance of Enel Américas' share during the last two years compared to the Selective Stock Prices Index (S&P/CLX IPSA)(1) is the following:

Variation	2017	2018
Enel Américas	25.9%	-10.6%
S&P/CLX IPSA	34.0%	-8.3%

(1) In August, 2016, the Santiago Stock Exchange ("the Stock Exchange") and S&P Dow Jones Indexes ("S&P DJI") signed an Operation and Licensing Agreement for Indexes. The alliance between the Stock Exchange and S&P DJI, the main global provider of concepts, data and research on indexes, includes the implementation of international methodological standards, as well as the integration



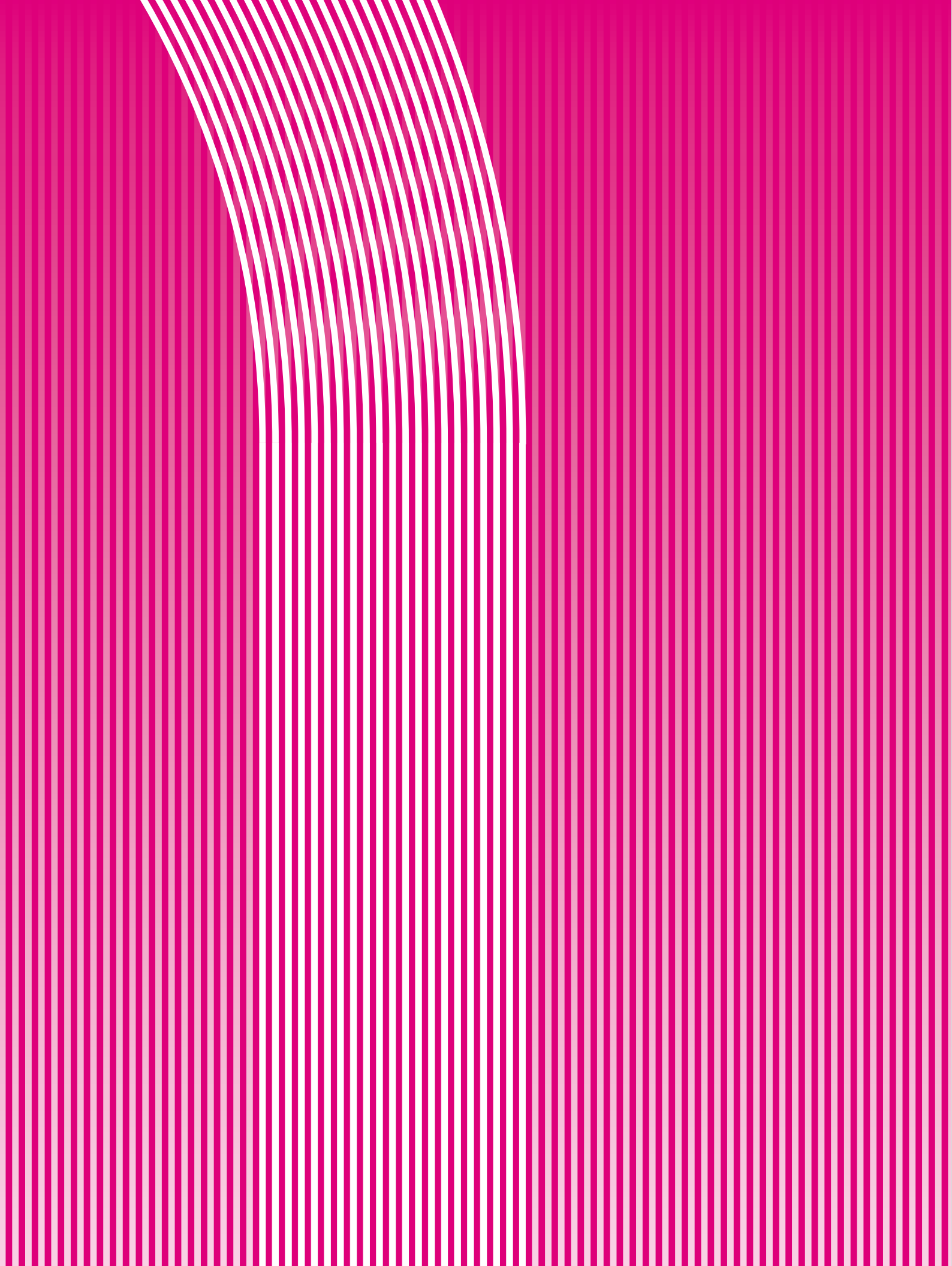
of operating processes and business strategies, which has fostered greater visibility, governance and transparency of the existing indexes. The agreement also enables the development, the granting of licenses, distribution and management of current and future indexes, which will develop as innovating and practical tools at the local and international investors' disposal. The Santiago Stock Exchange Indexes, both the new and the existing ones, will use the shared brand "S&P/CLX" and shall be used as underlying indexes for liquid financial products, thus contributing to the expansion and depth of the Chilean capital markets. According to this agreement, S&P DJI took charge of the calculating tasks, production, maintenance, licensing and distribution of indexes as of Monday August 6, 2018. Currently, 30 stocks comprise the S&PCLXIPSA index,, and rebalancing is biannual, in March and September.

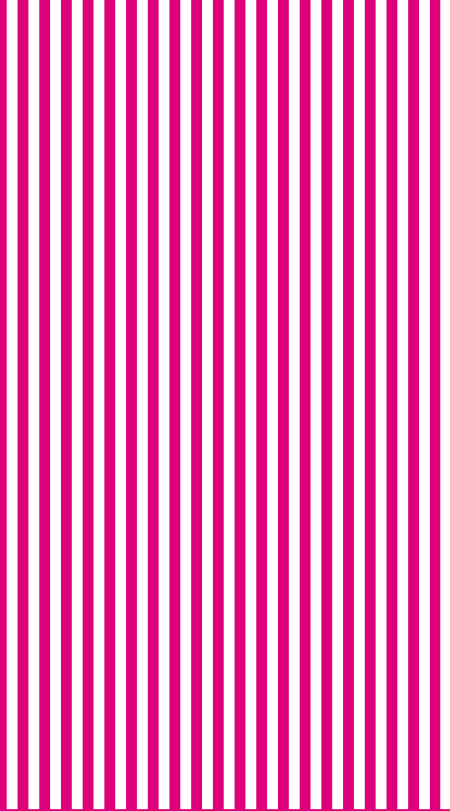
New York Stock Exchange (NYSE)

The performance of Enel Américas' ADRs listed in the NYSE (ENIA) compared to Dow Jones Industrial Index and the Dow Jones Utilities Index during the last two years is shown below:

Variation	2017	2018
ENIA	36.1%	-20.1%
Dow Jones Industrial	25.1%	-5.6%
Dow Jones Utilities	9.7%	-1.4%







10

Dividends



According to General Norm N°283, Number 5, the dividends policies of the company for the periods 2019 and 2018 are transcribed below.

Dividend Policy for period 2019

General aspects

The Board of Directors of the Company, in session held on February 27, 2019, approved the following Dividend Policy and the corresponding Procedure for the dividends payment of Enel Américas S.A. for the period 2019.

Dividend policy

The Board of Directors intends to distribute an interim dividend, charged to the net income of the 2019 accounting period, of up to 15% of the net income as of September 30, 2019, according to what is shown in the Enel Américas S.A.'s financial statements up to such date, to be paid in January 2020.

The Board of Directors plans to propose to the Ordinary Shareholders Meeting, to be held during the first four months of 2020, to distribute, as a definite dividend, an amount equal to 50% of the net income for the 2019 accounting period. The final dividend will be the one that will be established by the Ordinary Shareholders' Meeting, to be held during the first four months of 2020. The compliance of the aforementioned dividend program will be subject the net income effectively recorded, as well as to maintain the financial balance of the company.

Dividend Payment Procedure

For dividend payments, whether interim or definite, and in order to avoid their undue collection, Enel Américas S.A. considers the methodologies indicated below:

1. Deposit in current account of the shareholder.
2. Deposit in saving account of the shareholder.
3. Nominative check or bank note to be send by mail to the residence of the shareholders and
4. Withdrawal of nominative check or bank note at the offices of DCV Registros S.A., as its condition of administrator of the Enel Américas S.A' shareholders, or in bank or branch offices established for such purpose and that will be informed in notification to be published regarding the payment of dividends.

For the above mentioned purposes, current or savings accounts can be any branch of the country. The methodology chosen by each shareholder will be used by DCV Registros S.A. for all dividend payment, while the shareholder does not express in writing his intention of a new option. The shareholders who do not have a payment modality, will be paid according to methodology No. 4 mentioned above.

In cases where the checks or on-site drafts are returned by mail to DCV Registros S.A., they will remain in their custody until the shareholders pick them up or request them. In case of a deposits in current accounts, Enel Américas S.A. and/or DCV Registros S.A. may request, for security reasons, verifications by the corresponding banks. If the accounts indicated by the shareholders are rejected, whether in a prior verification process or for any other cause, the dividend will be paid according to the methodology No. 4. At the same time, the Company has adopted and will continue to take in the future all necessary security measures required by dividend payment process, in order to safeguard both the shareholders as well as Enel Américas S.A.

Dividends Policy for 2018

General Aspects

At the session held on February 28, 2018, the Board of Directors of the Company approved the following Dividends Policy and the procedures for payment of Enel Américas S.A. dividends for the 2018 accounting period.

Dividend policy

The Board of Directors intends to distribute an interim dividend, charged to the net income of the 2018 accounting period, of up to 15% of the net income as of September 30, 2018, according to what is shown in the Enel Américas S.A.'s financial statements up to such date, to be paid in January 2019.

The Board of Directors plans to propose to the Ordinary Shareholders Meeting, to be held during the first four months of 2018, to distribute, as a definite dividend, an amount equal to 40% of the net income for the 2018 accounting period.

The final dividend will be the one that will be established by the Ordinary Shareholders' Meeting, to be held during the first four months of 2019.

The compliance of the aforementioned dividend program will be subject the net income effectively recorded, as well as to the forecast result periodically prepared by the Company or the existence of determined conditions, as relevant.

Distributable Income of 2018

The distributable income of 2018 is shown below:

	Thousand US\$
Net Income *	1,201,381
Distributable Income	480,552

* Attributable to the controlling shareholder.

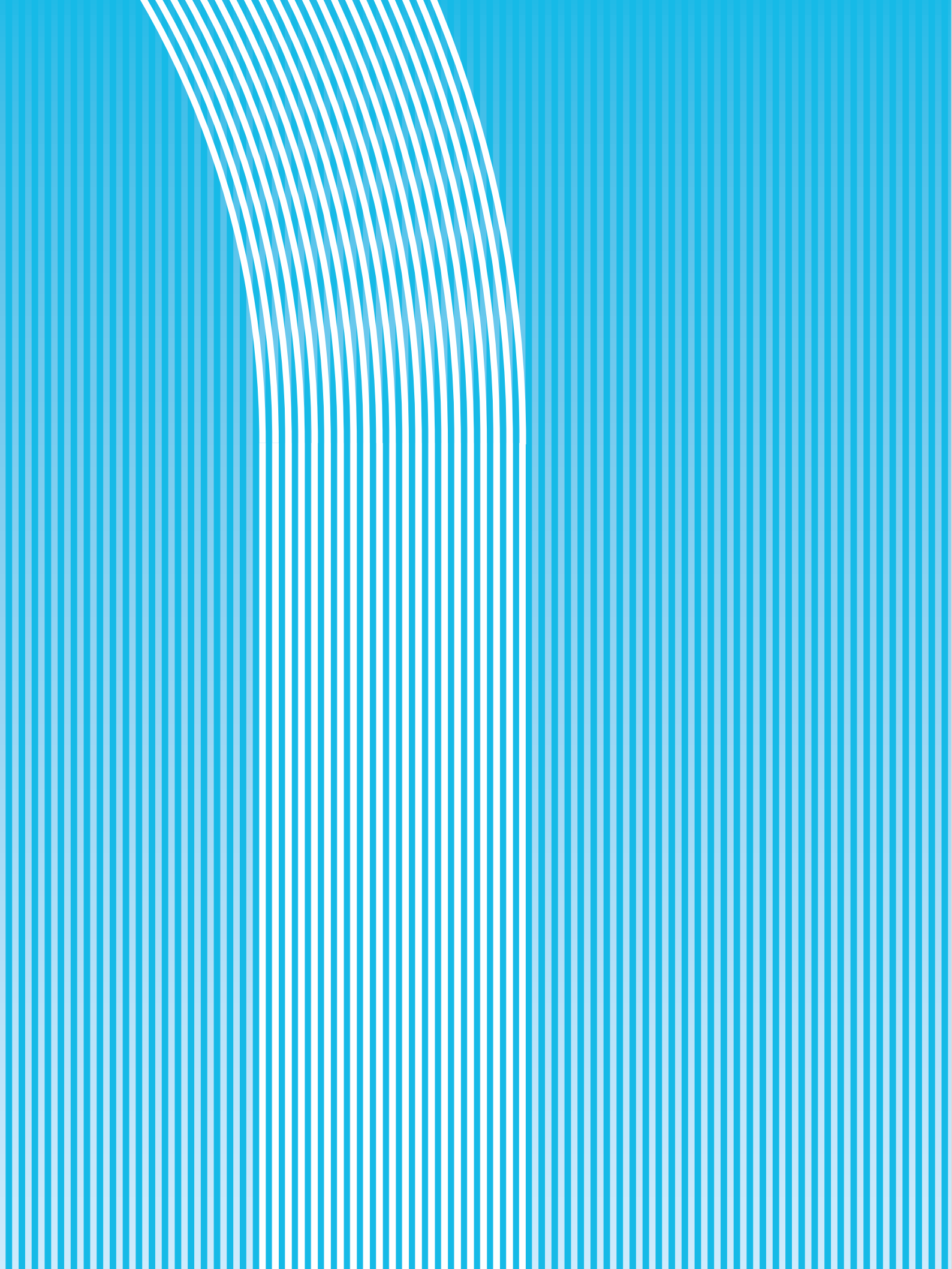
Distributed Dividends

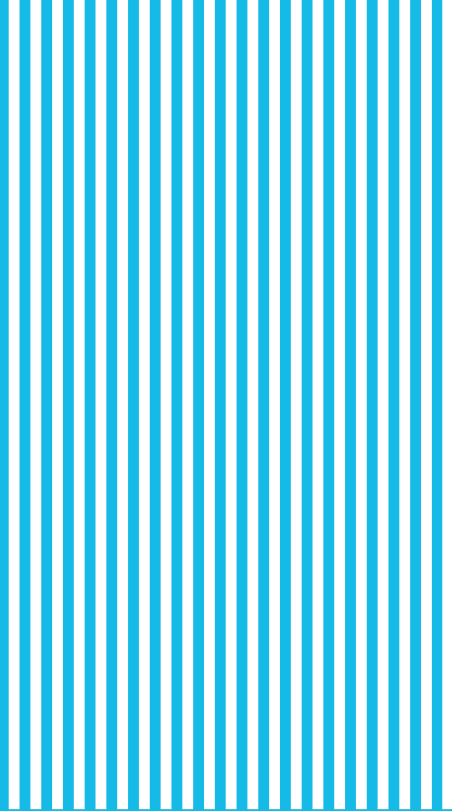
The following chart shows the dividends per share paid in the last years:

N° Dividend	Type of dividend	Closing Date	Payment Date	Pesos/ Dollars per share (1)	Exercise
86	Interim	01/19/2013	25/01/2013	1.21538	2012
87	Final	05/04/2013	10/05/2013	3.03489	2012
88	Interim	01/25/2014	31/01/2014	1.42964	2013
89	Final	05/10/2014	16/05/2014	5.27719	2013
90	Interim	01/24/2015	30/01/2015	0.83148	2014
91	Final	05/18/2015	25/05/2015	5.38285	2014
92	Interim	01/23/2016	29/01/2016	1.23875	2015
93	Final	05/17/2016	24/05/2016	3.40599	2015
94	Interim	01/21/2017	27/01/2017	0.94664	2016
95	Final	05/20/2017	26/05/2017	2.38705	2016
96 ⁽¹⁾	Interim	01/20/2018	26/01/2018	0.001	2017
97	Final	05/18/2018	25/05/2018	0.00517	2017
98	Interim	01/19/2019	25/01/2019	0.00134	2018

(1) The Extraordinary Shareholders' Meeting held on April 27, 2017 approved the change of functional currency of the Company from Chilean Pesos to US Dollars. Then, from the period 2017 onwards, dividends are presented in dollars per share.







11

Investment and
financing policy
for 2018



The Ordinary Shareholders' Meeting held on April 26, 2018 approved the Investment and Financing Policy detailed below.

Investments

Areas of Investment

Enel Américas will invest, as authorized by its bylaws, in the following areas: Contributions for investment in, or for the creation of subsidiaries and related companies whose activity is aligned, related or linked to any form or type of energy, the supply of public utilities, or whose main raw material is energy. ii) Investments consistent in the acquisition, exploitation, construction, rental, administration, trading and disposal of any class of fixed assets, whether directly or through subsidiaries. iii) Other investments in all kinds of financial assets, titles or securities.

Maximum investment limits

The maximum investment limits for each investment area shall be the following:

i) Investments in subsidiaries in the electricity sector: amounts required by the subsidiaries to meet their respective corporate purposes, with a maximum amount equal to 50% of the Net Equity in the consolidated balance sheet of Enel Américas S.A. as of December 31, 2017. ii) Investments in other companies outside the electricity sector, as long as at least 50.1% of Enel Américas consolidated assets are part of the electricity sector.

Participation in controlling investment area

In order to control the investment areas and pursuant to Enel Américas S.A.' corporate purpose, the following procedure will be followed whenever possible: i) At the Ordinary Shareholders Meeting will be proposed for subsidiaries or related companies the Directors of Enel Américas S.A. in proportion of at least the stake in those companies, and preferably they should be chosen among directors or executives of Enel Américas S.A. or its subsidiaries, ii) Investment, financial and commercial policies as well as accounting criteria and systems that they should follow will be proposed to the subsidiaries and related companies, iii) The management of the subsidiaries and related companies will be supervised, and iv) A permanent control of the debt level will be undertaken.



Financing

Maximum Indebtedness Level

The maximum indebtedness of Enel Américas S.A. is defined as the relation between the Total Financial Debt (measured as Other current financial liabilities and Other non-current financial liabilities) lower than or equal to 2.2 times total equity, based on the consolidated statements of financial position of Enel Américas S.A. as of December 31, 2017.

Management attributions for agreeing Enel Américas' dividend payment restrictions with lenders

Dividend payment restrictions may only be agreed upon with lenders if previously approved by a shareholders' meeting (ordinary or extraordinary).

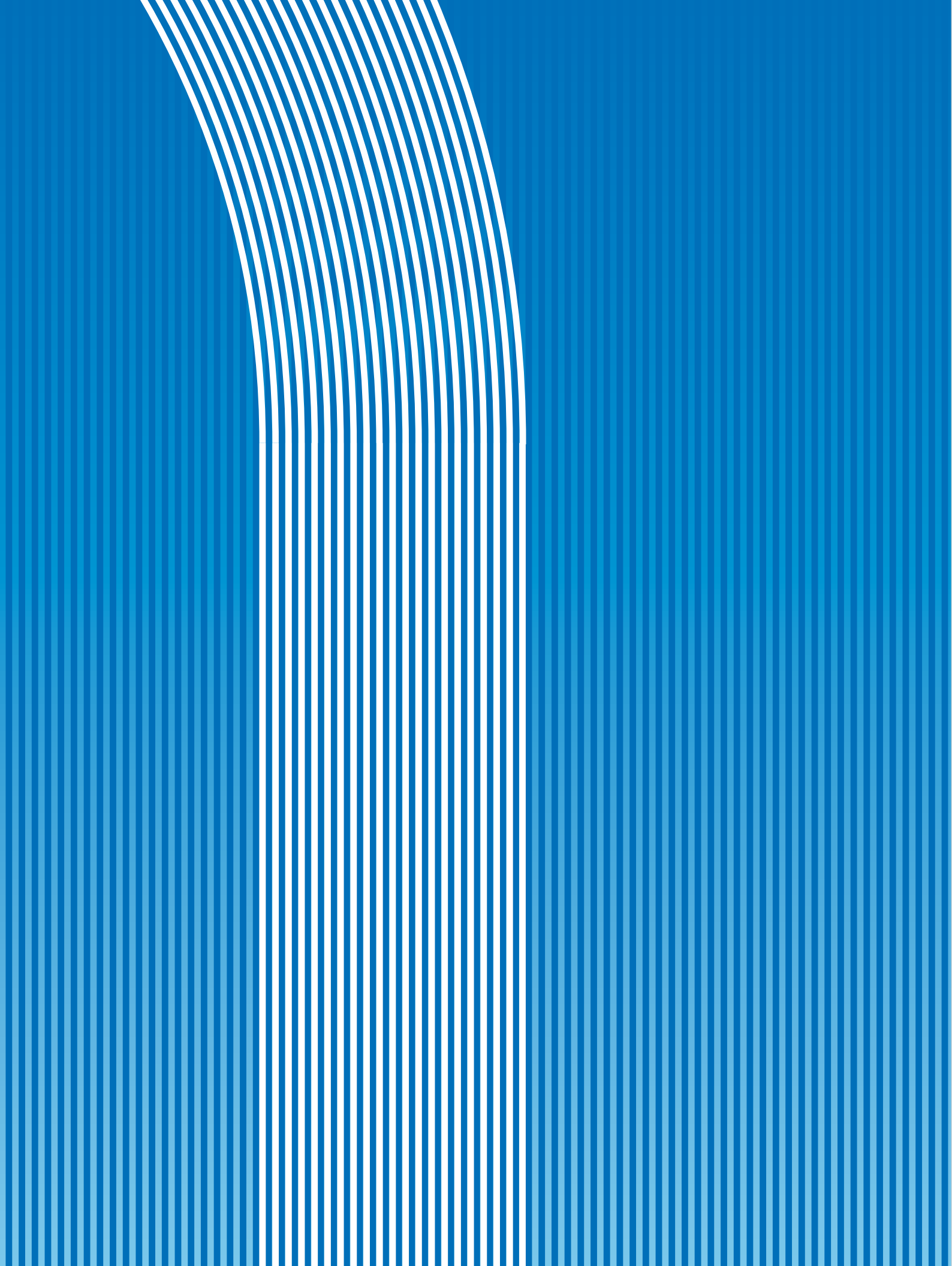
Management attributions for granting liens to lenders

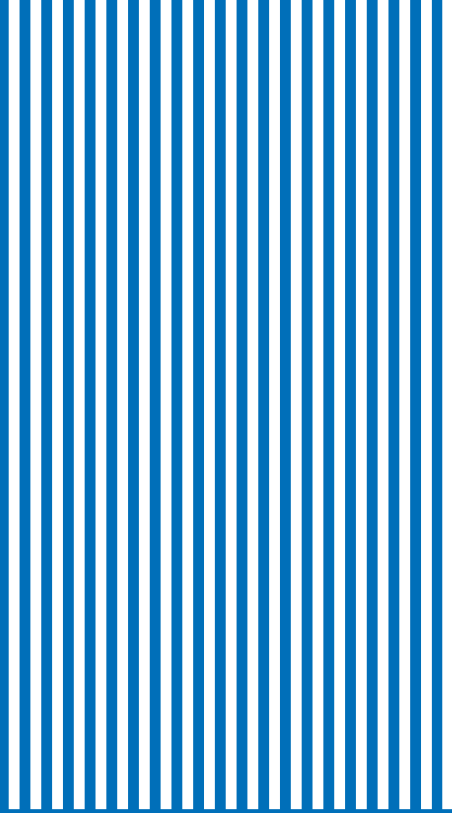
An Extraordinary Shareholders Meeting must approve the granting of liens or warranties to third parties obligations, related to essential assets described below

Assets that are essential for the normal operation of the Company

An essential asset for the operation of Enel Américas is its direct and/or indirect participation that allows control, by way of holding the majority of shares, agreements or shareholder agreements, of Enel Brasil and Emgesa.





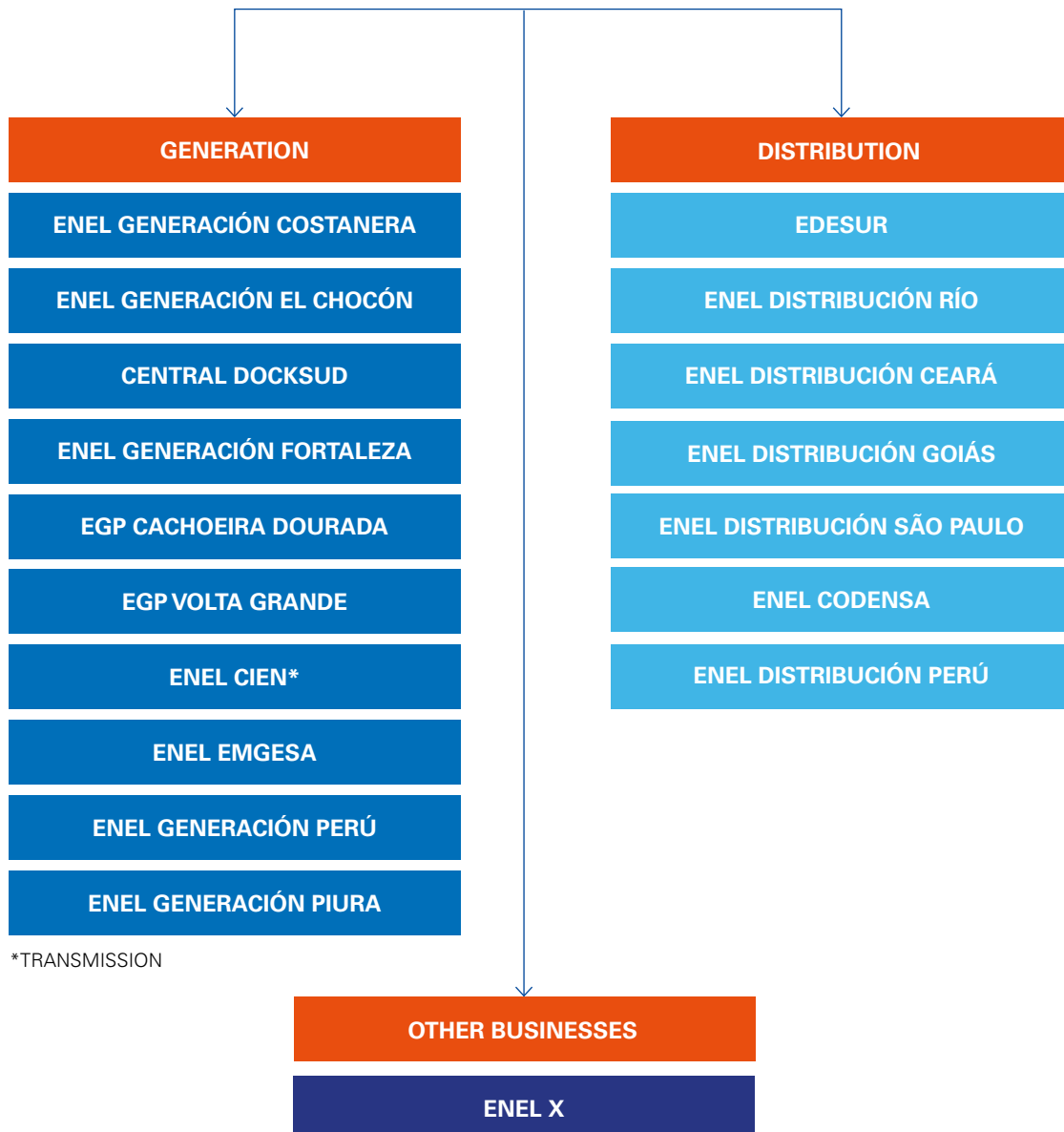


12

Business of
the Company



Business Structure



Historical Background

On June 19, 1981, the Compañía Chilena de Electricidad S.A. created a new corporate structure, which gave birth to a parent company and three subsidiaries. One of these was Compañía Chilena Metropolitana de Distribución Eléctrica S.A. In 1985, under the Chilean government's privatization policy, the process of transferring the share capital of Compañía Chilena Metropolitana de Distribución Eléctrica S.A. to the private sector began, and ended on August 10, 1987. In this process, the pension fund management companies (AFPs in its Spanish acronym), company employees, institutional investors and thousands of small shareholders joined the company. Its organizational structure was based on activities or operative functions whose results were evaluated functionally and its profitability was limited by a tariff structure as a result of the Company's exclusive dedication to the electricity distribution business.

In 1987, the Company's Board proposed forming a division for each of the parent company's activities. Then four subsidiaries were created to operate as business units with its own objectives, thus expanding the company's activities towards other non-regulated activities but linked to the main business. This division was approved at the Extraordinary Shareholders' Meeting of November 25, 1987 thus defining its new corporate purpose. With this, Compañía Chilena Metropolitana de Distribución Eléctrica S.A. became an investment holding company.

On August 1, 1988, as agreed at the Extraordinary Shareholders' Meeting held on April 12, 1988, one of the companies born from the division changed its name to Enersis S.A. At the Extraordinary Shareholders' Meeting held on April 11, 2002, the company's corporate purpose was modified, introducing telecommunications activities and the investment and management of companies whose businesses are in telecommunications and information technology, and Internet trading businesses.

The Company went through a corporate restructuring process that started in April 2015 and was completed in December 2016. This process consisted in the division of the electricity generation and distribution activities developed in Chile, from those performed in the rest of the countries. As such, the former Enersis S.A. was divided and the following companies were born: a) Enel Américas S.A., the continuing company of Enersis with activities in Argentina, Brazil, Colombia and Peru, and, b) Enel Chile S.A. which owns the assets related to the development of the activities in Chile.

Currently Enel Américas S.A. is one of the largest private electricity companies in Latin America, both in terms of consolidated assets and also in terms of operating revenues, which has been achieved through steady and balanced growth in its electricity businesses: generation, transmission and distribution.

Expansion and development

Enel Américas began its international expansion in 1992 with the participation in different privatization processes in Latin America, thus developing a significant presence in the electricity sectors of Argentina, Brazil, Colombia and Peru.

1992

- > On May 15, Enel Americas, Enersis at that time, acquired a 60% shareholding and control of Central Costanera generation company, currently Enel Generación Costanera, located in Buenos Aires, Argentina.
- > On July 30, the Company was awarded 51% of Empresa Distribuidora Sur S.A., Edesur, a company that distributes electricity in the city of Buenos Aires, Argentina.





1993

- > In July, the Company acquired Hidroeléctrica El Chocón, today Enel Generación El Chocón, located in the provinces of Neuquén and Río Negro, Argentina.

1994

- > In July, Enel Américas acquired for US\$176 million the 60% share capital of Empresa de Distribución Eléctrica de Lima Norte S.A., Edelnor (currently Enel Distribución Perú) in Peru. Also the Company acquired Edechancay, another electricity distribution company in that country, which was later absorbed by the former.

1995

- > On December 12, Enel Américas acquired an additional 39% shareholding of Edesur.
- > Additionally, the Company acquired the generation company Edegel in Peru (currently Enel Generación Perú).

1996

- > On December 20, Enel Américas entered the Brazilian market with the acquisition of a large portion of shares in the previously called Companhia de Eletricidade do Rio de Janeiro S.A., Cerj, a company that distributes electricity in the city of Rio de Janeiro and Niteroi, Brazil, whose business name changed to Ampla Energia e Serviços S.A. and currently is Enel Distribución Río.
- > On December 20, the Company acquired a 99.9% shareholding in Central Hidroeléctrica de Betania S.A. E.S.P, in Colombia.

1997

- > On September 5, the Company acquired in Brazil for US\$715 million a 78.9% shareholding in Centrais Eléctricas Cachoeira Dourada (currently Enel Green Power Cachoeira Dourada).
- > On September 15, Enel Américas (at that time, Enersis) successfully participated in the capitalization of Codensa S.A. E.S.P., acquiring a shareholding of 48.5% for US\$1,226 million, company that distributes electricity in the city of Bogotá and the department of Cundinamarca, Colombia. The Company also acquired 5.5% of Empresa Eléctrica de Bogotá.

- > On September 15, with a total investment of US\$951 million, the Company acquired a 75% shareholding of Emgesa, a Colombian generation company, and an additional 5.5% of Empresa Eléctrica de Bogotá S.A.
- > Endesa, S.A. (Spain) acquired 32% of Enersis (currently Enel Américas).

1998

- > On April 3, Enersis (currently Enel Américas) again invested the Brazilian market, this time being awarded 89% and control of Companhia Energética de Ceará S.A., Coelce (currently Enel Distribución Ceará), company that distributes electricity in the northeast region of the country, in the state of Ceará. The transaction reached US\$868 million.

1999

- > Endesa, S.A. (Spain), took control of Enersis (today Enel Américas). Through a Public Share offering, Endesa acquired an additional holding of 32% in Enersis, which, together with the 32% already acquired in August 1997, resulted in a total holding of 64%. This transaction was completed on April 7, 1999, and involved an investment of US\$1,450 million. As a result of the capital increase made afterwards by Enersis in 2003, this shareholding decreased to 60.62%.
- > On May 11, Enersis (currently Enel Américas) acquired 35% of Endesa Chile (today Enel Generación Chile), in addition to the 25% already held, thus reaching 60% shareholding of the generation company. The company therefore consolidated its position as one of the main private electricity companies in Latin America.

2000

- > As part of the Genesis Plan strategy, the subsidiaries Transelec, Esval, Aguas Cordillera and real estate assets were sold for US\$1,400 million.

2001

- > The Company performed large investments this year: US\$364 million for increasing its shareholding in Chilectra (today Enel Distribución Chile), US\$150 million in the acquisition of 10% of the share capital of Edesur, in Argentina, a stake that was held by the company's employees; US\$132 million to increase its share-

holding in the Brazilian distribution company Ampla; US\$23 million to increase its shareholding by 15% in Río Maipo, in Chile, and US\$1.6 million to increase its shareholding by 1.7% in Distrilima, in Peru.

2002

- > In Brazil, Central Termoeléctrica Fortaleza, located in the state of Ceará, was awarded to the company. Additionally, started the commercial operation of the second phase of the electricity interconnection between Argentina and Brazil, CIEN, completing a transmission capacity of 2,100 MW between both countries.

2005

- > The subsidiary Endesa Brasil S.A. (currently Enel Brasil) was formed with all the assets held in Brazil by the Enersis Group and Endesa Internacional (later it was absorbed by Enel Iberoamérica): Cien, Fortaleza, Cachoeira Dourada, Enel Distribución Río, Investluz and Enel Distribución Ceará.

2006

- > In February, Enersis acquired for approximately US\$17 million Termocartagena (142 MW) combined cycle power plant in Colombia, which operates either with fuel oil or gas.
- > In June, Edegel (currently Enel Generación Perú) and Etevensa merged, the latter a subsidiary of Endesa Internacional in Peru.

2007

- > In September the merger of Colombian generation companies Emgesa and Betania was completed.
- > On October 11, Enel S.p.A. and Acciona, S.A. took control of Enersis, through Endesa, S.A., and of Endesa Internacional, S.A. (currently absorbed by Enel SpA.).

2009

- > The companies Acciona, S.A. and Enel S.p.A. announced an agreement whereby Acciona, S.A. will directly and indirectly transfer to Enel Energy Europe S.L. the 25.01% shareholding in Endesa, S.A. As such, Enel Energy Europe S.L., controlled 100% by Enel S.p.A., will thus hold 92.06% of the share capital of Endesa, S.A.

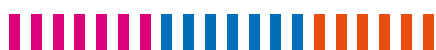
- > On June 25, the agreement between Enel S.p.A. and Acciona, S.A. came into effect whereby Enel became the controller of 92.06% of the share capital of Endesa, S.A.
- > On October 9, Endesa Chile (currently Enel Generación Chile) acquired 29.3974% of the Peruvian generation subsidiary Edegel (currently Enel Generación Perú). Shares were acquired at market price from Generalima S.A.C., a company which in turn is a subsidiary of Endesa Latinoamérica S.A. Endesa Chile thus now holds directly and indirectly 62.46% of the shares of Edegel.
- > On October 15, Enersis S.A. (currently Enel Américas) acquired 153,255,366 shares, representing 24% of the share capital of its Peruvian subsidiary Enel Generación Perú (formerly Edegel), at a price of 2.72 soles per share. This was purchased from Generalima S.A.C., a Peruvian subsidiary of Enel Latinoamérica S.A., the parent company of Enersis. With this transaction, the direct and indirect shareholding of Enersis S.A. in Edelnor rose from 33.53% to 57.53%.

2010

- > Enersis (currently Enel Américas) accepted the offer of the company Graña y Montero S.A.A., for the acquisition of its entire direct and indirect shareholding in its subsidiary Compañía Americana de Multiservicios Limitada, CAM; and in the same way, accepted the offer presented by Riverwood Capital L.P to acquire the entire direct and indirect shareholding in its subsidiary Synapsis Soluciones y Servicios IT Ltda. The price offered for CAM and its subsidiaries in Argentina, Brazil, Colombia and Peru amounted to US\$20 million. In the case of Synapsis, the price offered for the company and its subsidiaries in Argentina, Brazil, Colombia and Peru amounted to US\$52 million.

2011

- > In August, Endesa, S.A. informed through a Significant Event, the formalization of a purchase agreement for which Endesa Latinoamérica S.A. (100% owned by Endesa, S.A.) acquired 7.70% stake owned by EDP Energias de Portugal S.A. in Endesa's Brazilian subsidiaries Ampla Energia e Serviços S.A. and Ampla Investimentos e Serviços S.A. for Euro 76 million and Euro 9 million, respectively. After these acquisitions, Endesa S.A. controlled 99.64% of the share capital of both companies.





2012

- > The Extraordinary Shareholders Meeting held on December 20 ruled on the capital increase. A very large majority, almost 86% of all shareholders with voting rights present, equivalent to 81.94% of the total shares with voting rights of the Company, approved the capital increase of the following characteristics: 1) maximum amount of the capital increase: Ch\$ 2,844,397,889,381, divided into 16,441,606,297 ordinary nominative payment shares of the same series, with no preferences and no par value, 2) value of non-in-kind contributions to be capitalized: The total issued capital of Cono Sur, Company that will concentrate the activities that are identified in the reports that have been made available to the shareholders and that would be contributed by Endesa (currently Enel Generación Chile) to Enersis (currently Enel Américas), will amount to Ch\$ 1,724,400,000,034 corresponding to 9,967,630,058 shares of Enersis S.A. (today Enel Américas) at a price of Ch\$ 173 per share, 3) placement share price: a fixed price of Ch\$173 for every payment share to be issued as a result of the capital increase.

2013

- > Capital increase: With an historic result for this type of operation in the local market, shareholders of Enersis (today Enel Américas) subscribed a total of approximately \$ 6,022 million, a placement of 100% of the shares available for the capital increase.

2014

- > Public Tender Offer for the shares acquisition for Coelce. On January 14, Enersis (currently Enel Américas), which until then controlled 58.87% of its subsidiary Coelce, launched a voluntary OPA of all series of shares issued by Coelce at a price of R\$49 per share. With this, Enersis acquired 3,002,812 common shares, 8,818,006 preferred shares type A and 424 preferred shares type B, equivalent to an investment of approximately US\$243 million. After the operation, the company obtained a 74.05% direct and indirect interest in Coelce.
- > In April, Enersis (currently Enel Américas) closed an acquisition agreement for the purchase all the shares that Inkia Americas Holdings Limited indirectly had of

Generandes Perú S.A., equivalent to a 39.01% stake, whose investment amounted to US\$413 million. The transaction ended in September, and as a result Enersis (currently Enel Américas) reached 58.60% shareholding of Edegel (today Enel Generación Perú).

- > On July 31, 2014, Enel Energy Europe S.R.L., currently Enel Iberoamérica SRL, controller of Endesa S.A. (92.06% share) proposed the acquisition of 100% of the share capital of Endesa Latinoamérica S.A. The transaction was completed in October 2014, and as a result Enel S.A. reached the direct control of Enersis (today Enel Américas) with 60.62%.

2015

- > On November 16, 2015, the commissioning of El Quimbo power plant, a 400 MW hydro facility in Colombia took place, after five years of construction.
- > On December 18, 2015, at the Extraordinary Shareholders Meeting shareholders of the company approved the corporate restructuring of Enersis and its subsidiaries Endesa Chile and Chilectra (currently Enel Américas). This operation consisted on the division of generation and distribution activities in Chile from those performed in the rest of the countries in Latin America both for Enersis and also for its subsidiaries Endesa Chile and Chilectra.

2016

- > On March 1, the non-material Division of the former Enersis, Endesa and Chilectra was made, as a result of which Enel Chile, Endesa Américas and Chilectra Américas were born.
- > On April 21, 2016, shares' Division of Enersis, Endesa and Chilectra became effective, and the resulting companies - Enersis Américas, Enersis Chile, Endesa Américas, Endesa Chile, Chilectra Américas and Chilectra Chile – began trading at the Santiago Stock Exchange. Likewise, the ADR's ENIA, ENIC, EOCA and EOCC began trading on April 27 the same year at the New York Stock Exchange. (NSYE).
- > On September 28, the Extraordinary Shareholders Meeting took place at the Enersis Stadium, where the Merger of Enersis Américas, Endesa Américas and Chilectra Américas was approved, and comprised the following: on the part of Enersis Américas, it absorbed Endesa Américas and Chilectra Américas. The

main purposes of The Merger were: 1) align every investment interests in generation and in distribution in the scope of Latin America; 2) create a simpler structure with greater visibility, and eliminate the cross participations; 3) greater efficiency and dynamism in the decision making processes, costs reduction and remove any potential conflicts of interest.

- > On December 1, the name change of Enersis Américas to Enel Américas happened, after the intangible merger with the companies Endesa Américas and Chilectra Américas.
- > On November 30, it was announced that the company presented the best offer for the acquisition of the electricity distribution company CELG-D, which was performed through a bidding process arranged by the Brazilian Government through Banco Nacional do Desenvolvimento. The offer presented by our subsidiary Enel Brasil amounted to BRL\$ 2,187 million.
- > On December 29, Endesa Américas and Chilectra Américas ceased trading at the Santiago Stock Exchange and the New York Stock Exchange, in the ADR form. As such, the company proceeded with the exchange of shares and the Merger is achieved.

2017

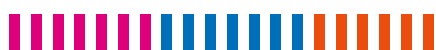
- > On February 1, in Argentina the National Electricity Regulatory Entity (ENRE by its Spanish acronym) approved the Integral Tariff Review – known as RTI - defining a structural change in energy distribution in the country. This new regulation is the result of an extensive work made between the government and the distribution companies involved in the tariff revision process, consisting on a gradual increase of the tariff with the purpose of softening the impact for the final consumer.
- > On February 14, Enel Américas completed the acquisition of Celg Distribuição S.A. (currently Enel Distribución Goiás) through its subsidiary Enel Brasil with the acquisition of nearly 94.8% of its share capital. This distribution company has more than 2.9 million

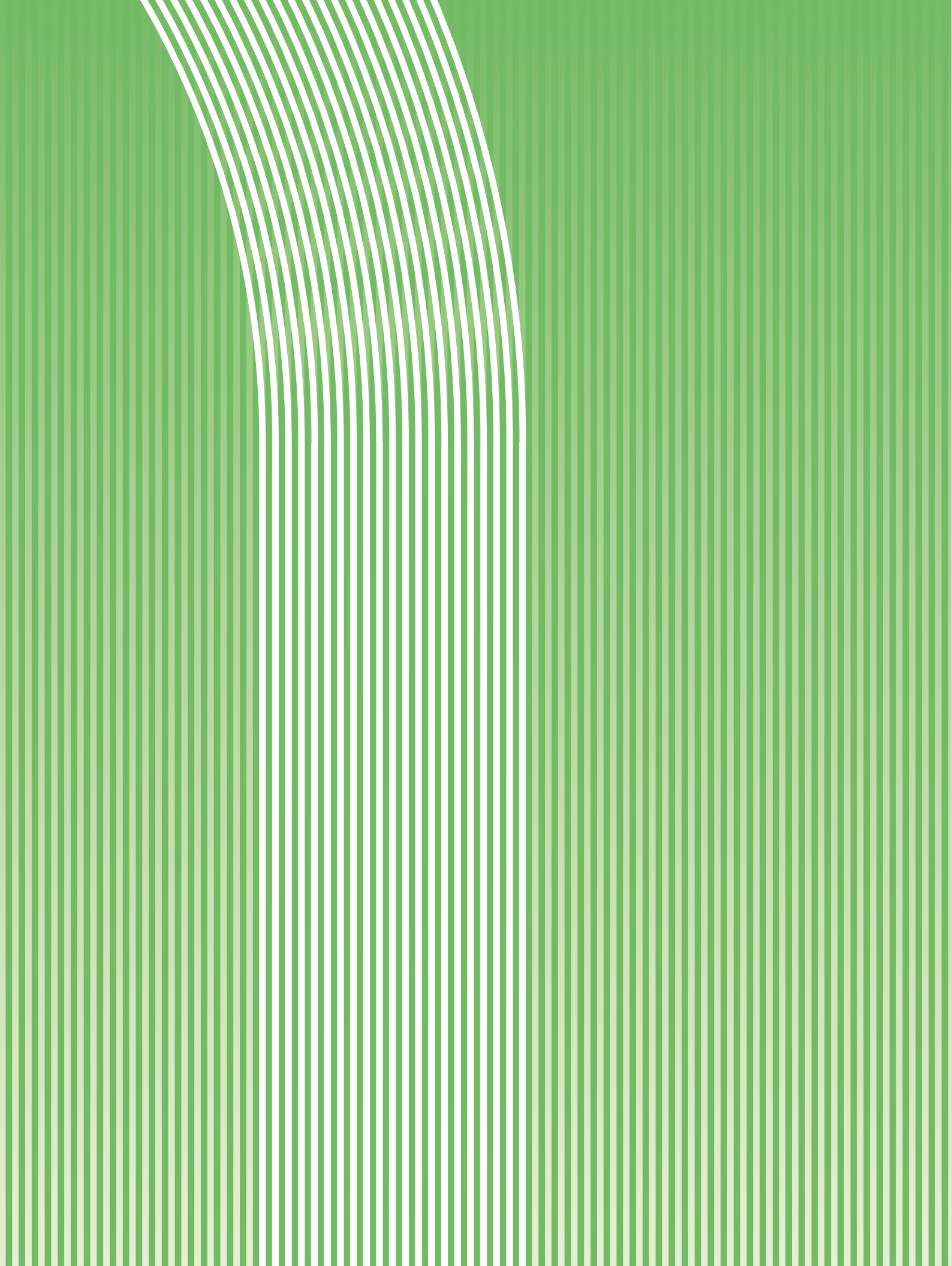
clients and operates in the Brazilian region of Goiás. The amount of the operation reached BRL\$ 2,187 million (approximately US\$640 million). The financing of this transaction came from the capital increase of Enel Américas (former Enersis) approved by the end of 2012.

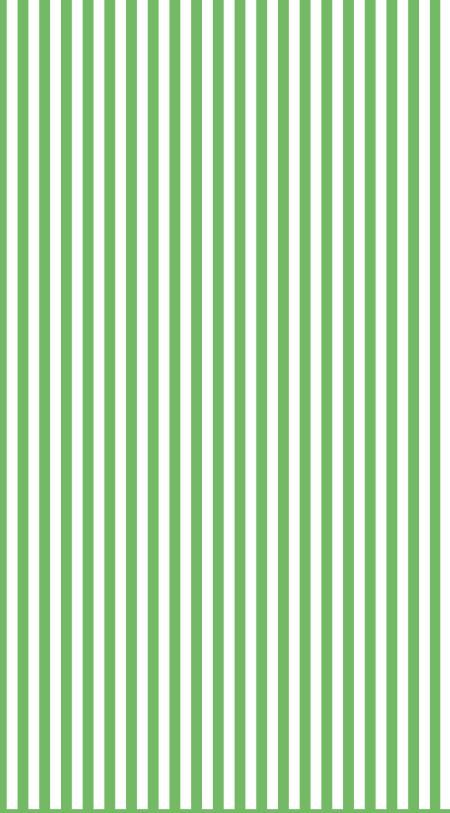
- > On October 4, Enel Perú (100% owned by Enel Américas S.A.) acquired 47,686,651 shares issued by the subsidiary Enel Distribución Perú. The transaction closed at a total price of PEN\$ 262,276,580 (equivalent to approximately US\$ 80 million) and was carried out at the Lima Stock Exchange.
- > On September 27, Enel Brasil was awarded the concession to operate Volta Grande power plant, whose installed capacity is 380 MW. The amount of the transaction reached BRL\$1,420 million (US\$ 445 million approximately). This term of the concession is 30 years.

2018

- > On June 4, Enel Américas accomplished successfully the voluntary offer for the acquisition of Eletropaulo (currently Enel Distribución São Paulo), the leader distribution company in Sao Paulo, Brazil. The offer was performed the same day that the Company acquired 73.4% of the shares. During the following month, shareholders of Eletropaulo Metropolitana Eletricidade de São Paulo SA sold additional shares of Eletropaulo to Enel Sudeste equivalent to 19.9% of the social capital of the company. Along with this, Enel Sudeste reached 93.3% share ownership of the distribution company. Later, in September, Enel Américas carried out a capital increase in the company, and then the final shareholding reached 95.88%.







13

Investments
and financial
activities



Material Investments Related to the Company's Investment Plan

The global financing strategy of the group's subsidiaries and intercompany loans is coordinated in order to optimize debt management, in addition to the terms and conditions of our funding.

The Group's subsidiaries develop independent capital investment plans that are funded by funds generated internally or by direct funding. One of our goals is to focus on those investments that will yield long-term benefits, such as projects to reduce energy losses. Additionally, focusing on Enel Group and seeking to provide services to every company in the group, our goal is to reduce investment at the individual subsidiary companies in elements such as procurement systems, telecommunications and information systems. While we have studied how to finance these investments as part of the budget process of the company, no particular financing structure has been committed and our investments will depend on market conditions at the time they need to get the cash flow.

Our investment plan is flexible enough to adapt to the changing circumstances by giving different priorities to each project according to its profitability and strategic consistency. Investment priorities are currently focused on developing the works plan in Brazil, Colombia and Argentina.

For the period 2019 - 2021, on a consolidated basis, the firm expects to spend US\$5,330 million in investments in subsidiaries directly controlled, in those investments currently under development, the maintenance of distribution networks, maintenance of the existing generation plants, and studies required to develop other potential generation projects.

The chart below shows the capital expenditures expected to carry out from 2019 to 2021 and the capital expenditures incurred by our subsidiaries in 2018, 2017 and 2016.

Investment (1) (million US\$)			
2019-2021	2018	2017	2016
5,330	1,541	1,371	1,230

(1) Capex figures represent the effective payments for each year, with the exception of forecasts.

Investments in 2018, 2017 and 2016

In the distribution business, investments were the following: (i) expand our distribution service to meet the growing energy demand, (ii) improve the quality of service, (iii) improve safety, and (iv) reduce energy losses, particularly in Brazil.

Generation

Capital expenditures reached US\$295 million in 2018, while in 2017 these expenses totaled US\$253 million.

In Peru, total maintenance investments amounted to US\$58 million in 2018. The main projects are the reconstruction of Callahuanca power plant, the recovery of Callahuanca basin, several maintenance activities and the modernization of civil works and hydraulic units, acquisition of contingencies pieces for thermal units, major maintenance of Ventanilla power plant, overhaul of thermal units, rehabilitation of generator TG7 in Ventanilla, digital projects and multiple maintenance activities in thermal units. Expansion capex was focused on HER Huampaní and E4E projects.

In Colombia, maintenance capex was concentrated on projects related to the improvement of the generation plants' facilities, among which the environmental improvement plan for Termozipa stands out. In relation to expansion capex, progresses were made in the works for the closing of El Quimbo hydroelectric project and investments for the Life Expansion of Termozipa.

In Argentina, maintenance investments were focused on the major of TG9 in Dock Sud, and in Costanera improvements in TV 6 and TV 7 were carried out, stoppage of MHI cycle and LTE Siemens cycle, and lastly should be noted the modernization of Arroyito in El Chocón power plant.

In Brazil, total investments were US\$13 millions. Enel Generación Fortaleza carried out investments of US\$9 million, mainly related to the continuous investment of the power plant. In the case of Volta Grande and Cachoeira Dourada, investments amounted to US\$4 millions, mainly for the generation turbines UG1 and UG2 repair works and the step-up transformers.

Distribution

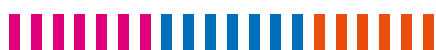
During 2018, the company's capex amounted to US\$1,429 million, mainly to meet consumption needs, as a result of the growth of population and the entrance of new customers, through investments not only related with them, but also in capacity increases and strengthening of AT, MT and BT of the companies. Meanwhile, in 2017, investments reached US\$1,430 million.

In 2018, Edesur in Argentina carried out investments for US\$149 million in order to meet the growth of demand and improve the quality of service. These investments enabled the commissioning of SE Padre Novak, the expansion of SE Santa Rita, Paseo del Bajo, infrastructural improvements in Red MT, new feeders in SE Móvil Roca, and technological improvements of the RED (digitization).

Investments reached US\$ 143 million in Enel Distribución Perú. Energy demand is related to new requirements from customers, which has generated investments in distribution networks of US\$ 68 million, US\$ 25 million of which were used for the expansion and reinforcement of networks to meet the requirements of residential, commercial and industrial customers, US\$ 3 million for the electrification of human settlements, US\$ 3 million in the enlargement of public lighting and US\$ 37 million to ensure quality and safety of the supply. With regards to Sub-Transmission, investments in capacity expansion and safety of the networks and transmission lines reached US\$ 48 million. Additionally US\$ 8 million were assigned to Energy Losses Control and US\$ 19 million to information services and infrastructure.

In Brazil, total investments reached US\$851 million. In particular, Enel Distribución Río performed investments for a total of US\$184 million. Of this amount, 35% were for the implementation of new connections, 32% energy losses reduction projects, improvements in the quality of distribution networks with positive impact in the services offered to clients and remote control systems through the use of technology. The remaining amount was used in the maintenance of distribution networks.

Investments of Enel Distribución Ceará totaled US\$223 million, 46% of which was allocated to meet the network demand and clients' connections and support the sustained





growth of demand in the State of Ceará, 33% was invested in maintenance of distribution networks projects and 21% services for quality improvement and losses reduction.

Enel Distribución Goiás carried out investments for a total of US\$207 million. Of this amount, 40% of which was used for energy losses projects and to improve the quality of distribution networks. The company invested 33% of the total in new connections and 28% in maintenance of distribution networks.

The consolidation of Enel Distribución São Paulo started in June 2018, and during these seven months investments reached US\$236 million, 52% of which were allocated to the maintenance of network, 37% quality projects and 11% for new connections.

In Colombia, investments of Codensa during 2018 reached US\$ 262 million, and were mainly focused on service quality and efficiency (US\$ 91 million), with the purpose of continue with the maintenance of quality indicators; connections and public lightning (US\$ 83 million) and expansion of capacity (US\$ 9 million) to meet the new demand; losses control (US\$ 5 million), and the replacement of network (US\$ 23 million) and normalization (US\$ 16 million) of electricity infrastructure.

Financial activities

Finance

The international macroeconomic scenario was highly influenced by the greater dynamism of the United States, whose economic growth was above its growth potential, the strengthening of the dollar and the rapid increase of the FED's monetary policy rate. The trade war between China and United States lead to uncertainty, thus mainly impacting emerging markets, whose main effects were the depreciation of local currencies and outflows of capitals.

The central banks of main economies have acted cautiously in withdrawing monetary stimuli and have started to raise interest rates. The FED decided to expedite its interest rates hikes from 1.5% to 2.25%, generating higher volatility in emerging markets and increasing exchange rates. The strengthening of internal economy supported this decision.

During 2018, South American countries, and particularly the countries where Enel Américas operates, have experienced a positive development and economic growth, but

still below the expected potential, due to the unequal performance of some economies in the region. Such is the case of Peru, country that experienced higher growth with respect Latin American average (4.0%). In turn, Colombia y Brasil grew 2.7% and 1.1% respectively. Finally, Argentina suffered an economic downturn, with a negative growth of 2.6%.

The slowdown of the Argentine economy as opposed to the results obtained in 2017, period in which the trade liberalization and pro-investment policies promoted by the government, created the conditions to achieve an economic growth above the average in the region. The economic downturn in 2018 was consequence of the complex domestic landscape, triggered by the devaluation of the currency and hyperinflation. In 2018, the Argentine peso was the currency that experienced the highest depreciation in relation to the dollar in the region– with the exception of Venezuela – with a depreciation of more than 50%, which made the Central Bank of Argentina to set the benchmark interest rate in 60%, becoming the highest interest rate in the world. In order to face this situation, the government asked requested aid from the International Monetary Fund.

Brazil continued its economic recovery, growing 1.1% in 2018. The increase of private demand is explained by the Central Bank of Brazil historic reduction of monetary policy rate in 6.5%, together with lower inflation and relieved politic uncertainties after the presidential elections, boosting optimism and domestic activity. Moreover, unemployment dropped, thus showing clear signs of greater dynamism and the recovery of the market. Nevertheless, the strengthening of the dollar globally was the main cause for the currency weakening, so the Real was among the emerging markets currencies that lost most value in relation to the dollar in 2018, with a depreciation of approximate 18%.

In Colombia, economic growth in 2018 was 2.7%, mainly explained by the improvement of private consumption– led by household expenses – and public spending. Meanwhile, monetary policy remained stable during most of the year in 4.5%, enabling inflation to reach 3.2% by the end of the year, slightly above the 3.0% goal set by the Colombian Central Bank. In terms of politics, the year was marked by presidential elections that took place in the middle of the year and the cases of corruption that shook the country.

Finally, Peru grew 4% in 2018, economic expansion is mainly explained by higher internal demand, where retail sales is the main growth factor, and also by the expansion of consumption loans and non-durable consumer goods imports. Additionally, the growth of exports of non-traditional goods, such as grapes, cranberries and avocados, helped to consolidate the expansion of the domestic economy. On the other hand, the Peruvian Central Bank lower the monetary policy rate in half a percentage point, from 3.25% to 2.75%, with the objective of stimulate growth and keep inflation within the target range.

Main completed financial operations

Brazil

One of the highlights of the year was the acquisition of the electricity distribution company Eletropaulo, currently Enel Distribución São Paulo. After the settlement of the take-over bid, Enel Américas through Enel Sudeste acquired 93.3% holding of the company, thus consolidating Enel Group, through Enel Américas, as the private electricity company leader in terms of number of clients in Brazil and the region.

Enel Brasil (together with its investment vehicle Enel Sudeste) carried out in June the issuance of promissory notes of BRL \$9,300 million (equivalent to approximately US\$ 2,400 million), which were refinanced in October through an intercompany loan with Enel Finance International (EFI) of BRL \$9,400 million (equivalent to US\$ 2,426 million approximately), both operations were part of the acquisition of Enel Distribución São Paulo.

In March, Enel Distribución Ceará issued promissory notes in the local market of BRL \$150 million (US\$ 39 million).





Additionally, the company issued local bonds of BRL \$310 million (equivalent to US\$ 80 million). Apart from that, the company contracted financing with Banco de Desenvolvimento Econômico e Social (BNDES) of BRL\$340 million (equivalent to US\$ 88 million). Finally in December, the company closed an intercompany loan with EFI of BRL \$300 million (equivalent to US\$ 77 million).

In 2018, Enel Distribución Goiás closed a bank financing of BRL \$250 million (equivalent to US\$ 65 million). Likewise, in April issued promissory notes in the local market of BRL \$200 million (equivalent to US\$ 52 million). Additionally, during the year, the firm contracted financing with BNDES of BRL \$100 million (equivalent to US\$ 26 million).

Enel Distribución Río obtained bank financing of BRL \$464 million (equivalent to US\$ 120 million) during the year.

In September, Enel Distribución São Paulo refinanced its debt with a BRL \$3.000 million (equivalent to US\$ 774 million) local bonds issuance, thus reducing financial cost and increasing the average life of the debt. Moreover, in December the firm closed an intercompany loan with EFI of BRL \$420 million (equivalent to US\$ 108 million).

Colombia

Enel Codensa performed a local bond issuance of COP \$555,000 million (equivalent to US\$ 171 million).

Peru

In March, Enel Distribución Perú performed a local bond issuance of PEN \$100 million (equivalent to US\$ 30 million), likewise the company also received bank financing of PEN \$75 million (equivalent to US\$ 22 million) and signed a leasing contract of PEN \$96 million (equivalent to US\$28 million).

Also, Enel Perú obtained bank financing of PEN \$87 million (US\$ 26 million).

Coverage Policy

Exchange Rate

The exchange rate hedging policy of the Group is based on cash flows and seeks to maintain a balance between flows indexed to foreign currency, and the levels of assets and liabilities denominated in that currency. The goal is to minimize the flows' risk exposure from changes in exchange rates. As part of this policy, the Enel Américas individually contracted forwards for US\$ 366 million to cover the flows in different currencies coming from foreign subsidiaries.

Interest rates

Interest rates variations change the fair value of those assets and liabilities that accrue variable interest rate, as well as the future flows of asset and liabilities referenced to a variable Interest rate. The objective of risk management is to reach a balance of debt structure, in order to minimize the cost of debt with reduced volatility in the income statement. Depending on the Group's estimations and the objectives of debt structure, hedging transactions would be made through derivatives contracts that mitigate those risks. The instruments currently used are interest rate swaps to fixed rates.

At year-end 2018, the comparative structure of financial debt of Enel Américas Group in relation to fixed interest rate and/or protected interest rates versus gross total debt, after contracted derivatives was 59% of fixed rate debt.

Credit Risk Rating

On November 9, 1994, Standard and Poor's and Duff & Phelps rated Enersis (currently Enel Américas) for the first time at BBB+, that is, an investment grade company. Later, in 1996, Moody's rated the company's foreign currency long-term debt at Baa1.

Over time, most credit ratings have changed. Currently, they are all "investment grade", which is based on the diversified portfolio of assets, liquidity and adequate policies of debt coverage service.

In summary, the following main events that took place in 2018 are detailed below:

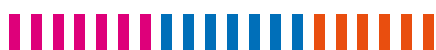
On June 5, 2018, Standard & Poors reviewed and ratified the corporate rating of Enel Américas, assigning a "BBB" rating and stable outlook. This reaffirmation was granted after the acquisition of the largest electricity distribution company in Brazil, then Eletropaulo, and currently named Enel Distribución São Paulo.

Likewise, on June 8, 2018, Feller Rate rated Enel Américas in local scale rating and assigned "AA-" rating with stable outlook.

Conversely, on September 20, 2018, Fitch Ratings reaffirmed once again the rating and outlook given on June 6, 2018, where Fitch Ratings reviewed and reaffirmed the international scale rating of Enel Américas, assigning "BBB+" with stable outlook, and national scale in "AA (cl)" also with stable outlook. As in the aforementioned cases, the review carried out in June was after the acquisition of Enel Distribución São Paulo.

Every rating agency mentioned above, reaffirmed their ratings after the capital increase proposal of Enel Américas announced on February 27, 2019.

Finally, after the capital increase proposal announcement on March 4, 2019 Moody's reaffirmed the "Baa3" rating and changed the outlook from negative to stable. Previously, on February 23, 2018, Moody's rated Enel Américas with "Baa3" rating, and changed the outlook from stable to negative because of the situation in Colombia. And later, on June 7, 2018, the rating agency reaffirmed the aforementioned rating and outlook, after the acquisition of Eletropaulo, currently Enel Distribución São Paulo.





Its diversified portfolio of assets, strong credit parameters, adequate debt structure and high liquidity supports the company's ratings.

International Ratings

Enel Américas	S&P	Moody's	Fitch
Corporate	BBB / Stable	Baa3 / Stable	BBB+ / Stable

Local Ratings

Enel Américas	Feller Rate	Fitch
Stocks	1° class, Level 2	1° class, Level 1
Bonds	AA- / Stable	AA (cl) / Stable

Properties and facilities

Enel Américas as a "holding" entity, does not directly own properties or facilities to develop its business.

Brands

The company has registered "Energis Américas" brand in services, products, industrial and commercial facilities. In July 2016, through a communication addressed to the Board of Enel Américas S.A., Enel S.p.A authorized the free use of "Enel" brand to Enel Américas S.A., being entitled to include it to its business name, its logo and other forms of use.

The brand Enel Américas is duly registered.

Suppliers, Customers and Main Competitors

Enel Américas S.A. in its capacity of a “holding” company that mainly operates in the field of electricity generation and distribution in Latin América, considers the following suppliers, customers and competitors as the most relevant ones for its main subsidiaries.

The Company established that its main suppliers, customers and competitors are the following:

Argentina: IMC Ingeniería y Montajes Industriales S.A., Servicios Industriales Otero S.A., Grupo MTR S.A. SADESA, PAMPA ENERGÍA, AES Argentina, Argencobra S.A., Prysmian Energía Cables y Sistemas, Elsewedy Cables Egypt, GCBA, Municipalidad de Quilmes and Telefónica Argentina S.A.

Brazil: Alstom Energia Termica e Ind. Ltda., Alstom Brasil Energia e Transporte Ltda., P.Q.A. Productos Químicos Aracruz Ltda., Multiplan, Volskswagen, Ferbasa, Companhia Eletrica de Sao Francisco- Chesf, Furnas Centrais Eletricas S.A., Centrais Eletricas do Norte do Brasil S.A. Eletronorte, Compel Construcoes Montagens e Projetos Eletricos, Endicon Engenharia Instalacoes e Construcoes, Sodexo

Pass do Brasil Servicos e Comércio, Saneamento de Goias S..A., Vorantim Cimentos N/NE S.A., Secretaria Municipal de Infr. e Servicos Publicos- Goiana, State Grid, AES and CEMIG.

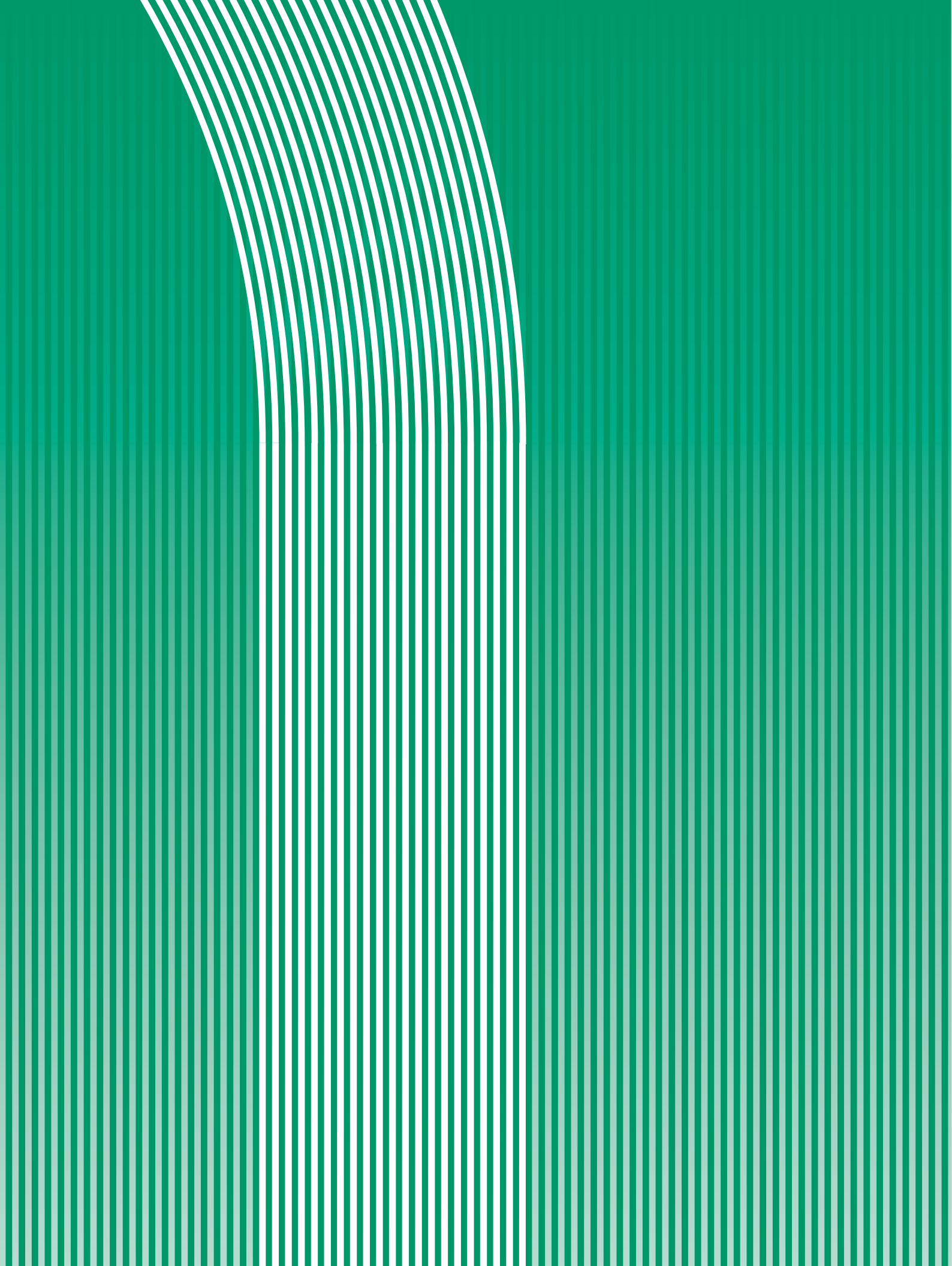
Colombia: Petromil, Carbones San Fernando, Minas y Minerales S.A.-Minminer-, Grupo EPM.

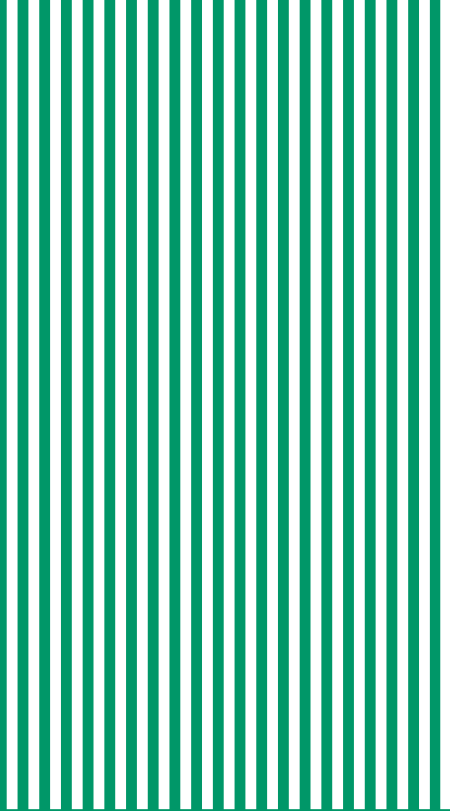
Electricaribe, Emcali, Consorcio M&M, Amec Foster Wheeler Energía, S.L.U., Andritz Hydro Ltda., CAM Colombia Multiservicios S.A.S., Quanta Colombia Services Colombia S.A.S and Deltec S.A.

Peru: Nordex Windpower Perú S.A., GCZ Ingenieros SAC., Prodiel Perú Sociedad Anónima Cerrada, Luz del Sur, Minera Las Bambas, Minera Chinalco Perú, Engie, Electroperú, Kallpa, Generación, Cobra Perú S.A., Consorcio CAM Lima, Cabelte-Cabos Eléctricos y Telefónicos, S.A., Grupo Falabella, Corporación Celima, Compañía Industrial Nuevo Mundo S.A., Kallpa. Engie and Termoselva.

Chile: Travel Security S.A., Ernst & Young Servicios Profesionales y Asesorías Limitada and Team Work Recursos Humanos Limitada.







14

Risk Factors



Risk Management Policy

The companies of Enel Américas Group are exposed to determined risks that are managed through the application of a system to identify, measure, limit the concentration and supervise.

Some of the underlying principles defined by the Group in the establishment of their risk management policy are:

- Comply with the norms of good corporate governance.
- Strictly comply with the normative system of the Group.
- Each business and corporate area defines:
 - I. The markets where the Company can operate in relation to the knowledge and sufficient capabilities to ensure effective risk management.
 - II. Criteria on counterparts.
 - III. Authorized operators.
- The business and corporate areas establishes for each market in which they operate their predisposition to coherent risk with the defined strategy.
- Every business operation and corporate areas are performed within the approved limits in every case.
- The business, corporate areas, lines of business and companies establish risk management policies necessary to ensure that the market transactions are completed according to policy, regulations, and the procedures of Enel Américas.

Interest Rate Risk

Interest rate variations modify the fair value of those assets and liabilities that bear a fixed interest rate, and also the aforementioned future asset and liabilities flows at a variable interest rate.

The objective of risk management of interest rates is to reach a debt structure equilibrium that allows a minimization of cost of debt with a reduced volatility in the income statement.

The Company performs coverage transactions through derivatives contracts to mitigate these risks depending on the estimations of the Group and the objectives of the debt structure. The instruments currently used are interest rate swaps that sets variable to fixed rate.

The comparative structure of the financial debt that Enel Américas Group has, according to the fixed interest rate and/or protected by the total gross debt, after contracted derivatives, is the following:

Gross position

	12-31-2018	12-31-2017
	%	%
Fixed interest rate	59%	46%

Exchange Rate Risk

Exchange rate risks fundamentally correspond to the following transactions:

- Debt contracted by the Group's companies denominated in a different currency of which the flows are indexed.
- Payments to be made related to the acquisition of materials associated to projects and corporate insurance policy payments being made in a different currency of which the flows are indexed, among others.
- Revenues of the companies of the Group that are directly linked with the evolution of currencies not related to the companies' flows.
- Flows from the subsidiaries abroad to the head offices in Chile, which are exposed to exchange rate variations.

With the objective of mitigating the exchange rate risk, Enel Américas' hedging policy for exchange rates is based on cash flows and contemplates to maintain a balance between the flows indexed in dollars and the levels of assets and liabilities denominated in that currency. The objective is to minimize the exposition of the cash flows to variations in the exchange rates.

The instruments currently being used to comply with policy are currency swaps and exchange rate forwards. Likewise, the policy seeks to refinance debt in the functional currency of each company.

Commodities Risk

Enel Américas Group is exposed to commodities price variation risks, mainly through the following:

- Fuel purchases in the process of electricity energy generation.
- Energy purchase-sell operations that take place in the local markets.

With the purpose of reducing risk in situations of severe drought, the Group has designed a commercial policy defining the level of commitment of energy sales according to the generation capacity of power plants in a dry year, including risk mitigation clauses in some contracts with free clients. In the case of regulated clients, they are subjected to a long-term tender process, and indexing polynomials are determined enabling the reduction of commodities exposure.

Considering the operational conditions that face electricity generation, hydrology, and commodities price volatility in the international markets, the Company is permanently verifying the convenience of taking coverage positions to reduce the impacts of price variations in results.

On December 31, 2018, the company signed operations of purchase future energy contracts of 5.28 GWh. These purchases backed up an energy-selling contract in the wholesale market. On December 31, 2018, the company settled selling contracts for 10.92 GWh and 7.2 GWh of purchase future energy contracts.

On December 31, 2017, operations of purchase future energy contracts amounted to 5.4 GWh, for the period January - March 2017. These purchases backed up an energy purchase contract in the Colombian wholesale market. As of December 31, 2017, the company settled 24.23 GWh of energy-selling contracts and 77.45 GWh of purchase future energy contracts.





Liquidity Risk

The Group maintains a liquidity policy consistent with the contract of committed long-term credit facilities and temporary financial investments, in sufficient amounts to support the projected needs for a period of time related to the context and expectations of the debt and capital markets.

The aforementioned projected needs include net financial debt maturities, after financial derivatives. For further details regarding the features and conditions of financial debt and financial derivatives see Notes 21 and 23 of the Financial Statements of Enel Américas.

As of December 31, 2018, the liquidity of Enel Américas Group reached US\$ 1,904 million in cash and cash equivalents, and US\$ 1,269 in available non-committed long-term credit facilities. As of December 31, 2017, the liquidity of Enel Américas Group reached US\$1,473 million in cash and cash equivalents, and US\$225 million in available non-committed long-term credit facilities.

Credit Risk

Enel Américas performs a detailed monitoring of its credit risk.

Receivable Commercial Accounts

With regards to credit risk related to the receivable accounts coming from commercial activity, this risk is historically very limited given the short term client's recovery time, so they do not individually accumulate a significant amount. This is applicable for both our electricity generation and distribution businesses.

In some countries, in our line of business of electricity generation, the company may face a supply disruption due to the lack of payment, and also in almost every contract it's considered lack of payment as a cause for terminating the contracts. For this end, the credit risk is constantly monitored and its measured in maximum amounts exposed such risk.

In the case of our electricity distribution companies, the supply disruption in all cases is our company's decision facing our client's lack of payment. This is implemented according to the existing regulation in each country, which facilitates the evaluation process and credit risk control, which is also limited.

Financial Assets

Cash surplus investments are made by top of the line national and international financial entities, with limits established by each institution.

In the bank selection for investments, the ones considered are those that have an investment grade credit risk rating, considering the three main international rating agencies (Moody's, S&P and Fitch).

Placements can be backed up by treasury bonds of the country where the operation takes place and/or bank securities issued by top of the line banks, privileging the latter because they offer greater returns (always following the existing placement policies).

Measuring Risk

Enel Américas Group develops a Value at Risk measurement for its debt positions and financial derivatives, with the objective of monitoring the risk assumed by the company, limiting the volatility of the income statement.

The portfolio includes for the calculation of the Value at Risk composed by:

- Financial debt
- Derivatives for debt coverage

The calculated Value at Risk represents the possible variation of the portfolio's value previously described in the duration of a quarter with 95% confidence. For that purpose there is a volatility study of the risk variables that affect the position portfolio's value, including:

- Libor for the US dollar.
- The different currencies in which our company operates, the regular local indexes for banking transactions.
- Exchange rates of the different currencies considered in the calculations.

The Value at Risk calculations are based on the extrapolation of future scenarios (in one quarter) of the market values of the risk variables in terms of the scenarios based on real observations for the same period (quarter) during five years.

The Value at Risk of a quarter with a 95% of confidence is calculated as a 5% percentile more adverse of the possible variations in the period.

Considering the hypothesis described above, the Value at Risk in a quarter of the positions described corresponds to US\$ 630 million.

This value represents the potential increase in the debt and derivatives portfolio, so this value at risk is directly related, among other factors, to the value of the portfolio at the end of each quarter.

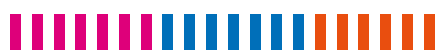
Other Risk Factors

Some South American economies have historically been characterized by frequent and, occasionally drastic, interventionist economic measures by their governmental authorities including expropriations, which may adversely affect the business and financial results of Enel Américas.

Government authorities have modified monetary, credit, tariff, tax and other policies with the purpose of influencing the direction of the economies of Argentina, Brazil, Colombia and Peru. Although Enel Américas has no assets in Chile, it's a company constituted under the laws of the Republic of Chile. Therefore it's subject to changes in tax, labor and monetary laws, among others. Other government actions carried out in these South American countries have also included wages, processes and tariffs controls, and other interventionist measures such as expropriation and nationalization.

In the distribution business, if a certain service and technical standard is not met, there is a risk of losing concessions. In some concessions, such as Buenos Aires and Rio de Janeiro, it may be especially difficult to meet some of the minimum standards required. In the event that it is not possible to comply with these regulatory standards, the local power regulator might revoke the concession and reallocate it to a competitor.

It's expected for 2019 that there would be fiscal reforms and amendments to the taxation laws in Chile, Colombia, Brazil and Peru. The changes in governmental and monetary policies in relation to duties, exchange controls, regulations and taxation may reduce the company's profitability. Inflation, devaluation, social instability, and other political, economic or diplomatic events, including the response to these circumstances by the region's governments, may also reduce the company's profitability.





Since the Company's businesses depend to a large extent on hydrological conditions, drought conditions, flooding and other weather conditions may adversely affect the operations and profitability

The struggle against climate change is one of the main global challenges, which exposes Enel Américas to a series of medium and long-term risk factors. These include the risks related with legislative and regulatory changes associated with climate change. The company has experienced extreme climate events, such as the severe drought that impacted hydroelectric generation.

In 2018 approximately 56% of the consolidated installed generation capacity was hydroelectric. As such, the extreme dry hydrological conditions can adversely affect the company's business, the operational results and its financial condition. The hydrological condition of the region has been frequently affected by two weather phenomena —“El Niño” and “La Niña”— which had an impact on rains and have resulted in droughts, affecting the Company's ability to distribute energy from its hydroelectric facilities. In Brazil, where 76% of the Company's installed capacity is hydroelectric, authorities were forced to make regulatory changes by modifying the maximum price limit, which is reviewed annually and is consequence of the low hydrological contributions registered since 2014; the latter also had a direct impact in the short-term electricity market resulting in an increase of thermal dispatch and spot prices. The Brazilian regulation considers a relocation mechanism that allow hydroelectric generators with energy deficit to buy energy at the prices established by other generators with superavit; nevertheless, due to the existing drought, every energy generation company had deficits in relation to their supply contracts, therefore these companies were forced to buy energy in the spot market at higher prices.

Likewise, the “El Niño” phenomenon has affected hydrological conditions in Colombia in the past, where 88% of the installed capacity is hydroelectric, leading to a scarcity of precipitations and high temperatures during the period, and therefore to an increase in energy prices. Each event of “El Niño” is different and, depending on its intensity and duration, the magnitude of its social and economic effects can be more material.

Operational costs of thermoelectric plants can be considerably higher than the costs of hydroelectric plants. Operational expenses increase considerably during drought periods, when thermoelectric power plants are dispatched more frequently. Also, depending on our commercial commitments, we may have to purchase electricity from the spot market in order to comply with all our contractual supply obligations and the cost of these purchases of electricity may exceed the price at which we must sell the contracted electricity, thus causing losses for these contracts.

Droughts also have an effect on the operation of thermoelectric power plants, including facilities that use natural gas, diesel, or coal as fuels, as follows:

- Thermal plants require water for cooling and droughts not only reduce the availability of water, but also increase the concentration of chemicals such as sulfates in water. The high concentration of these chemicals in the water used for cooling increases the risk of damage to the equipment of the thermoelectric plants, as well as the risk of infringing relevant environmental regulations. As a result, water may have to be purchased from agricultural areas, which are also experience water shortages. These water purchases can increase operational costs and force the negotiation with local communities.
- Thermal power plants that burn natural gas generate emissions such as nitrogen oxide (NO), carbon dioxide (CO₂) and carbon monoxide (CO) gases. When operating with diesel they release NO, sulfur dioxide (SO₂) and particulate matter into the atmosphere. Coal fired plants generate emissions of SO₂ and NO. Therefore, greater use of thermal plants during periods of drought generally increases the risk of producing a higher level of pollutants that could lead to penalties if emissions are above certain levels.

The recovery from the drought that affected the regions where most of the hydroelectric power plants of the company are located can last for a prolonged period of time and new episodes of drought may occur in the future. A prolonged drought may exacerbate the risks described above and have an adverse effect on Enel Américas business, operational results and financial condition.

An economic downturn of Argentina or a sharp depreciation of the Argentine peso would adversely affect the company's businesses.

In 2018, the Argentine peso suffered a sharp depreciation against the dollar, with a depreciation of 20% in just one day on August 30, 2018. This devaluation is the result of the domestic economic downturn, the increase of external debt and high inflation. Even though the rate of depreciation of the Argentine peso against the US dollar has recently accelerated, the increase of interests paid for time deposits has been insufficient to compensate inflation. The interest rate established by the Argentinean Central Bank has been already at a maximum of 45%, when the monetary authority raised interest rate to 60%. Despite the fiscal, monetary and others measures that the government has been taking to soften the effect of devaluation, including several agreements with the International Monetary Fund, the devaluation of the Argentinean peso may continue in 2019 and in the years ahead.

The sovereign creditworthiness of Argentina also has seriously deteriorated, reaching a maximum of 780 basis points over the nominal value of sovereign debt during August 2018. The international credit risk rating of Argentina fell from "B +" to "B" by Standard & Poor's in November 2018, with stable outlook. Moody's reaffirmed the "B2" rating, which was updated in November 2017 with stable outlook. While Fitch maintained the "B" rating, but change the outlook from "stable" to "negative" in November 2018.

Due to the above, from July 2018, Argentina is considered a hyperinflationary economy according to accounting standards IFRS. The general prices index was used retrospectively in order to present the amounts related with the Argentine subsidiaries in the consolidated financial statements of Enel Américas and therefore be able to reflect Argentine peso's purchasing power, according to the dispositions described in the NIC 29, "Financial Information in Hyperinflationary Economies". Non-monetary assets and liabilities were restated since February 2003, the most recent date in which inflation adjustments were applied for accounting effects in the Argentine subsidiaries.

A further deterioration of the Argentine economy may adversely affect operating results and the financial condition of the company. For further information, see Note 8 of the Financial Statements of Enel Américas.

Governmental regulations may adversely affect the company's businesses, cause delays, hinder the development of new projects or increase operating costs and capital expenditures.

Subsidiaries of Enel Américas are subject to extensive regulations regarding tariffs for their clients and other aspects of the business, and these rules may negatively impact profitability. For example, governments in the countries where the company operates may implement rationing policies during droughts or prolonged failures in rationing services, which could adversely affect the Company's business, operating results and financial condition. Operational subsidiaries are subject to environmental regulations that force the company to carry out environmental impact studies for future projects and obtain constructions and operating licenses from local and international regulators. Governmental authorities may retain and delay the approval of these environmental impact studies.

In the case of existing facilities, current regulation has been increasing in the four countries where the company has investments, which resulted in significant non-compliance risk, so it has been necessary to create teams specialized in compliance regulation and the maintenance of a closer technical relationship with the authorities in order to better understand the possible implications.

Governmental authorities may also delay the distribution tariff revision process, or tariff adjustments determined by the authorities may be insufficient transfer costs to clients, such as the case of Codensa, the Colombian distribution company, whose tariff revision was scheduled for 2015, but will take place in 2019. Similarly, electricity regulations issued by governmental authorities in the countries where the company operates, may affect the capacity of generation companies to gain revenues to compensate operating costs.

The delays or modifications of any proposed project, and the laws or rules that can change or be interpreted in a way that can adversely affect the operations or plans for the companies in which the Company has investments, which can adversely affect its business, operational results and the financial condition.





Regulatory authorities may impose fines on the company's subsidiaries due to operational failures or non-compliance of regulations.

Electricity businesses may be subject to regulatory fines for any breach of current regulations, including power outages, in the four countries in which the company operates.

The generation subsidiaries of the Group are supervised by local regulators and may be affected by these fines in cases where, in the opinion of the regulator, operational failures that affect the regular supply of energy to the system is defined as a responsibility of the company as when, for example, there is no coordination of the agents with the system operator. In addition, subsidiaries may be required to pay fines or compensate customers if subsidiaries can't provide electricity, even if such non-compliance is due to forces beyond the subsidiaries' control, or if they don't comply with environmental or other regulation.

In 2018, ANEEL imposed fines to Enel Distribución São Paulo for the equivalent to US\$ 91 million for five breaches, two of them related to failures or inaccuracies in accounting record and/or the asset base, and the other two associate with non-compliance with the supply quality standards. REVISAR

In Argentina, the result of the tariff revision for the period 2017-2021 imposed fines to Edesur for the technical quality service, the technical product and commercial quality, which are gradually increasing in line with higher tariffs.

In order to meet payment obligations, Enel Américas depends on payments from its subsidiaries and associate companies.

With the aim of paying its obligations, the company depends in part on the cash received from dividends, loans, interest payments, capital reductions and other payments from its subsidiaries. The ability of subsidiaries to pay dividends, interest and credit payments, and deliver other distributions is subject to legal limitations, such as dividend restrictions, fiduciary duties, contractual restrictions that may be imposed by local authorities.

Historically, the company has not always been able to access its subsidiaries' cash flows at all times due to certain

government regulations, strategic and economic considerations, and credit restrictions. In the future, the likelihood of being able to rely on cash flows of those entities' operations for the company's debt payment is reduced.

Limits on dividends and other legal restrictions. Some of the subsidiaries are subject to legal reserve requirements and other restrictions on dividends payment. Other legal restrictions, such as currency controls, may limit the ability of subsidiaries and associates to pay Enel Américas dividends, and amortize credits or the company will distribute other distributions. Furthermore, the ability of any of the subsidiaries that are not wholly owned by Enel Américas to deliver cash payments may be limited by the fiduciary duties of the directors of such subsidiaries to minority shareholders. Moreover, some of the subsidiaries may be required by local authorities, in accordance with applicable regulations, to reduce or eliminate the payment of dividends. As a result of such restrictions, any subsidiary may, under certain circumstances, be prevented from delivering cash to Enel Américas.

Contractual Obligations. The restrictions for dividends distribution include credit agreements that the subsidiary Enel Generation Piura and several subsidiaries in Brazil can prevent the payment of dividend and other distributions to shareholders if they are in non-compliance of certain financial ratios. In general, credit agreements ban any type of distribution in the event of non-compliance underway.

Subsidiaries' Operating Results. The subsidiaries and associate companies capacity to pay dividends, credit amortizations or to deliver other distributions that Enel Américas is limited by its operational results. As long as the cash needs of any subsidiary overcome their available cash flow, said subsidiary will not dispose of the cash to be delivered to the company.

Additionally, the currency of any dividend paid by our subsidiaries is subject to depreciation in comparison to our functional currency, which will have a negative impact on our capacity to pay dividends to shareholders.

Any situation described above could adversely affect the business, operational results and the financial condition.

Enel Américas is involved in litigations.

Enel Américas is currently involved in several litigations that can conclude in unfavorable decisions of financial fines for the company. For example, in 2016 three claims against Enel Distribución Goiás, recall that the privatization process was illegally executed and demands the nullity of the process and also compensation. Plaintiffs include BNDES and the IFC. The main risk of this litigation is the loss of concession of Enel Distribución Goiás from Enel Brasil. As of the date of this Report, legal proceedings are pending. Therefore, there is neither an estimation of the potential loss nor an associated provision. The resolution of cases can take up to ten years. Enel Distribución Goiás is also involved in tax litigation for claims originated in a period previous to its privatization, and this claim can not only have an adverse effect in the Group, but also deplete resources and attention for many years.

Enel Américas controls Emgesa and Codensa in Colombia through a shareholders agreement with Grupo Energía Bogotá S.A. ESP ("GEB" for the Spanish abbreviation). In December 2017, the company was informed that GEB submitted to arbitration the differences that come up between the parties in relation to the distribution of new revenues of 2016 of these two Colombian subsidiaries. GEB says that Enel Américas breached the requirements of shareholders agreements, in relation to the norms that determine the distribution of income method, forcing parties to vote in favor of distributing 100% of income, with the distribution of only 70% of net income in 2016. Complaints want the distribution of net income obtained in 2016 to reach 100% for each company. The amounts in dispute are US\$ 21 million for Codensa and US\$ 27 million for Emgesa. An adverse ruling would bring a precedent that might force Enel Américas to always vote for the distribution of 100% of net income every year, which wouldn't be financially cautious for our subsidiaries and our company.

The financial situation or the operating results might be affected if the defense of this arbitrage is not successful or other claims that may be taken against the company. For further information regarding lawsuits, see note 36.3 of the Enel Américas' Financial Statements.

Political developments or financial crisis or any other crisis anywhere in the world may have a substantial impact in the countries where Enel Américas operates and therefore might negatively affect operations and liquidity.

The four countries where the company operates are vulnerable to external impacts, including financial and political events, which may cause important economic problems and impact growth. If any of these economies would experience lower economic growth than expected or recession, it's likely that clients would demand lower electricity and some of them might face difficulties to pay the electricity bill, and probably the uncollectible accounts of the Company would increase. Any of these situations may negatively affect operational results and financial situation.

Political or financial developments in other places in the world may also adversely affect the company's business. For example, since 2018, the United States and China have been involved in a trade conflict that comprises protectionists measures, thus increasing volatility in the global financial markets, due to the uncertainties that political decisions carries. Instability in the Middle East or in any other important region involving oil producers, may also sharply increase oil prices globally, so operating costs of thermal generation power plants would grow, therefore adversely affecting operating results and financial condition.

Lately, the federal government of the United States experienced temporary shutdowns, such as the most recent one involving the SEC among many other federal agencies, lasting 35 days, and becoming the longest federal shutdown in the history of the United States. Even the temporary or predicted shutdowns of the government of the United States might have an adverse effect over time, the execution and higher expenses related to our main transactions that involve the SEC.

Additionally, an international financial crisis and its negative impact in the financial industry may have a detrimental impact in the company's capacity to obtain new banks financing in the historical terms and conditions.





Political or financial developments of other kind may also decrease the capacity to access the capital markets in the countries where the company operates, as well as the international capital markets for other liquidity sources, or raises of interest rates offered to the company. In turn, reduced liquidity may affect capital expenses, long-term investments and acquisitions, growth perspectives and dividends policy.

Economic fluctuations in South America may affect the operations and financial condition, and also in the value of the securities of the company.

Every operation of Enel Américas is located in South America. Therefore, consolidated revenues may be affected by the performance of South American economies as a whole. If local, regional or global economic trends adversely affect the economy in any of the four countries where the company has investments or operations, the financial condition and operational results may be negatively affected. Enel Américas has investments in Argentina, Brazil and Peru, which are instable economies and in occasions have experienced political instability due to the scandals of corruptions involving several high-ranking government officials.

Insufficient cash flows of subsidiaries located in countries with volatile economies have led, in some cases, to their inability to comply with financial obligations and the need to request for exemptions for the compliance of certain financial covenants, or at some point, to request collaterals or other emergency measures from Enel Américas as shareholder, especially in Brazil and Argentina.

The occurrence of future adverse events in these economies may hinder the ability to carry out strategic plans, which eventually would affect adversely operational results and financial condition.

Moreover, in South America the financial and securities markets are influenced in different degrees by economic and market conditions of other countries, which may adversely affect the value of the company's securities.

The construction of power plants may suffer delays, works stoppages and significant cost over-runs, as well as the opposition of stakeholders, which can damage the company's reputation and potentially deteriorate its goodwill.

Power plants projects can be delayed in the process of obtaining regulatory approvals, or may face the shortage of equipment or workforce, and also can be subject to construction delays, strikes, adverse weather conditions, natural disasters, social conflicts, accidents or human errors. Any event of this kind may negatively affect the company's operating results and financial condition.

Existing markets conditions in the initial phase of the project's approval might be totally different to the existing ones when the project is completed, therefore in some cases these projects could be commercially unfeasible. Deviation from these assumptions, including the forecast of deadlines and the estimation of expenses related to these projects, might result in cost overruns and execution periods greater than the estimations, which in turn could have a negative effect for the business, operational results and financial situation.

The adequate sites to develop new projects are sometimes in greatly challenging areas in terms of geographical topography (mainly in Colombia and Peru), and in some cases in mountain slopes or inside jungles with limited access. Moreover, in some cases the geographic location of some projects may also represent risks in terms of archaeological heritage. These factors also can provoke significant delays and excessive costs.

Also de operation of thermal power plants of Enel América, especially those that use coal for generation, may affect the stakeholders' goodwill, because of the greenhouse gas emissions, which may negatively affect the environment and the community. Also, communities could have their own interests and different perceptions than the company, being influenced by other interested parties or motivations unrelated with the project. Therefore, if the company doesn't commit with its relevant stakeholders, it may face

opposition that finally might negatively affect its reputation, paralyze operations or be sued. The reputation of Enel Américas is the foundation of its relationships with the main stakeholders and other groups of interest. If the company doesn't manage effectively the real or perceived problems, those might cause negative consequences for the firm, and therefore create a negative effect for the business, operational results and financial situation.

Reputational damage can exert significant pressure on regulators, creditors and other interested parties, and ultimately induce to embrace projects and operations that can be withdrawn, which may trigger a drop of stock prices and also hinder our capacity to attract and retain competent collaborators, which could deteriorate our stakeholders' goodwill.

It's possible that the company may not be able to make the appropriate acquisitions or successfully incorporate the businesses acquired.

The company permanently verifies acquisitions prospects for the purpose of increasing market coverage or complement existing businesses, although it cannot ensure that appropriate procurement transactions can be identified and specified in the future. The acquisition and integration of independent companies that are not controlled by Enel Américas is generally a complex, time-consuming and expensive process. If an additional acquisition is made, such as the one carried out in Enel Distribución São Paulo in 2018, there might be important debts and have to assume unknown obligations, the potential loss of key employees, depreciation expenses related to tangible assets and the distraction of management from other business concerns. Additionally, any delay or difficulty related to the acquisition and integration of multiple transactions could have an adverse effect on the business, financial condition or operational results. In the case of the acquisition carried out by Enel Distribución São Paulo, liabilities grew significantly, due to the new debt needed for the acquisition and the consolidation of the own debt of the distribution company.

Moreover, the integration of the acquired businesses may be hard, difficult, and expensive, require plenty of time and could be a burden for the resources and the relationships with collaborators and clients, and lastly either may not be successful or bring the expected benefits.

Additionally, any delay or difficulty related to the acquisition and integration of multiple transactions could have an adverse effect on Enel Américas' business, financial condition or operational results.

The business and profitability of Enel Américas may be adversely affected if water rights are rejected, if water concessions are granted for a limited time or if their cost increases.

The Company owns water rights over river and lakes located in the vicinity of its generation facilities, which were granted by the authorities of the respective countries. In Colombia, the water rights or water concessions are granted for periods of 50 years and are renewable for the same period of time; however, these concessions can be revoked, for example, when there is a progressive decrease or depletion of the waters. In Colombia, the access to water for human consumption is the first priority before any other use. In Peru, water concessions are granted for indefinite periods, and can be revoked due to scarcity or a decline in service quality.

Any limitation to current water rights, the need to obtain additional water rights, or the current unlimited water concessions could have a material adverse effect over the hydroelectric development projects and profitability.

Exchange risks could adversely affect the results and the value in dollars of the dividends paid to the ADS holders.

Even though the functional currency is the US dollar, subsidiaries generate revenues in Argentine Pesos, Nuevos Soles, Brazilian Reais and Colombian Pesos. Also, the company pays dividends in Chilean pesos. In general, Enel Américas has been and continue being highly exposed to the variations of local currencies with respect to the dollar, due to temporary differences and other limitations to adjust tariffs to the dollar. Because of this exposure, cash generated by the subsidiaries, expressed in dollars, may substantially decrease when local currencies are devalued with respect to the dollar. The future volatility of exchange rates in currencies in which the company receives revenues or in which incurs costs, can affect the business, financial condition, and operating results, especially when expressed in US dollars, the currency that affects ADS holders.





Long-term energy sales contracts are subject to fluctuations of market prices of certain commodities, energy and other factors.

Enel Américas is economically exposed to market price fluctuations of certain commodities due to long-term energy contracts. As selling counterparts, subsidiaries have material obligations due to the long-term energy contracts at a fixed payment. The prices of these contracts are indexed at the value of different commodities, exchange rates, inflation, and the market electricity prices. Adverse changes to these rates could reduce the fees that a reasonably applied to the electricity sales contracts in the long term at a fixed price, which could adversely affect the operational results and financial condition. In Argentina, these risks would be greater in the future with the liberalization of the energy market.

In the countries, where clients can freely choose non-regulated tariffs, including Peru, this choice may be harmful for operating revenues that the company would have received in a regulated regime. In some cases, clients may choose an alternative supplier of energy, which would negatively affect the business, operational results and financial situation.

The controlling shareholder could have substantial influence over Enel Américas and may have a different strategic vision than the minority shareholders when it comes to the development of the company.

Enel SpA (Enel) is the controlling shareholder of Enel Américas, with 51.8% of its share capital, therefore it can determine the results of almost every important issue that requires a shareholder vote, as is the appointment of the majority of members in the Board of Directors and, subject to Chilean regulatory framework, legal and contract restrictions, the dividend policy. Enel can also exert influence over the operations and strategy of the business. Its interests may, in some cases, differ from the minority shareholders interest. For example, Enel carries out its commercial operations in a field of renewable energy in South America through the company Enel Green Power S.p.a., in which the company has no capital interest. Certain conflicts of interest that may affect Enel in these matters could be solved against Enel Américas or its minority shareholders' interests.

On October 16, 2018, Enel announced its intention to increase its shareholding in Enel Américas of up to 5% through the acquisition of shares according to the stock swap agreements for 2019. If these transactions were completed, minority shareholdings would decrease, thus reducing their capacity to exert pressure on controlling shareholder in the case of disputes.

The electricity business is exposed to risks arising from natural disasters and extreme weather phenomena in the current climate scenario, catastrophic accidents and acts of terrorism, which could adversely affect the operations, revenues and cash flows.

The Company's main facilities include power plants, transmission and distribution assets. Earthquakes, floods, extreme weather phenomena, fires or other catastrophes, may damage the company's facilities, and other catastrophic disasters caused by nature or by human action, as well as acts of terrorism, vandalism, and riots. A catastrophic event could lead to extended business disruption, resulting in significant reductions in revenues due to lower demand or significant additional costs not covered by insurance clauses for business interruptions. There may be delays between the occurrence of a significant accident or a catastrophic event and the definitive reimbursement of Enel Américas insurance policies, which normally contemplate a deductible and are subject to maximum amounts per claim.

For example, in March 2017, "El Niño Costero" phenomenon in Peru caused unusually heavy rains that caused the temporary stoppage of several hydroelectric power plants due to the overflowing of rivers, such as Callahuanca (81 MW) and Moyopampa (69 MW).

The distribution business is also affected by the severe weather, mainly in Argentina. In extreme temperatures scenarios, demand may significantly boost in a short period of time, which could affect the service and cause shortages, which may also result in fines for the company. Depending on weather conditions, results of the distribution business may fluctuate from one year to the other.

Extreme weather events have become more frequent due to climate change, and are among the emerging risks that have been identified in our planning process.

The company is subject to financing risks, such as those related with the financing of new projects and capital expenditures, and the risks related to the re-financing the maturing debt; it's also subject to the compliance with debt obligations, all of which could adversely affect liquidity.

As of December 31, 2018, the Company's consolidated debt amounted to US\$ 8,916 million (including US\$ 2,652 million of debt contracted to Enel Finance International NV).

Some of the debt contracts are subject to: (1) financial agreements, (2) affirmative and negative covenants, (3) events of default, (4) mandatory prepayment events for breach of contractual conditions, and (5) certain clauses for change of control by significant mergers or divestments, among other provisions. A significant portion of the company's financial debt is subject to cross-default clauses that have varying definitions, criteria, materiality thresholds, and applicability in the subsidiaries in which such cross-breach would arise.

In the event that Enel Américas or its significant subsidiaries breach any of these material contractual provisions, debt holders may demand immediate repayment, and a significant portion the debt may be due and payable. It's possible that the company would not be able to achieve debt refinancing or obtain such refinancing in terms that are acceptable to the company. In the absence of such a refinancing, Enel Américas could be forced to dispose of assets in order to make overdue payments of its indebtedness under circumstances that could be unfavorable to obtain the best price for such assets. Moreover, it's possible that the assets could not be sold fast enough or at high enough amounts to enable such payments to be made.

Another scenario is that company may not have the capacity to obtain the required financing to complete the projects under development or under construction. Existing market conditions when requiring the funds or other unplanned cost over-runs may compromise the ability to finance these projects and investments.

As of the date of this report, the company considers that Brazil is the country with the highest refinancing risk. As of December 31, 2018, third-party debt of the Brazilian subsidiaries of Enel Americas amounted to US\$ 2,837 million.

Not being able to finance new projects, capital expenditures or refinance the company's existing debt, could adversely affect operating results and its financial condition.

Enel Américas depends on the electricity transmission facilities that are neither their property nor in their control, and also depends on gas pipelines infrastructure and fuel supply contracts. If these facilities do not provide a proper transmission service, it can impede the energy delivery sold to final clients.

In order to deliver the electricity sold, the Company depends on the transmission system property of other companies that are not related and are operated independently. This dependency exposes the Company to severe risks. If the transmission is interrupted or the transmission capacity is inadequate, it can prevent the sale and the delivery of electricity. If the energy transmission infrastructure is inadequate in a region, the costs recovery and profits might not be sufficient. If restrictive price regulatory transmission norms are imposed, transmission companies that the entity relies on, may not have sufficient incentives to invest in infrastructure transmission expansions, which could adversely affect operations and financial results. The construction of new transmission lines may take longer time than in the past, mainly due to new social and environmental demands that are creating uncertainty about the possibility of completing the projects. Moreover, in some of the countries where the company operates, the growth of Non-Renewable Conventional Energy (NRCE for the English abbreviation) projects, is congesting the current transmission systems, since these are projects of fast construction, while the new transmission processes can take longer to be constructed. For instance, in Argentina, the lack of investments in transmission lines reduces the incentives to develop NCRE projects.

The company also depends on gas pipelines to obtain natural gas, mainly in Peru, country whose most of the installed capacity is thermal. The Peruvian system faced congestions of gas and energy due to the lack of installed capacity of gas pipelines and transmission lines, respectively, resulting in higher spot prices. Thermoelectric generation facilities in the four countries where the Company operates purchase gas, coal, diesel and other fuels to generate electricity, depending on the technology of the respective power plants. Any contractual breach or supply shortage may prevent the facilities from producing electricity in a timely manner.





Due to the liberalization of the energy market in Argentina, including the fuel market, the company's Argentine generation subsidiaries are exposed to fuel prices volatility, mainly Natural Liquefied Gas (LNG), which may be scarce especially during winter because of the higher seasonal residential demand. In order to face these regulatory changes, these risks have been undertaken by CAMMESA.

The subsidiary Enel Generación Fortaleza owns and operates a gross 327 MW natural gas combined cycle power plant, whose capacity supplies one third of the power demand of 8.8 million people in the State of Ceará in Brazil. In order to generate electricity and fulfill its energy commitments, Fortaleza maintains a contract with Petrobras, the Brazilian company appointed by the federal government to supply natural gas in accordance with the Thermoelectric Priority Program, whose terms establishes that the gas supply to Fortaleza would be guaranteed until 2023 at a price defined contractually.

The main purpose of the contract is to avoid a short-term energy crisis ensuring thermoelectric generation due to the vulnerable situation of hydroelectric facilities exposed to weather conditions, as was the case in 2018. In February 2018, Petrobras suspended the gas supply alleging existing inequality between the contractual price and the current market conditions. Fortaleza stop operating on July 2018, after some legal allegations, and as of the date of this report it is still out of service. Operational costs of Fortaleza sharply increased during 2018, due to higher energy purchases in the spot market as a result of the stoppage of Petrobras, in order to comply with its contractual obligations with Enel Distribución Ceará. This distribution company signed a contract with Fortaleza for the acquisition of 100% of its generation until 2023, year where the concession finishes. This situation might negatively affect not only the Brazilian business, operational results and financial situation, but also may impact the company's consolidated financial situation, due to the risk of default of financial covenants and other contracts of most of the Brazilian subsidiaries.

Any stoppage, failure or lack of transmission infrastructure may disrupt our business or affect market prices, which may adversely affect operating results and our financial condition.

The business can experience adverse consequences if it does not have the ability to reach satisfactory agreements in the collective negotiation contracts with the unionized workers and retain key employees.

A large percentage of the employees are members of a union that has collective negotiation contracts that need to be regularly renewed. The business, financial condition, and operational results of Enel Américas could be adversely affected in the case that an agreement cannot be found with any of the unions that the employees represent, or by an agreement with the trade union that contains conditions that Enel Américas finds unfavorable. The laws in the various countries where the company operates establish legal mechanisms for the judicial authorities to impose work contracts if the parts are not capable of reaching an agreement, which can increase costs.

Additionally, some employees have highly specialized abilities and certain actions such as strikes, walk-outs or work stoppages by those employees could adversely impact the business performance, operational result, and financial, as well as the company's reputation.

The relative lack of liquidity and volatility in the Chilean securities market and its dependence on the economical conditions in Latin America and other parts of the world, could negatively affect stock prices and the company's ADS.

Even though the Company does not own assets in Chile, its stocks are listed in the Chilean Stock Market, for which Enel Américas is regulated under the laws of the Republic of Chile, as well as being placed in Chile. The Chilean stock markets are substantially smaller and less liquid than the main stock markets in the United States or other developed countries. The low of liquidity in the Chilean market can damage the ADS holders to sell ordinary stocks in the Chilean market of the ADS program, in quantity, price, and moment in which they would like to. At the same time, liquidity and the stock market or ADSs can be affected by a series of factors that include variations in exchange and interest rates, and deterioration and volatility of the markets and any liquidity change, financial condition, results, and the company's profitability.

Lawsuits filed against Enel Américas in the other countries of South America or the claims against the Company that are based on foreign legal concepts may not be successful.

All of the company's assets are located outside of the United States. All the directors and all senior executives are domiciled outside the United States and most of their assets are also located outside the United States. If any investor were to file a lawsuit in the United States against the company directors, senior executives or experts, it may be difficult for them to pursue a legal process within the United States against such persons and may be difficult for them to enforce, in the courts of the United States or Chile, a judgment rendered in the United States based on the civil liability provisions of the United States federal securities laws. In addition, there are doubts as to whether a successful action could be waived in Chile with regard to the liability based solely under the guidance of the United States federal securities laws.

Interruption or failure of the information technology systems and communications systems or external attacks or breaches of these systems could have an adverse effect on operations and results.

Enel América operates in an industry that requires the continued operation of sophisticated information, control and communications technology systems ("IT" systems) and network infrastructure. Also, the firm uses its IT systems and infrastructure to create, collect, use, disclose, storage, delete and process confidential information, including the company's and clients' data, and personal information of clients, employees and their dependents, contractors and shareholders, among others. In the generation business, IT systems can monitor the operations of power plants, maintain power generation and network performance, adequately generate customer invoices, achieve operational efficiency, and meet service goals and standards. Distribution subsidiaries could also be adversely affected as they rely heavily on IT systems to monitor smart grids, billing processes for millions of customers, and customer service platforms. The operation of generation, transmission and distribution systems, not only depends on the physical interconnection of the facilities with the electricity grid infrastructure, but also communications between the different components of the grid are extremely important. Reliance

on IT systems to manage information and communication between these parties has greatly increased since the deployment of smart meters and smart grids, such as in Brazil and Colombia, where the company has installed a significant amount of smart meters.

Generation, transmission and distribution facilities, IT systems and other infrastructure, as well as the information processed in the IT systems of the company (such as clients' information, employees, operations, infrastructure and assets) might be affected by cyber attacks, including those caused by human errors. The industry and the company have started to see an increase on the amount and sophistication of cyber attacks from international activist organizations, nations and individuals, and are among the emerging risks identified by the company in its planning process.

Cyber security incidents may damage Enel Américas' subsidiaries limiting their generation, transmission and distribution capacity, delay the development and construction of new facilities or projects for capital improvement of existing facilities, interrupt their clients' operations or be exposed to liabilities. Generation, transmission and distribution systems are part of an interconnected system. Therefore, a disruption caused by a cyber security incident in the electricity transmission grid, the network infrastructure, fuel sources or the operations of third party suppliers, may also negatively affect the company's business.

Moreover, the business requires the collection and storage of personal identification information from customers, employees and shareholders, who expects to be properly protected. Cyber security breaches may expose the company to a risk or loss or misuse of confidential information. An important theft, the loss or fraudulent use of information regarding personal identification may lead to high costs to inform and protect the affected people and/or may result on lawsuits, costs, responsibilities, fines or important penalties for Enel Américas, which may have a material and adverse impact in the results and operations of the company, and also in the reputation of the group with clients, shareholders and regulators, among others. Also, it is possible that the company may be required to incur in significant costs related to governmental actions, as a response to those intrusions or to strengthen the information and the electronic control systems.

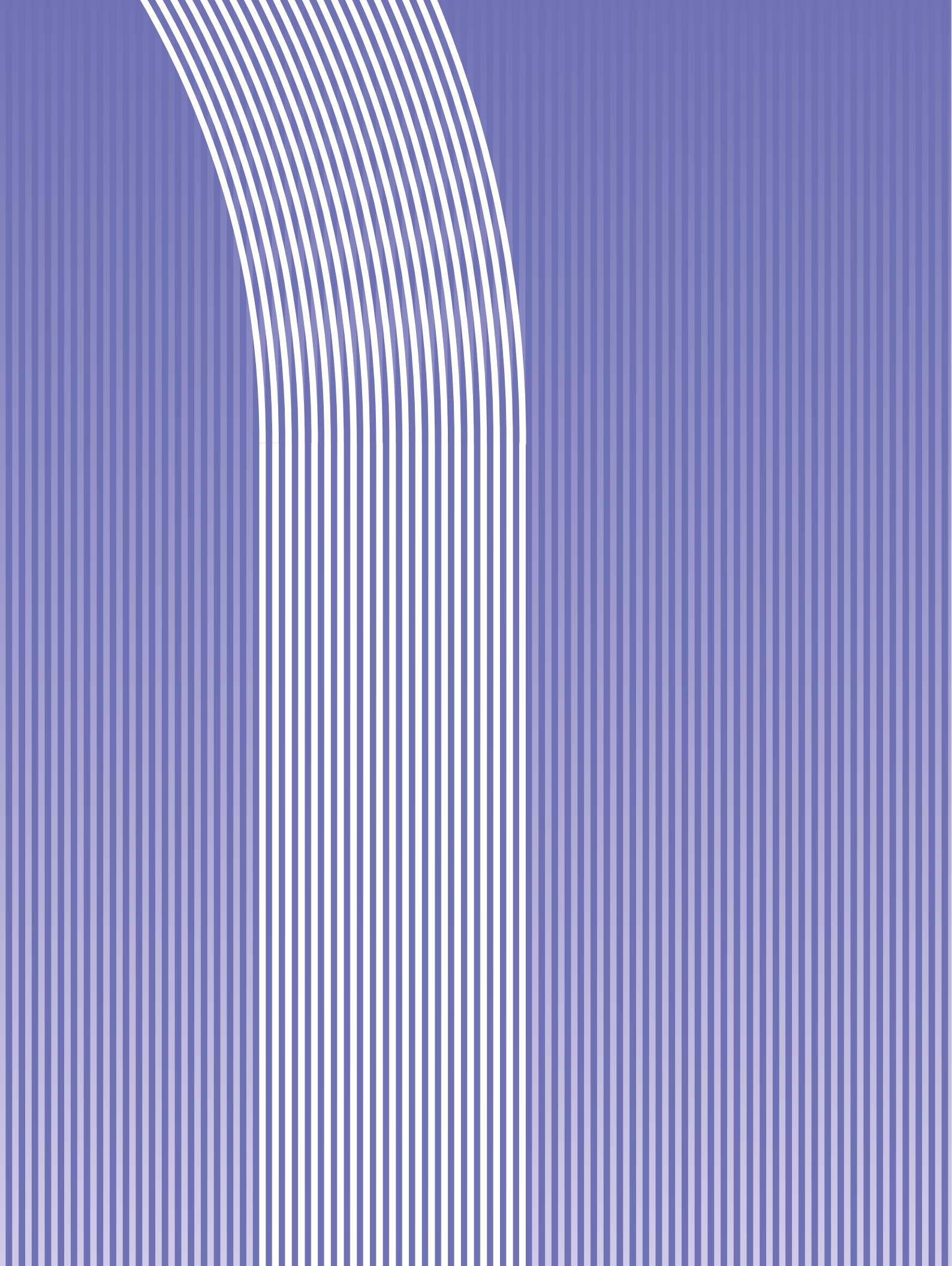


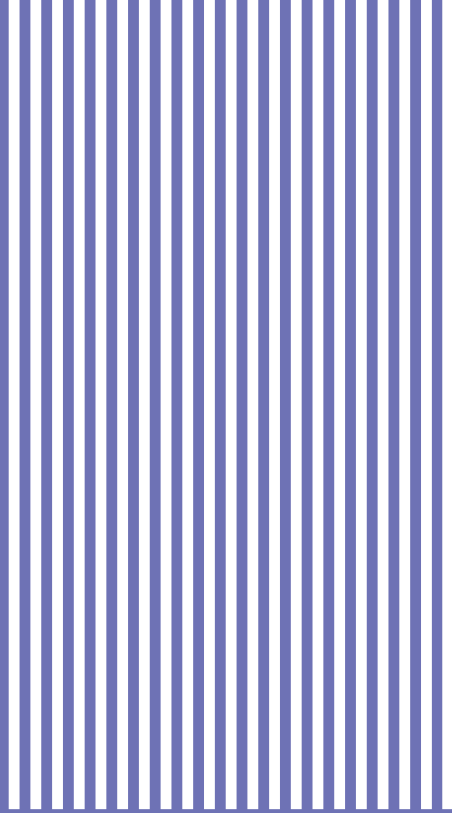


Most of the internal processes depend on IT systems. If the company's IT systems or the ones of its suppliers or external services, were interrupted, failed or breached, it's possible that critical functions of the business may not be completed, including the effective maintenance of certain internal controls related to financial reports and other compliance functions. In this case, compliance policies and procedures of the company may not be sufficient to prevent or detect every inappropriate practice, frauds or breach of law from affiliates, collaborators, directors, employees, partners, agents and service suppliers of the company. Any breach of law of anticorruption sanctions, bribery, money laundering and antitrust may have an important adverse effect in the business, reputation, operational results and financial condition of the company.

Enel Américas has designed security measures to protect its IT systems, network infrastructure and other assets. Nevertheless, these assets and the information they process may be vulnerable to cyber security incidents, such as the assets failure or the non-authorized access to assets or information. There is a large exposure to cyber attacks whose objective is to damage assets through computer networks, cyber espionage in the pursuit of strategic information that may be beneficial to third parties, and cyber theft of private and confidential information, including information of the company's customers. There has been great exposure to cyber attacks in the past, including attacks of service rejection that might affect the access to the service from users and attacks that could affect the domain name systems, restraining the use of certain web pages and useful applications.







15

Regulatory
framework of
the electricity
industry



Description of the industry sector

Enel Américas and its subsidiaries and jointly controlled companies participate in the generation, transportation, distribution and sale of electricity in four countries. Each of them has a regulatory framework, energy matrixes, participating companies, and different growth and consumption patterns. The following is a brief summary of the main legal bodies that regulate the activity, the market structure and the most relevant aspects regarding the agents of each of the countries where the company operates.

Argentina

The Argentine electricity sector is governed by, among other regulations, by Law N°15,336 of 1960 and Law N°24,065 of 1992. The Wholesale Electricity Market (MEM) there are four local agent categories (generators, transmission companies, distributors and large clients) and foreign agents (generation trading companies and demand trading companies), companies that are authorized to buy and sell electricity and its related products.

Originally the generation sector was organized on a competitive base (marginalism), with independent generators that sold their energy in the MEM spot market or through private contracts, to clients in the MEM contracts market, or to the "Administrative Companies in the Wholesale Electricity Market S.A." (CAMMESA) through special transactions such as contracts under the Resolution S.E. N°220/2007 and Resolution S.E. N°724/2008. Nevertheless, this regimen changed substantially in March 2013, when the Energy Secretary approved Resolution S.E N° 95/2013, which established a remuneration system for the generation based on average costs, forcing the delivery all the energy generated to CAMMESA. This new compensation scheme became valid in February of 2013 and was updated through the Resolution SE N° 529, N° 482, N° 22 in 2014, 2015, and 2016 respectively. On February 2, 2017 the Energy Secretary published the Resolution SEE

N°19/2017 replacing Resolution SEE N° 22/2016 and establishes new guidelines for the remuneration of existing generation power plants, focusing on the power availability of the units.

The transmission industry operates in conditions of monopoly, and is composed by several companies to which the Federal Government grants concessions.

The distribution sector operates under monopoly conditions and is served by companies that have also been granted concessions. Distribution companies have the exclusive responsibility that electricity has to be available for final clients within a specific concession area, and does not consider if the client has a contract neither with the distributor nor with a generator.

Due to the economic slow down that affected the country in 2002, Law N°25,561 was enacted with emergency. The Law disrupted the American dollar parity and pushed the conversion from Argentine pesos from obligations and rights assumed by the American currency. This forced nominal conversion from dollars to pesos and had a strong impact in the whole Argentinian electricity industry. Additionally, the Government approved several regulatory measures that slowly intervened in the development of the industry. The Emergency Law has been subject to successive extensions and with regards to the last one, approved through Law N°26,896, will be valid until December 31, 2015. The pesification and devaluation of the economy forced the renegotiation of all of the concession contracts. In particular, the distribution sector and the company participated in the "Energy Distributing Companies from the South, S.A." (Edesur), and in 2006 with the Government when an Act Agreement of Contractual Renegotiation was signed, that subsequently was ratified through Decree PEN N° 1959/2006, which gradually has allowed the adaptation of tariff revenues as a way to guarantee the business sustainability. The implementation of this agreement was paralyzed since 2008 and until this exercise, as explained below.

No generator, distributor, large user, nor any other company controlled by any of the latter or under its own control, can be the owner or controlling shareholder of a transportation company or its controlling companies. At the same time, transmission companies are forbidden to enter into generation activities, distributing, buying, and/or selling

electricity. The distribution companies are not allowed to own generation units.

Regulated clients are supplied by distribution companies with regards to regulated fees, unless they have a minimum demand capacity of 30kW. In this case, they are considered as "large clients" and can freely negotiate their prices with generation companies.

On December 16, 2015, through Decree 134/2015 a national energy emergency was declared until December 31, 2017, where the Ministry of Energy was instructed to elaborate and apply actions to the Generation, Distribution and Transmission industries with the objective of adapting the service quality and supply security; and teaching the National Public Administration how to carry out consumer rationalization programs in the respective public bodies.

Regulation of generation companies

The regulation of generation companies has suffered important variations since the enactment of Law N°24,065 until Resolution S.E.E N° 22/2017. In accordance with the aforementioned Law, every generation agents from MEM must be connected with SIN (National Interconnected System) and are obligated to comply with the dispatch order to generate and deliver electricity, in order to sell in the spot market and in the forward market (MAT). The distribution companies, trading companies and large clients subscribed the private supply contracts with generating companies, paying the contractual price directly to the generator, and in addition paying a fee to the transmission and distribution company for the use of their systems.

With the objective of stabilizing generation prices facing tariffs for clients, the market defined a seasonal price being the price of the energy that distributors pay for their energy purchases traded in the spot market. This price is determined every six months by the Energy Secretary, after CAMMESA had carried out their spot price projections in a determined period. In order to adjust to the differences between this price and the real cost of the original generating, the establishing fund was created. If the seasonal price is lower than the cost of generating it, it has to be removed from the fund to compensate the generation; otherwise it





contributes to the fund. Since 2002, the Energy Secretary in practice has maintained the average stationary price, without important variations. This has created an important deficit in the stabilization fund, which has been covered by the Argentine state through subsidies increasingly larger.

The resolutions approved and created from the emergency Law had a significant impact in energy prices. Between the measures carried out it mainly highlights the Resolution SE 240/2003, which modified the way to fix spot prices when separating the calculation of marginal operating costs. The main objective of Resolution SE N° 240/2003 is to avoid the price indexation linked to the dollar, and despite that the generation study is still based on the real fuels used, the spot price calculation is based on absolute gas availability to satisfy demand, even in circumstances in which many generators generate with alternative fuels, such as diesel, due to the difficulty of supplying natural gas. The value of water is not considered if its opportunity cost is higher than the generation cost using natural gas. The Resolution also establishes the spot price limit is Ar\$120/MWh, which is still valid. The real variable costs of thermal units that burn liquid fuels are paid by CAMMESA through the mechanism denominated Transitory Dispatch Cost Over-run (TDO).

Also, based on the dispositions included in the Emergency Law, the payment for capacities is reduced from US\$10 to AR\$10/ MW-hrp (hrp: remunerated capacity hours). Subsequently, the capacity warranty is slightly raised to AR\$ 12, approximately of the value paid before the 2002 crisis.

In December 2004, the Energy Secretary approved the Adherence Act through the Resolution 1427/2004, for the Rehabilitation of Wholesale Electricity Market. The majority of the generators signed the Act, including the generation companies owned by Enel Américas (former Enersis). With regards to this Resolution, the Secretary created a fiduciary fund, named FONINVEMEM, where private generators provided part of the energy sold during 2004 to 2007 for the construction of two new combined cycles. Also in this new capacity, in 2010 the generation companies owned by Enel Américas (former Enersis), along with other companies, participated in the creation of another trust for the construction of another combined cycle, expecting the closing of a combined cycle for October 2016. There was part of the energy credits for to the energy sold in the period 2008 to 2011 allocated to this new project.

In 2012, the framework of the agreement achieved with the Government to enable the development of our subsidiaries in Argentina, on October 12, Costanera subscribed an agreement for the implementation of an investment plan for the generation units in Costanera power plant, whose purpose was to optimize reliability and availability of the equipment, for a total amount of US\$304 million, in a 7-year term. The agreement also contemplates the payment of contract maintenance obligations (Long Term Service Agreement -LTSA-) of the combined cycle power plants.

Subsequently, Resolution S.E. N° 95/2013 abandoned the marginalizing pricing system, thus entering into a recognition mechanism of average costs. The Resolution recognizes fixed costs remuneration, variable costs and additional remuneration. Fixed costs are remunerated (in AR\$/MW-hrp) in function to technology, scale, and available power. It's also subject to the achievement of goals related to the availability established. In terms of variable costs, the operational costs are remunerated and maintenance in function to the energy generated (in AR\$/MWh), according to the fuel utilized, and its technology (generators do not have fuel costs since this is provided by CAMMESA). Lastly, the additional remunerations are calculated in function of the total energy generated (in AR\$/MWh), considering the technology and generator scale. Part of these remunerations is accumulated in the fund that will be used to finance the new investments in infrastructure in the electricity sector.

The Resolution rules generators, cogenerators and auto generators, except the power plants that started operations as of 2005, the nuclear power plants, and the generation of hydroelectric national power plants; reserves and centralizes in CAMMESA the commercial management and the dispatch of fuel and suspends the celebration of bilateral energy contracts between generators and MEM agents, and the latter should acquire electricity energy demand with CAMMESA. Resolution SE N° 529/2014 mainly performs the value actualization for Resolution SE N°95 and incorporates the non-recurring maintenance remunerations for thermal power plants.

Resolution SE N°482 of 2015 updated the remunerations of generation companies in force since February 2014. Pursuant to Resolution 529/2014, thus creating a new position, with the objective of financing investments that have not been used and excludes hydroelectric power plant from the

variable payments for energy transport and determined the remunerations for wind energy power plants, photovoltaic solar energy, biomass/ biogas and internal engine combustion. On March 30, 2016, the Secretary of Electric Energy, depending on the Ministry of Energy and Mining, through the Resolution N°22/2016, updated all of the remuneration values of Resolution SE N°482/2015, replaced Annexes I, II, III, IV, V, VI, and VII of the aforementioned Resolution.

Resolution SEE N°19/2017, was enacted on February 1, 2017, defines a minimum remuneration for capacity and scale, additionally for the thermal units establishes the possibility of offering the availability of with a same differential remuneration for every thermal technologies. The thermal generator may declare every summer the value of the firm capacity to commit for each unit during a 3-year period, being able to discriminate between summer and winter periods (adjusts can be made in the same period). As the exception and for the year 2017, the declaration of Commitment of Guaranteed Availability is habilitated, along with the information required by the Seasonal Winter Program, in force from May 1 to October 31, 2017.

The thermal generator will sign a Commitment of Guaranteed Availability contract with CAMMESA, but will give to the corresponding demand as determined by Secretary of Electric Energy. The remunerations that the unit will receive with the capacity commitment will be proportional to its performance, and the minimum value will be calculated in relation to the minimum price.

With respect to the hydroelectric power plants, a new scheme to evaluate capacity was defined, based on the real capacity available (implying a greater value of capacity with respect to the previous regulation). Likewise, they introduce a base capacity value, and another additional discriminated from May to October 2017, and starting in November 2017.

The Resolution establishes the following remuneration values, which are defined in dollars (conversion considers the exchange rate published by the Central Bank of the Republic of Argentina of the last business day) and the maturity dates are established by CAMMESA's Procedures:

CAPACITY REMUNERATION FOR THERMAL POWER PLANTS

Minimum Price (since February 2017)	
Large Cycles	3,050 US\$/MW-month
Large TV	4,350 US\$/MW- month
Large TG	3,550 US\$/MW- month
Engines:	5,700 US\$/MW- month

Base Price for Committed Remunerations	
May 17-Oct 17	6,000 US\$/MW-month
Nov 17 onwards	7,000 US\$/MW-month

Additional Price for Committed Remuneration (Maximum)	
May 17-Oct 17	1,000 US\$/MW-month
Nov 17 onwards	2,000 US\$/MW- month

The maximum price given the offers that should be awarded by CAMMESA, with regards to the needs defined for the system to face critical situations.

CAPACITY REMUNERATIONS FOR HYDROELECTRIC POWER PLANTS

Minimum Price (since February 2017)	
Chocón	2,000 US\$/MW-month
Arroyito	3,000 US\$/MW-month

Additional Price	
May 17-Oct 17	500 US\$/MW- month
Nov 17 onwards	1,000 US\$/MW- month

Since November 2017, 50% of the additional remuneration will be subject to the disposal of large events insurance (turbines, etc.) and the progressive modernization of control systems.

REMUNERATION BY ENERGY

Energy Generated	
Cycles and TV	
Gas	5 US\$/MWh
Liquid	8 US\$/MWh

Engines	
Gas	7 US\$/MWh
Liquid	10 US\$/MWh
Hydroelectric	3.5 US\$/MWh

Energy Operated (associated to Rotant Capacity)	
Thermal	2 US\$/MWh
Hydroelectric	1.4 US\$/MWh





Energy values are defined at the Node.

For the cases in which generators have requested a loan for maintenance, US\$1/MWh will be discounted for energy generated by the power plant until paying the balance for financing. Later the SEE established that the conversion to pesos would be carried out the day previous to the maturity date since November 2017.

The Resolution SEE N° 1085/17 modifies as of December 1, 2017, the agents' payment method for the transportation system (the remuneration for the transport agent doesn't change because it was determined in its respective RTI). It established the following:

- Costs associated to transportation remuneration will be distributed proportionately in relation to demand.
- Generation Agents will pay direct connection costs only.
- Mandates CAMMESA to propose the modifications required for the proceedings within 90 days (regulation of the MEM).

Resolution N° 97/18 of the Energy Sub Secretary, article 5, determined the Maximum Spot Price at 480 \$/MWh for the penalty imposed to market prices of the Wholesale Energy Market.

On Wednesday August 1, 2018, Resolution ME N° 46 was published, which informed of the decision to reduce from 5.20 to 4.20 dollars per MMBTU (in average) the price of gas for electricity generation. Likewise, the SSEE is mandated to enforce a competitive mechanism, for the provision of gas for generation at a maximum defined price. The SSEE instructed CAMMESA to perform the acquisitions of natural gas under firm and interruptible conditions through the Electronic Gas Market (MEGSA for the Spanish abbreviation) for thermal generation supply.

Finally, the tender offer determined interruptible contracts mode for the period September-December this year. Average price of the offers was US\$ 3.69 per MMBTU, 13% lower than the price established in Resolution ME N° 46.

Later CAMMESA performed a second call for the acquisition of natural gas interruptible for generators supply for 2019 through MEGSA. Maximum prices were determined for summer and winter periods. The result was prices 15% lower than the maximum prices.

After the enactment of Resolution SGE N° 70 of November 2018, commercial management of fuels was no longer an issue determined by the Office Responsible for Dispatch. This resolution also enables Generation, Cogeneration and Self generation agents of the MEM, to purchase fuel supply for electricity generation.

Initially, the norm will operate for the purchase of natural gas and allows generators to obtain additional margin when purchasing fuel, only if the purchase price of gas is lower than the price recognized by CAMMESA.

With this resolution, generators charge Production Variable Cost (CVP by its Spanish acronym) in relation to the price recognized, and CAMMESA is responsible for the supply of fuel of those generators that decide not to purchase fuel on their own account. Out of a total of 60 companies authorized to declare, 22 of them registered a declaration, 6 of which correspond with Generation under 100% of Resolution 19.

Regulation of distribution companies

Companies that obtain concessions carry out the distribution activity. Distribution companies must supply all of the electricity demands in their concession areas exclusive to prices (tariffs) and conditions established in the regulation. The concession agreements include penalties for the failure to provide electricity service. The concessions were given for distribution sales and retail sales. The concession periods are divided in "management periods" that allow concessions abandon the concession every certain amount of time.



Since 2011, there are two electricity distribution areas subject to federal concessions. These concessionaires are Edesur and Edenor, both located in the city of Buenos Aires and Gran Buenos Aires. Until 2011 Edelap was also under federal jurisdiction.

Most of the distribution companies renegotiated their contracts during 2005 and 2006, although fees were partially and temporarily increased, the Integral Tariff Review (RTI) were distribution companies pending under national jurisdiction. This tariff revision process wasn't accomplished, and the term for contracts renegotiation was postponed several times through laws enacted by Congress, thus postponing the duration of the Economic Emergency.

The new National Administration made a change of paradigm on December 16, 2015, when the National Executive Power issued the Decree N° 134/2015 declaring the emergency for the National Electricity Sector until December 31, 2017. Also mandated the recently created Ministry of Energy and Mining to develop, release and implement the national program of activities needed for the energy generation, transport and distribution sectors. The purpose of these measures was to adjust the quality and safety of electricity supply and ensure the energy utilities services in suitable technical and economic conditions.

On January 28, 2016, after the seasonal price changes, the Emergency Resolution No. 7/2016 was issued by the Ministry of Energy and Mining. The resolution introduced by the ENRE to adjust Edenor and Edesur fees through a transitory tariff until the RTI is applied, expected for December 31, 2016. Also, Resolution No. 7/2016 suspended the PUREE and required the application of a subsidy rate for the more vulnerable clients.

On January 29, 2016, the ENRE issued Resolution No. 1/2016 with a new transitory tariff valid from February 1, 2016. Its application is included in Resolution MEM No. 7/2016, which changed the supply procedures and defined a monthly billing.

Also, ENRE issued Resolution No 2/2016, which ended the FOCEDA and established a new procedure for funds from Resolution ENRE 347/12, in substitution for Edesur and Edenor confidence for a commercial account.

On April 5, 2016, the National Electricity Regulating Entity enacted Resolutions N° 54 and 55. The first resolution approves the Bases and Conditions for Private Companies, for the hiring of a Consultant for the RTI of EDESUR and EDENOR, and the second resolution approves the timetable and issues guidelines for the same, indicating that ENRE defines the Parameters of Quality and Rate.





Continuing with the tariff renegotiation process, on August 8 ENRE issued Resolution 463/16, which provide details of the parameters of the technical service and quality, and the cost and values of unsupplied energy required for the modification of the RTI. Similarly, on August 29 through Resolution ENRE 492/16, the Quality of Commercial Service and Technical Product Parameters were defined. This resolution contains economic signals towards the fulfillment of deadlines and times of supply replenishment reductions.

On the other hand, on August 30, the regulation entity proceeded to inform the value of the Rate of Profitability. This was established on Resolution ENRE 494/16 at 12.46% before taxes and 8.1% after taxes.

On September 1, Edesur proceeded to the final presentation of the investment plan requested by Resolution ENRE 55/16 and then receiving from the Secretary of Electric Energy the note NO-2016-01193698-APN-EDESUR RTI which established that credit and debit from the disregard of the Agreement Act would be treated separately from the income required from the RTI and proceeded to complete on September 6, the related reports with Fundamentals and the criteria of the proposal: exploitation costs, revenues requires and calculation of fees, tariff structure and wholesale transfer costs, and the updating mechanisms of the Company's distribution costs, results and economic financial model. This method concluded with the delivery of formal final reports required for the aforementioned resolution.

On September 28, through Resolution ENRE 0522/2016, the regulating organism decided to call for a Public Hearing with the objective of acknowledging and listening to opinions with regards to Tariff Proposals presented by the distributing companies for the next five-year period; this is part of the Integral Tariff Revision Process (RTI) and with previous character to define the tariffs to apply by the referred Subsidiaries in said five year period. On Wednesday February 1, 2017, the ENRE published Resolution N° 0064 which closed the RTI process and as a result, establishes the annual remuneration recognized by Edesur S.A. amounting to ARS\$14,539,836,941.

Regarding the application of new structures and tariff charges, the Ministry of Energy and Mining considered as timely and convenient to instruct ENRE to limit the VAD increases that emerged as an RTI process results to be applied starting February 1, 2017, to a maximum of 42% with respect to the valid VAD at that date, having to complete the resulting value application of the new VAD, in two stages: the first in November 2017, and the second in February 2018.

Also, it mandates that ENRE must recognize Edenor S.A. and Edesur S.A. the VAD difference that is produced by the application of gradual fee increases recognized by RTI, in 48 (forty-eight) installments starting from February 1°, 2018, which added to the VAD value as of that date.

The regulation also sets revenues updates mechanism for the distribution companies as a result of price variations in the economy and all of the other issued related with the quality of the service delivered and supply regulation.

Once this regulatory framework is established with regards to the distribution tariffs regime including the instructions enacted by Ministry of Energy and Mining, and the resolutions contained in Resolution SEE N° 20/2017 on seasonal prices valid from the corresponding invoice of February 1, 2017, it was declared that the transition tariff phase of Edesur was met, and the Agreement Act that the company adheres as established in its concession contract.

In accordance with the request made by Article N° 29 of Resolution ENRE N° 64/17 (Physical monitoring of the works plan) on March 20 Edesur sent a note ratifying the Investments Plan duly informed for the RTI (in physical terms).

In accordance with Law of Administrative Procedures, on March 20, 2017 Edesur S.A. formally filed an appeal to the ENRE questioning resolution ENRE N° 64/17 which basically focuses on the treatment of easements, some optimization criteria in the definition of the capital base, the treatment for the recognition of certain taxes and objections to the quality regime. We highlight the fact that the observations and the explanatory orders presented, either accepted or rejected by the regulator, will not significantly affect the result of the RTI.

On July 26, 2017 ENRE issued Resolution N° 329/2017, defining the procedure for the billing of deferred revenue established by Resolution ENRE N° 64/2017 (Article 4°) states that "...receivables corresponding to each tariff category, will be the sum of the monthly accrued revenues, recognized by tariff category ..."; establishing the certainty of payment by recalculating each year the revenues not recovered deducting the payments from initial credits, and recalculating the remaining installments to cover the balance; and the mechanism to update the latter "...These charges will be adjusted, being components of the CPD, according to the "trigger clause" and in the "Adjustment Mechanism" ...".

On May 17, 2017 Law 27,351 of Electro dependents was enacted, establishing the gratuity and continuity of electricity supply, together with the priority of service to those clients that for health reasons require constant electricity supply and with adequate tension levels in order to feed the equipment prescribed by a licensed physician and needed to avoid health or life risks. In this context, on July 26, 2017 through Resolution ENRE 292, this entity established the gratuity of service and the connection cost for this users category of the companies Edenor y Edesur. In this line, On September 25, the Ministry of Health through Resolution 1538-E created the "Registry of Electro dependents due to Health Reasons". To this date, are still pending the rules for operational issues to ensure the continuity of supply, for the compensation of distribution companies (Law 27,351 Article 11). The Executive Authority will appoint the authority to enact this law and will assign the budget allocations needed to fulfill their objectives) and the limits of responsibility of each of the parties involved.

On November 1, 2017, ENRE enacted Resolution 525 partially establishing the Reconsideration Resource interposed by EDESUR against Resolution ENRE 64/2017, accepting its measures regarding easements treatments and requesting the company that within 60 days should submit an annual plan for the regularization of easements to be developed in the period 2017/2021. Also requested the recognition of expenses of CAMMESA, rates and others that should be available in future adjustments and minor modifications to the quality regime and other recognitions.

In an unprecedented fact performed on October 27, 2017, the ENRE, complying with resolution N° 403 of October 26, 2017, the Ministry of Energy and Mining, through resolutions 526 and 527 convened a Public Hearing for November 17, 2017 in the Palace of Waters. The topics to be discussed are in the first place the new reference prices for capacity and energy, and the reference prices for capacity and stabilized for energy reference for distribution companies at node, equivalent to each of them and for the seasonal period of summer 2017-2018; the energy savings stimulus plan; social tariff and the distribution methodology between the demand of MEM and the cost of remuneration of energy transport in extra high tension and between the demand of a region and the corresponding demand for transport for mainline distribution. And in the second place, informs the impact that would have the measures to be carried out by the Ministry of Energy and Mining in the bills of users of distribution companies, as a result of the Public Hearing that this Ministry has convened for Resolution MEyM 403/2017. This is in relation to the Wholesale Electricity Market, the withdrawal of subsidies for energy transport and the criteria of distribution among users of transport of the transporters remuneration that this entity solved with the Integral Tariff Review of Transport of Electrical Energy.

As a result of this, on December 1 through Resolution 602, ENRE approved the new values of Distribution Own Cost of Edesur, through the application of the mechanisms considered in the RTI. Concurrently, issued the tariff scheme that reflects seasonal prices (generation and transport) included in the resolution of the Secretary of Electric Energy 1091 of 2017. It also approved the new schemes for subsidy for Social Tariff and the bonus system for consumption savings for residential users.

Finally, the return to normal conditions in relation to economic emergency situations and energy emergency, was materialized through the decision of the Argentine National Government of not to extend the effect of the Electric Emergency Law (in effect until December 31, 2017) and the Economic Emergency Law (in effect until January 6, 2018).





As a result of the above, on December 1, through Resolution 602 the ENRE approved the new values for the Own Distribution Cost of Edesur, considering the application of the mechanisms included in RTI. Jointly, new Tariff Schemes were issued, which capture the new Seasonal Prices for generation and transport, and were included in the Resolution 1091, 2017 of the Secretary of Electric Energy. As such, new subsidy schemes for Social Tariffs and allowances for consumption savings for residential customers are also considered.

At the same time, on January 31 2018, ENRE approved the new values effective from February 1, 2018. These charts include a new reduction of subsidies of wholesale prices, down to 90% of the seasonal price operated in 2017. Moreover, subsidies of social tariffs remained unchanged and an allowance of the stimulus plans for electricity consumption reduction.

Regarding the Distribution Added Value, it was also incorporated in this tariff chart, the third installment of the Own Distribution Cost corresponding to the RTI, the proportional share of deferred revenue generated by the tranches, the Cost Monitoring Mechanism of the period and the application of the Efficiency Factor. The latter shows the fulfillment from Edesur of the Investment Plan committed in the RTI, while reaching the scheduled value.

In this way, the tariff of Edesur reaches 2.2828 \$/kWh without taxes as of February 1, 2018.

On May 31, 2018, the supervisory agency issued Resolution ENRE 0170, approving the sanctioning regime for the separation of the Investment Plan presented by distribution companies in the RTI.

On July 19, 2018 the supervisory agency issued Resolution ENRE 0199, increasing the quality control of the current Commune/Party to the MT Feeder. Also penalizes deviations of 2, 3 or more times above the theoretical indicators that every feeder should have to comply with the target quality level of the RTI. This applies when affects more than 100 clients, and values are 300 kWh and 600 kWh per user, and become effective from semester 45 (September

2018-February 2019). Both resolutions meant an increase of quality requirements, and taken into account in the Integral Tariff Review.

On July 30, 2018, in the context of the intention of the Ministry of Energy to provide greater gradualness to tariff increases, an agreement was signed between MINE and Edesur through which Edesur will receive 50% of the increase of the adjustment mechanism of the tariff from August 1, and will receive the remaining 50% in 6 installments from February 1, 2018 while maintaining the Investment Plan agreed in the RTI. Edenor signed the same commitment simultaneously.

As agreed, on August 1, 2018 the 50% growth (7.925%) of the corresponding increase to the enforcement of MMC of August 2018 the Value Added in Distribution. Together with this increase, the subsidies to wholesale energy prices removal were restarted. This was postponed due to the devaluation of the Argentine peso, of nearly 50%.

In turn, MINE also have the chance to modify the CAPS of the Social Tariffs (maximum % of billing in relation to a regular residential client), therefore decreasing the subsidies to this tariff and the distortions caused by this item to those distribution companies that are still pending a solution and analysis from ENRE. Apart from that, the resolution was enacted on August 13.

On November 1, the National Executive Power enacted the Decree 986/2018, aiming to build capacity for a total of 1,000 MW within a 12-year period. In order to obtain the authorization for the connection, the user must comply with sever requirements established by the Authority of Application, which also will determine the standards for the technical and safety assessment for the distribution company.

On December 10, ENRE enacted Resolution 318/2018 approving the methodology and updated the remuneration values for the sub-transmission service (PAFTT by its Spanish acronym) between the distribution companies Edesur, Edenor and Edelap, effective on March 6, 2017. The latter has been left pending in the Integral Tariff Re-

view. This mechanism enables the remuneration of operational and maintenance costs, as well as the recognition of losses due to the transfer of the tariff, from the costs accrued by Edesur for this issue.

On December 4, 2018, Budget Law 27,467 for 2019 was approved. In the article N° 124, as part of the negotiations for its approval, included the administrative transfer of the control and regulations regarding subsidies of Social Tariff from the National State to the City of Buenos Aires, effective on January 1, 2019. This transfer is part of the commitment taken by the Argentine Republic to reach a balanced budget before debt interests in 2019.

To that effect, several meetings took place during December to transfer the jurisdiction, and all the interested parties participated: Secretary of Energy, Edenor, Edesur, CABA and the Province of Buenos Aires. Likewise, the company received from the authorities a first draft for the transfer. The final document needs to have the approval of all the parties, being a condition for making the transfer effective.

In this sense, from January 1, 2019, the authorities of the Province of Buenos Aires and of Ciudad Autónoma de Buenos Aires, accepted to maintain the current conditions for the allowances related with the Social Tariff.

The Resolution of the Secretary of Energy N° 366, enacted on December 27, 2018, informed a new supply cost. The future Seasonal Prices will be transferred to tariffs of final users, which is part of the changes promoted by the authorities to be carried out to reduce subsidies, decreasing from 30% of subsidy in February to 15% in August 2019. Nevertheless, these prices when converted to local currency mean an initial increase of 26% in February and 6% growths in May and August 2019.

As of the date of the current financial statements, and as a consequence of the changes contained in Law 27,467 (administrative transfer of jurisdiction) and the Energy Secretary of the Government, the resolution of Regulatory Assets and Liabilities and the definition of the new regulator are still pending.

Regulation of Transmission

Transmission was designed on the basis of general conception and the principles established by Law 24,065, adapting the activities to the general criteria contained in the concession given by Transener S.A., in Decree 2,473/92. For technological reasons the transmission business is related to economies of scale that do not allow competition, therefore it is a monopoly and is subject to considerable regulation.

Similarly as the distribution industry, during 2016 ENRE carried out Integral Tariff Review for national transport companies (Transener S.A., Distrocuyo S.A., Transco S.A., el Ente Provincial de Energía de Neuquén, Transba S.A., Transnea S.A., Transnoa S.A., Transpa S.A.) for the period between 2017 and December 31, 2021. They came into force during the year 2017.

During 2018, ENRE performed the following tariff revisions:

Remuneration of independent transporter:

- On July 3, 2018 ENRE requested YACYLEC to provide the information related with its facilities, in order to perform the Integral Tariff Review (RTI). Later, an extension was granted until mid October.
- In line with the last tariff revision carried out for the Transport sector
 - > The technical bodies of the regulator will develop the tasks
 - > Cash flow will be the methodology to be used.
 - > The real profitability rate after taxes is 7.7%.
 - > Tariff period is from 02/01/2017 to 01/31/2021.
 - > The monetary values proposal as of 12/31/2016.
- The presentation has to be introduced with the opinion of National Transporter.





Remuneration of international transporter:

- Through NOTA of August 24, 2018, the Subsecretary of Electric Energy instructed CAMMESA to acknowledge the concept of Capacity of Transport of its facilities (Operation and Maintenance), considering the Economic Transactions of August TRANSITIONAL of 70% of the corresponding TRANSENER,
- Beginning of RTI – Procedure for the Definition of the Remuneration of International Transporter. Through NOTA of August 22, 2018, ENRE requested the information needed to determine the remuneration, starting from January 1, 2019.

Environmental Regulation

The electricity installations are subject to environmental laws and regulations, federal and local, including Law N°24,051, or Dangerous Waste Law, and its annexed regulations.

In the electricity sector, certain obligations to inform and monitor impose on emission standards. The non-compliance of these requirements forces the government to establish penalties, such as suspension of operations that, in the case of public service, can result in the cancellation of concessions.

Law N°26,190, enacted in 2007, defined the use of renewable sources for the generation of electricity as national interest and set as a goal 8% of the market participation for renewable energy in 10-year term.

On October 21, 2015, the Official Bulletin published the new Law 27,191, of Renewable Energy in Argentina, modifying the Law N°26,190. The new regulation postpones to December 31, 2017, with the objective of reaching 8% participation in the national demand with the generation of renewable sources and establishing as a second stage objective to reach 20% of participation by the year 2025, and setting mid goals of 12%, 16%, and 18% for the end of the years 2019, 2021, and 2023. The sanctioned Law creates a Fiduciary Fund (FODER) that could finance projects, give tax benefits to the renewable energy projects, and

establish the non application of specific tributes, national royalties, regional and municipal until December 31, 2025. The clients categorized as Large Users (>300 Kw) should individually fulfill the participation of the renewables, establishing that the price of these contracts cannot be superior to 113 US\$/ MWh, and setting penalties to those who do not fulfill these objectives. The law regulations are still pending.

Brazil

Industry Structure

The Brazilian electricity industry is organized in a large interconnected system, the SIN (National Interconnected System), which comprises most of the regions of Brazil, and several other smaller isolated systems. The generation, transmission, distribution and commercialization are legally separated activities in Brazil.

The industry is regulated by the Federal Government through the Ministry of Mines and Energy (MME) and also by the National Electric Energy Agency (ANEEL).

The regulated price is based on the average bid prices, with independent bidding processes for existing energy and "new" energy. The latter include long-term contracts in which the new generation projects must cover the growth of demand foreseen by the distributors. The "old" energy tenders consider shorter contracting periods and seek to meet the contracting needs of the distributors that arise from the expiration of previous contracts. Each bidding process is centrally coordinated, the authority defines maximum prices and, as a result, contracts are signed where all distributors participating in the process buy at fair appointment from each of the generator providers. The price at which spot market transactions are settled is called the Settlement Price of Differences (PLD), which takes into account the risk aversion curve of the agents.

Transmission works under monopoly conditions. The Brazilian government sets tariffs for transmission for the companies. The charge for transmission is fixed and the transmission revenue does not depend on the amount of electricity transmitted.



Distribution is a public service that also works under monopoly conditions and is provided by companies that in turn have received concessions. Distribution companies in the Brazilian system are not entitled to: (i) develop activities related to the generation or transmission of electricity; (ii) sell electricity to unregulated customers, except to those within its concession area and under the same conditions and tariffs applicable to its captive clients of the Regulated Market; (iii) maintain, directly or indirectly, equity interest in any other company, corporation or partnership; or (iv) develop activities that are not related to their respective concessions, except those permitted by law or in the relevant concession agreement. Generation companies are not authorized to have equity interest in distribution companies in surplus of 10 percent.

The unregulated market includes the sale of electricity between generation concessionaires, independent producers, self-producers, electricity traders, electricity importers, unregulated consumers and special customers. It also includes contracts between generators and distributors existing under the old regulatory framework, until its expiration. New contracts must be adjusted to the new regulatory framework. According to the specifications established

in Law 9,427/96, unregulated consumers in Brazil are those that: (i) demand a capacity of at least 3,000 kW and choose to contract the supply of energy directly with generators or energy traders; or (ii) demand a capacity of at least 500 kW and choose to contract the power supply directly with generators or renewable sources of up to 50MW of installed capacity.

Portaria nº514/2018 enacted by the Ministry of Mines and Energy, the limit for energy purchases from conventional sources will change to 2,500 kW as of July 1, 2019, and 2,000 kW as of January 1, 2020.

The Brazilian system is coordinated by the Brazilian Electrical System Operator (ONS) and is divided into four sub-systems: Southeast/Center-West, South, Northeast and North. In addition to the Brazilian system there are also some isolated systems; in other words, those systems that are not part of the Brazilian system and are generally located in the northern and northeastern regions of Brazil, and have coal or oil fired thermal power plants as their unique source of energy.



Regulation in Generation Companies

Generation Agents, who can be public generation concessionaires, IPPs or auto producers, as well as Marketing Agents, can sell electricity in two contracting environments. First, the Regulated Contracting Environment (ACR), where distribution companies operate, in which the purchase of energy must be done within the framework of the bidding process coordinated by ANEEL; and the other denominated as the Free Contracting Environment (ACL) in which energy purchases are made directly between suppliers and their customers. Regardless of the ACR or ACL, the sales contracts of the generators are registered in the Câmara de Comercialização de Energia Elétrica (CCEE) and form part of the basis for quantifying and determining adjustments for differences in the short-term market. In this manner, generation companies are allowed to sell energy through regulated contracts or in the free market and trade their surpluses/ deficits in the spot market, values at the Liquidation Price of Differences (PLD for the Spanish abbreviation).

ANEEL annually validates, by resolution, the minimum and maximum values of the PLD, so that the maximum and minimum PLD for 2019 are set at BRL\$513.89/ MWh and BRL\$42.35/ MWh, respectively. The calculation of the maximum PLD considers the variable costs of operation of the thermoelectric plants. For the minimum PLD is considered the costs of operation and maintenance of hydroelectric power plants.

In relation to market regulation, 100% of the energy demanded by distribution companies should be covered through regulated contracts. This coverage may be constituted by physical guarantees of their own generation power plants or any other, through an energy or capacity purchase contract. Among other issues, current regulation specifies when this limits are not met, agents are subject to financial penalties.

The definition of tariffs to final users consider regulated purchase prices, but in turn, is based on tenders average

prices, being independent tender processes for “new” and “existing” energy, and are carried out with the purpose of supplying demand of distribution companies. There are also specific tender offers for “reserve energy”, which don’t consider the average energy price in the ACR, because their purpose is to increase reliability of energy supply in the SIN, and their costs are transferred to every consumer, from ACR and ACL.

Additionally, in 2015 and 2017, new tender offers for the hydroelectric power plants that have not increased their concession contracts took place, according to Law nº 12,783/2013. These tenders allow part of sell energy through the installments regime (with a minimum percentage of 70%) and the other in the market. In the 2015 tender offer, the winner was the company that offered the lowest remuneration tariff for the operation of the power plant, meanwhile in the 2017 tender offer, the winner was the company that paid the highest allowance for the concession.

“New” energy tender offers consider long-term contracts (20-25 years for thermal power plants, 30 years for hydroelectric power plants and 20 years for solar and wind), the new generation projects are required to cover the growth of demand expected by distribution companies. “Existing” energy tender offers consider the lowest terms for contracts and are defined to cover the contracts requirements of distribution companies that come up at the maturity of previous contracts, therefore energy may have lower prices, depending on market conditions. Each tender offer process in coordinated centrally, the MME define maximum prices and as a result, contracts are signed with all the participating distribution companies, which purchase energy on a pro-rata basis to each offeror generation company.

Regarding regulated energy tender offers, in order to re-compose the energy supply, in 2018 three tender offers were carried out in Brazil with the energy assigned:

- 01 bidding A-4: 356.19 MW-medium, assigned to Hydroelectric (6.6%), Biomass (9.7%), Wind (16.2%) and Solar (67.5%) at an average price of R\$124.75 MWh.

- 01 bidding A-6: 1.228,59 MW- medium, assigned to Gas (26.6%), Hydroelectric (18.9%), Biomass (0.9%) and Wind (53.6%) at an average price of R\$140.87 MWh.
- 01 bidding A-1 and A-2, on 12/07/2018, the A-1 tender offered 4 MW of average energy commercialized at an average price of R \$142.99/ MWh, and the A-2 were 359 MW of energy at an average price of R \$ 161.35/ MWh.

Its worth mentioning that the previous Government presented in 2017 a plan for the reform and modernization of the sector, through the liberalization of the market, and a proposal for the reduction of limits to access the free market, in the Public Consultation 33 (“CP 33” by its Portuguese acronym), which is currently in draft legislation stage. The other proposals are: (i) finish the subsidies to consumers of renewable energies and development of the carbon market; (ii) improvement of short-term prices mechanism, instead of a simple mathematical model; (iii) costs allocation for the expansion of the system to every consumer, free and captive; other. The new government, in turn, is analyzing each measure of the CP 33, with the purpose of verifying the amendments and supplements to be done. Depending on the results of this analysis, its strategy will be to continue with the Project in Congress, with due amendments, or otherwise develop a new Law on the subject.

Its worth to highlight that for the success of the reform of the sector, it’s essential to recover the liquidity of the spot market, which has been damaged due to legal disputes, and engaging the hydrological risk.

Over the years, an important mechanism for managing hydrological risk (“MRE”) was distorted due to several governmental measures, which carried inadequate risks to generation companies. Due to the lack of a regulatory solution, generators were forced to judicialise this issue, thus avoiding large payments in the market in the short-term. In 2015, ANEEL designed a solution to generators with contracts in the captive market. Nevertheless, the proposed solution wasn’t viable for generators with contracts in the free market, so the dispute continued in court, which damaged the liquidity of the spot market, in approximately R\$ 7 billion.

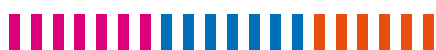
The previous government designed an agreement (including a draft bill which currently is in the House of Representatives), according to which generators would recognize in their balance sheets a Regulatory Asset through the extent of their current concession contracts. The Regulatory Asset should equal the effects related to the risks transferred to the MRE from 2013 to 2018. As a counterpart, the resignation to legal proceedings and debt payment in the market in the short-term.

This agreement is fundamental for the development of the Brazilian energy sector, mainly because liquidity would return to the spot market. Also, it will be important to discuss structural solutions for the “MRE” in 2019, thus ensuring its sustainability in the future. To this end, its crucial to ensure that the risks that the mechanism includes are strictly related with hydrology, preserving its initial target.

Regulation in Distribution Companies

In the regulated market, distribution companies buy electricity through biddings that are regulated by ANEEL and organized by CCEE. Distributors must purchase electricity in public biddings. The Government also has the right to call for special biddings for renewable electricity (biomass, mini hydro, solar and wind power plants). ANEEL and CCEE hold annual bids. The recruitment system is multilateral, with generating companies that sign contracts with all the distributors that convene the biddings.

The Concessions Law establishes three types of tariff reviews or adjustments to final consumers: The Tariff Repositioning Index (IRT), which implies an annual adjustment of the rate for inflation; The Ordinary Tariff Review (RTO) to be carried out every four or five years according to each concession contract, and the Extraordinary Tariff Review (RTE), which are carried out when a relevant event occurs in the sector that significantly affects the value of the tariff. In this way, the Law guarantees an economic and financial balance for a company in case that there is a substantial change in its operating costs. In the event that the cost of components for Parcel A, such as energy purchases or





taxes, increase significantly within the period of two annual tariff adjustments, the concessionaire may submit a formal request to ANEEL for these costs to be Transferred to the final clients.

Every tariff revisions and repositioning are approved by ANEEL.

In tariff revisions (RTO and RTE), ANEEL reviews the rates in response to changes in energy costs and market conditions. When adjusting distribution rates, ANEEL divides the Annual Reference Value, that is, the costs of the distribution companies in: (i) costs unmanageable by the distributor, also called "Parcel A", and (ii) manageable costs by the distributor or "Parcel B", the latter corresponding to what we know as Value Added Distribution (VAD).

The ordinary tariff review takes into account the entire tariff setting structure of the company, including the costs of providing services, the costs of buying energy as well as the return for the investor. Under its concession contracts, Enel Distribución Ceará and Enel Distribución Río are subject to tariff revisions every four and five years, respectively. The basis of the assets to calculate the return allowed to the investor is the replacement market value, depreciated over its useful life from an accounting standpoint, and the rate of return on the distribution asset is based on the Average Capital Cost Weighted, or WACC for a model company. The WACC is reviewed in each rate cycle. The value of the WACC for distribution is currently in effect at 12.26% real pre-tax rate.

The regulatory mechanisms ensure the creation of regulatory assets or liabilities, whose tariff rebuilding occurs in subsequent tariff adjustments (March 15 for Enel Distribución Río and April 22 for Enel Distribución Ceará). This mechanism has existed since 2001, and is called the Parcel A Securities Compensation Account (CVA). Its objective is to keep constant operating margins for the concessionaire in order not to allow tariff gains/losses due to the variation of Parcel A costs.

The Securities Compensation Account ("CVA" for the Brazilian abbreviation) helps to maintain market stability and allows the creation of deferred costs, which is compensat-

ed by tariff adjustments based on the necessary rates to compensate for the deficits from the previous year.

In December 2014 the distributors in Brazil, including the Enel Group, signed an addendum to the concession contract that allows these regulatory assets (CVA's and others) to be part of the indemnifying assets at the end of the concession, in the event that it is not be possible to compensate through tariffs at that time. Thus, in accordance with the IFRS rules, the accounting of these regulatory assets/liabilities is allowed.

To cover the energy surcharge caused by the drought in 2014, the Government has created the ACR account through bank loans to be paid within two years for the tariff. In 2014 the distributors used an approximate amount of BRL\$ 18 billion of the ACR account, however, it was not enough to cover the entire deficit. A new loan to the ACR account was approved in March 2015 to cover the deficits of November and December of 2014. An extension of the repayment term for all loans was approved, which should now be paid in 54 months starting from November 2015.

Due to the mismatches between the costs recognized in tariff and the real costs outside the management of the distributor, and intensified by the implicit costs of the drought, ANEEL, in January 2015, began to implement a system (known as Tariff Flags) of additional monthly charge on the consumer rate provided that the marginal cost of the system reaches levels above the regulatory standard. The objective of the regulator is to give the consumer an economic signal of the cost of the generation already in the subsequent month, moving forward an amount (of right) that the Distributor would only collect it in next tariff event.

This mechanism, as described below, consists of four levels of flags: green, yellow, red level 1 and red level 2.

Values Applied for Tariff in 2018.

Since November 2017, the value of the banners is:

- > Green tariff (Favorable conditions for energy generation): Without tariff surcharge.
- > Yellow tariff (Less favorable generation conditions): BRL\$1.00 per 100 (kWh)

- > Red Tariff - level 1 (More expensive generation conditions): BRL\$3.00 per 100 (kWh)
- > Red Tariff - level 2 (More expensive generation conditions): BRL\$5.00 per 100 (kWh)

In summary, with this mechanism the cost of generation that is currently transferred to the customer only once a year (when the annual rate adjustment is made) will have a monthly variation, therefore the customer will be able to have a better management of the electricity consumption. In other words, consumers will be aware of a lower tariff readjustment, since they are already paying a higher value during the month.

On December 27, 2018 the Decree 9,642 was enacted, which defines the discounts granted to consumers from rural areas, as well as the subclasses Cooperativa de Electrificación Rural, Servicio Público de Agua Saneamiento and Servicio Público de Riego, to be reduced from January 2019, at an annual rate of 20% over the initial value, until the installment is zero. Additionally, the Decree forbids the cumulative application of the discounts included by the CDE, and prevails the one that offers the greater benefit for the consumer.

For the Enel Group the impact of Decree 9,642/18 tends to be neutral. Therefore, the elimination of the aforementioned discounts granted to consumers, will compensate the perception of higher tariffs each year until the end of the discount periods.

Additionally, the CDE, will be collected and transferred to final consumers, and also will be reduced each year due to the reduction of subsidies. This is a positive issue for the sector, because the weight of tariffs in final consumers will fall. Worth is mentioning that the enactment of the decree will not impact the subsidies granted to renewable sources.

Finally, in December 2018 ANEEL opened a public audience to discuss the application of the binomial tariff for every low voltage client. This is a disruptive regulatory decision, because it may change the Brazilian tariff framework for low voltage clients. This tariff modality would impact the generation of distribution businesses, but protects the revenues of the distribution business. The public audience will be open until March 18, 2019.

Regulation in Transmission

Any electricity market agent that produces or consumes energy is authorized to use the Basic Network. Free market consumers also have this right, subject to compliance with certain technical and legal requirements. Free access is guaranteed by law and supervised by ANEEL.

The operation and administration of the Basic Network is the responsibility of the ONS, which also has the responsibility of managing the dispatch of energy from the plants in optimum conditions, involving the use of the interconnected system, reservoirs and thermal plants.

As of April 5, 2011, it was published in the Official Gazette, the Ministerial Decrees 210/2011 and 211/2011, which equate the two interconnection lines of the Energy Interconnection Company, S.A. to concessions of public service, with payment according to a regulated toll. The Annual Permitted Remuneration (hereinafter "RAP") is adjusted annually in June, by the National Broad Consumer Price Index ("IPCA") with tariff revisions every four years. It was defined a Gross Remuneration Base of BRL\$ 1,760 million (US \$885 million) and a Net Base of BRL\$ 1,160 million (US\$ 585 million). In 2012 ANEEL authorized the implementation of reinforcements in the transmission facilities, recognizing an additional investment of BRL\$47 million (US\$ 23 million), in the Remuneration Base. The applicable remuneration rate was defined in agreement with the current regulation at 7.24% (real after tax). The authorization period is until June 2020, for Line 1, and until July 2022, for Line 2, with a welfare compensation for unamortized investments.

2018 Adjustments

Enel Distribución Río

On March 13, 2018, ANEEL standardized the provisional result of the Fourth Regular Tariff Revision for Enel Distribución Río, from March 15, 2018, consolidated after the assessment of the contributions brought in the Public Audience nº 078/2017.





The result led to a medium effect perceived by consumers of 21.04%, 19.94% for consumers connected with High Voltage - AT and 21.46% for those connected with Low Voltage- BT. The component T of the Factor X was fixed in 0,00% and technical losses in 9.1%. In the process, the base of remuneration had its provisional result and will be finally approved in the tariff readjustment process of 2019.

Enel Distribución Ceará

On April 17, 2018, ANEEL standardized the tariff adjustment of Enel Distribución Ceará, valid from April 22, 2018.

The result led to a medium effect perceived by consumers of 4.96%, 7.96% for consumers connected with High Voltage - AT and 3.8% for those connected with Low Voltage- BT.

Enel Distribución São Paulo (ex Eletropaulo)

On July 4, ANEEL standardized the result of the tariff adjustment of Enel Distribución São Paulo, in place from the same date.

The result led to a medium effect perceived by consumers of 15.84 %, 17.67% for consumers connected with High Voltage - AT and 15.14% for those connected with Low Voltage- BT.

Enel Distribución Goiás

On October 16, 2018, ANEEL standardized the result of the Fourth Regular Tariff Revision for Enel Distribución Goiás, valid from October 22, 2018.

The result led to a medium effect perceived by consumers of 18.54%, 26.52% for consumers connected with High Voltage - AT and 15.31% for those connected with Low Voltage- BT.

Enel CIEN

The Resolution nº 2408 enacted on June 26, 2018, established that annual revenues allowed (RAP) for public service concessionaires of electricity transmission, in relation to the availability of transmission facilities under their responsibility.

The values of Cien are: Garabi I (RAP: 172,667,795.35 and PA adjusted: R\$ - 6,579,727.76) and Garabi II (RAP: R\$ 179,367,079.58 y PA adjusted: R\$ - 6,834,803.35).



Colombia

Structure of the Industry

Law 142 of the Home Public Services, and the 143, Electricity Law, structurally reformed the Colombian electricity sector both enacted in 1994. According to Law 143 of 1994, the different economic agents, private, public or mixed, can participate in the activities of the sector, and have the liberty to develop their functions in the context of free competition in the market. To operate or start projects, it must be obtained, from the competent authorities, the authorization for the different environmental, sanitary and water rights, and those where municipal sanction is required.

The Ministry of Mines and Energy (MME) defines the Government's policies for the energy sector. Other government entities that play an important role in the electricity industry include: Superintendence of Home Public Services (SSPD), entity that monitors and audits all the public service companies; the Energy and Gas Regulation Commission (CREG), which regulates electricity, natural gas, liquefied petroleum gas (LPG), and liquid fuels; the Energy

Mining Planning Unit (UPME), which is responsible for the planning and expansion of the network and the Superintendence of Industry and Commerce (SIC) which is the national authority for competition protection issues.

The CREG is empowered to issue regulations governing technical and commercial operations as well as tariffs for regulated activities. The main functions of CREG are to establish the conditions for the progressive liberalization of the electricity sector towards an open and competitive market, to approve charges for networks and transmission and distribution costs for the supply of regulated customers, to establish the methodology to calculate and set maximum tariffs for the supply of the regulated market, establish standards for the planning and coordination of the operations of the System, establish technical requirements for quality, reliability and security of supply, and protect the rights of customers.

The Wholesale Energy Market in Colombia is based on a competitive market model and operates under open access principles. The operation and administration of the MEM is centralized in a Market Operator made up of the Administrator of the Trade Exchange System (ASIC) and the National Dispatch Center (CND).





The generation sector is organized on a competitive basis. The electricity transactions in the WEM are carried out under the modalities of the spot market of energy (Short term or daily market); Bilateral Contracts (Long Term Market) and Reliability Charge. Generation companies must participate in the central office in a mandatory manner, with all of their generation plants or units connected to the Colombian system whose capacities are equal to 20 MW or higher (plants with capacities between 10 and 20 MW can optionally participate). The generation companies that participate in the central office must declare the commercial availability of their generation resources and offer the price at which they wish to sell it. The National Dispatch Center (CND) with economic optimization criteria and respecting the electrical and operational restrictions of the system centrally dispatches this energy.

Commercialization consists on the intermediation between the actors that provide electricity generation, transmission and distribution services, and the users of these services. The commercialization can be carried out along with or without other activities of the electricity sector.

Transmission operates under monopoly conditions with a guaranteed annual fixed income, which is determined by the new replacement value of networks and equipment and by the value resulting from the bidding processes that add new projects for the expansion of the National Transmission System (STN). This value is distributed among all the retailers in the market in proportion to their energy demands. The National Interconnected System (SIN) supplies 98% of the national demand. Non-interconnected systems serve isolated areas of the country.

Distribution is defined as the operation of local distribution networks and regional transmission. Any customer can have access to a distribution network in which he pays a connection fee. Distribution companies, or network operators, are responsible for the planning, investment, operation and maintenance of electricity grids with voltages below 220 KV.

Regulation in Generation Companies

The Colombian State can participate in the execution and exploitation of the generation projects as well as the private sector. The Law 142 of 1994, established that the legal regime of public services and the Law 143 of 1994 focused, particularly, in the service of electric power service, determined the types of entities authorized to provide residential public service, in this sense it was created the "Public Service Company" as the fundamental for this provision.

In the short-term energy market, the CND receives, each day, the offers of prices and the declaration of commercial availability for each hour of the following day, of all the generators participating in the wholesale market. Based on this information, the CND performs an economic dispatch through an optimized procedure for the next 24-hour period of the following day, taking into account the electrical and operation restrictions of the system, as well as other conditions necessary to satisfy the expected energy demand for the next day in safe, reliable and economic manner from the cost point of view. Unlike the rest of the countries where the office is centralized based on variable costs of production, in Colombia, the office is based on prices offered by agents.

The energy market is a market of adjustments, where the excess energy is sold or bought against the real energy demand of generators and retailers. The power exchange the determined spot price is established by the ASIC after the day of operation is established by means of an optimized procedure for the 24-hour period called the ideal dispatch, which implies an infinite transmission capacity in the network and takes into account the initial conditions of operation, thus establishing which generators had to be dispatched to satisfy the actual demand. The price paid to all generators that are dispatched for merit of price is the price of the most expensive generator dispatched every hour under the ideal dispatch.

Cost differences between the 'planned dispatch' and the 'optimal dispatch' are called 'restriction costs'. The cost of each restriction is allocated to start with to the agent responsible for the restriction and when it is not possible to identify an agent it is distributed proportionally to all Colombian system traders according to their demanded energy, and these costs are transferred to final customers.

Generators connected to the Colombian system can also participate in the "Reliability payment", which is a mechanism that aims to encourage investment in the generating park to ensure that the country's demand is met in the long term. The Charge consists of the assignment of Firm Energy Obligations (OEF) through a descending auction for new agents interested in developing generation projects, who must guarantee the System that amount of energy for a given period. The allocation for existing generators is made annually and for new projects for up to 20 years. The OEF is a commitment on the part of the generating company, backed by its physical resources, which provide support to that firm in the production of energy. The generator that acquires an OEF will receive fixed compensation during the commitment period, whether or not the fulfillment of its obligation is required.

The price for each KWh hour of OEF corresponds to the closing value in the auction for the firm energy or Reliability charge. When this firm energy is required, what happens when the spot price overpasses the shortage prices, an agent fulfillment balance, where they verify the ideal dispatch if the agent covered its OEF with their own resources and delivered surplus or another agent covered the OEF, in which case the differences valued at the spot price are balanced.

In 2014, the CREG issued the Statute of Risk of Shortage, which is a mechanism of last resort that acts when under conditions of critical hydrology, the market fundamentals do not behave as expected. In general, the scheme consists in the implementation of market monitoring indicators, which helps to identify if the price signals (energy market) is coherent with future energy estimates and current hydrological conditions of the system.

If market parameters for monitoring capture any alert and risk conditions, we proceed to declare a risk of shortage period, basically consisting of a scheme of sale and embalming of energy, which guarantees that the system will have the necessary reserves to fulfill the demand. If water containment is achieved through the intervention of supply prices of hydraulic agents with capacity in their reservoirs, thus allowing the use of the thermal resources necessary to ensure the reliability of the system.

In 2018, regulatory management related to the electricity market was affected by some institutional and market facts, such as the delay of the start of operations of Hidroituango project, the evolution of Electricaribe process, the legislative agenda and even the change of Government, all of which made the regulator, the Ministry of Mines and Energy and other institutions, developing the measures in order to address these issues, and in general to move forward with the agendas proposed in early 2018, therefore below we highlight the progresses made in the following topics. In this respect, worth is highlighting the advances made in the following topics.

With the enactment of resolutions CREG 083 and 084 in July 2018, the Commission for the Regulation of Energy and Gas established the opportunity to assign the Obligations for Firm Energy of Reliability Charge for the periods 2019-2020, 2020-2021 and 2021-2022, and convened a bid for the reconfiguration of energy sales for the period 2018-2019. These regulatory measures are aimed at ensuring the availability of an efficient energy offer for the country in the medium to long-term, whose need was revealed after the analysis of the system's Firm Energy, with the impact of the delay of Hidroituango project in the reliability of the system.

Similarly, through Resolutions CREG 103, 104 and 142 of 2018, the Commission amended some aspects of the Reliability Charge scheme and defined the conditions for a call for tender offers for the expansion of Reliability Charge for the allocation of energy generation projects, to be commissioned as early as December 1, 2022.





Regarding the incorporation of Non-Conventional Renewable Energy Sources (FRNCE for its Spanish acronym), during 2018 the Ministry of Mines and Energy through Decree 0570 of March, 2018, defined the public policy guidelines for contracting Long-Term Energy. The objectives of the decree are: strengthen the resilience of the generation matrix through risk diversification, promote competition and efficiency in price formation through new and existing products, mitigate the effects of variability and climate change, by using available renewable resources, reinforce the national power security and reduce GEI emissions, as agreed in the commitments undertaken in COP 21 .

Aiming to provide continuity to the aforementioned Decree, the Ministry of Mines and Energy enacted Resolutions 40791 and 40795 in August 2018, upon completion of the construction cycle of public policy that will enable the fulfillment of the goals related to reinforce, complement and diversify the energy matrix of the country and marking an historic milestone such as the call for the first long-term energy tender offer in the country. A key issue of these resolutions is the creation of long-term energy bid, thus enabling the greater incorporation of renewable energies to national energy system.

Through resolutions 41307 and 41314 of December 2018, the Ministry of Mines and Energy defined all the details of the adjudication mechanism and officially called the first long-term energy tender offer, which will take place on February 26, 2019. This process will award contracts of 1,183,000 MWh/ year, through long-term annual medium energy contracts, with a maturity of 12 years. The starting date of the obligations of awarded generation projects is December 1, 2021.

Regarding other supplementary regulatory aspects, rules were defined for energy generation of users in the country and its sale to the National Interconnected System. This is Resolution CREG 030 of 2018 of small-scale self generation (up to one megawatt) and distributed energy, defining an easy and simple mechanism for residential users of every strata, and also for small commercial and industrial users, to produce energy mainly to satisfy their own needs and sell their surpluses to the interconnected system.

By year-end 2018, in coordination with CREG, several advisors presented studies contracted by the regulator, oriented to modify the market architecture, taking into account the imminent entry of FRNCE to the generation matrix. In particular, the following topics were analyzed: i) the implementation of a binding dispatch and intraday markets, ii) the implementation of complementary services and the introduction of new technologies (storage systems) and iii) updating the Networks Code. These studies are still under analysis from the Commission and more concrete proposals are expected for 2019.

Regulation in Distribution Companies

In Colombia, distribution companies are free to purchase their supplies, being able to define the conditions of the public bidding processes to acquire the energy required for the regulated market and may also go to the spot market to buy energy. The price paid by the end user reflects an average of the purchase price.

The Ministry of Mining and Energy enacted Resolutions 41307 and 41314, which established a mechanism that promoted long-term contracts for energy generation projects, complementary to the existing mechanisms already existing in the MEM. Correspondingly, Resolution 40795 was enacted, which called the first tender for long-term contracts. The first tender offer will take place on February 26, 2019 and its purpose is to diversify, complement and boost the competitiveness of the energy matrix, making it more resilient to climate fluctuations, and contributing with carbon emissions reduction and providing energy security to the country.

Distribution charges are set by the CREG based on the new replacement value of existing distribution assets, cost of capital, non-electric assets; as well as operational and maintenance costs for each company. These are defined for four different voltage levels, as follows: level 1, less than 1 kV; level 2, greater than or equal to 1 kV and less than 30kV; level 3, greater than or equal to 30 kV and less than 57.5 kV and level 4, greater than or equal to 57.5 kV



and less than 220 kV. Voltage levels 1, 2 and 3 are called Local Distribution Systems (SDL) and Level 4 is called the Regional Transmission System (STR in its Spanish acronym).

In 2009, after auditing the information reported by the companies, CREG determined the applicable distribution charges, which are set for a period of five years, and updated monthly according to the producer price index. The methodology for calculating distribution charges includes an incentive scheme for administration, operation and maintenance costs based on the quality of service. For energy losses, the regulation establishes a path of recognized loss indexes to be included in the tariff.

The review of distribution charges began in 2013 with the publication of the remuneration methodology proposed by resolution CREG no. 043/2013. The review of distribution charges began in 2013 with the publication of the remuneration methodology proposed by resolution CREG no. 043/2013. These articles were complemented by CREG Resolution No. 079/ 2014, which contains the purposes and guidelines for remuneration of distribution and Resolution CREG No. 179 of 2014, 024 and 176 of 2016 and 019 of 2017, which contain the methodology proposals.

Finally, after four resolutions subject to consultation, on February 2, 2018 the final resolution CREG 015 was issued. This norm defines the beginning of a new regulatory period where the regulator introduced replacement incentives, including depreciation as part of the tariff formula, incentives to the quality of service that should improve at least 8% per year and defined the management of regulatory adjustments to remunerate through tariffs the investments and the operations related to Infrastructure of advanced measurement.

Furthermore, on February 5, 2018 the Regulation Commission enacted resolution 016 of 2018, which defines the return rate (WACC) for the electricity distribution activity in the national interconnected system and the scheme of maximum revenue for the new tariff process. The rate value is the result of the application of the methodology approved in Resolution CREG 095 of 2015.

The value of the WACC for 2019 onwards was defined in 11.8% real before taxes.

Its expected that in 2019 the process will conclude with the approval of new charges regulated from the CREG and will be determined for a five year period.





Regulation in Transmission

Transmission networks operating at 220 kV or above constitute the National Transmission System (STN). The transmission fee includes a charge that covers the operating costs of the facilities, and a charge for use that applies only to the merchants who transfer it directly to the final users.

The CREG guarantees transmission companies a fixed annual income. This income is determined by the reposition value of the network and equipment, and by the resulting value of the bidding process that have awarded new projects for the expansion of STN. This value is attributed the retailers the STN in proportion to the energy demanded.

The construction, operation and maintenance of the new projects is assigned to the company that offers the lowest present value of cash flows necessary to carry it out.

The revision of regulated transmission charges began in 2013 with the publication of the pay rate methodology proposed by resolution CREG no. 042/2013. These pay rate is complemented by the development of the purposes and guidelines for the remuneration of transmission for the period 2015-2019, which was presented in resolution CREG No. 078/2014 and draft resolutions that have been submitted for consultation, Resolution CREG No. 178/2014, Resolution CREG N° 023/2016 and Resolution CREG N° 177/2016 that define a proposal of remuneration methodology. This resolution was defined by the MME and aims to guarantee adequate assets and timely extensions. It's expected that the new methodology of remuneration of the transmission and the new charges of transmission will be published during 2019.

Regulation in Commercialization

The commercialization market is divided into regulated customers and unregulated customers. Customers in the free or unregulated market can freely contract their elec-

trical supply directly from generator or distributor acting as traders, or from a pure trader. The market for non-regulated customers consists of customers with a maximum demand of more than 0.1 MW or a minimum monthly consumption of 55 MWh.

Generators, distributors or independent agents that meet certain requirements can perform the commercialization or trading. The parties freely agree on transaction prices for unregulated customers.

The trader of energy is responsible for billing electricity costs to final consumers and transferring payments to different agents in the industry. Regulated customers trading is subject to the "Regulated Freedom Regime" in which tariffs are set by each seller using a combination of the general cost formulas determined by the CREG and the individual trading costs approved by the CREG for each seller. The rates include, but are not limited to, costs of energy supply, transmission charges, distribution charges and a margin of commercialization. In addition, the final costs of the service are affected by subsidies or contributions that are applied according to the socioeconomic level of each user.

Trading charges for regulated customers are established in accordance with CREG Resolution no. 180/2014. The main changes in this formula were the creation of a monthly fixed charge that covers operating expenses plus a variable of income for traders covering credit risk, working capital subsidies and other selling costs.

In January 2017, the Regulation Commission -CREG approved the merger of Codensa and EEC markets. This is why a unique regulated tariff is applied from that date for users of the market currently served by Codensa.

Environmental Regulation

The regulatory framework for environmental regulation in Colombia was established in Law 99/1993, which also created the Ministry of Environment as the authority for the definition of environmental policies. The Ministry defines, issues and executes policies and regulations focused on the recovery, conservation, protection, organization, administration and use of renewable resources.



Any entity contemplating the development of projects or activities related to the generation, interconnection, transmission or distribution of electricity, which may cause an impact, deterioration and/or introduce significant or notorious changes to the environmental landscape, must apply for an environmental license prior to the start of activities.

Law No. 99 established that generation power plants already operating, that have a total installed capacity of more than 10 MW, should contribute to the conservation of the environment, transferring to municipalities and environmental corporations in the area where the power plants are located, a percentage associated with the generation of energy (transfers of the electricity sector). Hydroelectric power plants and thermal power plants should pay 6% and 4 % respectively, of their gross energy sales by their own generation, and according to tariffs set for blocks of energy sales and determined by the Energy Regulation Commission.

In 2011, Decree 3,570 established the new structure of the environmental sector thus creating the Ministry of Environment and Sustainable Development (previously, the functions of the Ministry of Environment were established along with the functions of the Ministry of Housing). In the same year, Decree 3,573 created the National Environmen-

tal Licensing Authority as the entity responsible for granting and monitoring environmental licenses, permits and procedures of the Ministry of Environment and Sustainable Development.

In 2015, due to a recommendation of the OCDE, the environmental sector regulation was consolidated in the Decree 1076 of 2015.

During the COP21 in Paris in 2015, Colombia committed to reduce 20% emissions as of 2030 with respect the reference baseline. In 2018, Law 1931 was enacted, which establishes the guidelines for Climate Change management in Colombia.

In general and as of today, the environmental regulation for the electricity sector has been focused on regulating aspects related to: i) emissions from thermal plants; (ii) formulation, issuance and implementation of the National Policy for Integral Management of Water Resources, updating the regulations associated with landfills, regulation the methodology for the calculation of the environmental flow, and structuring and management of watersheds); (iii) environmental licensing and compensations, for subtraction of forest reserves and exploitation, for loss of biodiversity for projects bound to environmental licensing; (iv) updating the regulatory framework for environmental licensing and regulating the environmental sanctioning regime.





Peru

Industry Structure

The general regulatory framework applicable to the Peruvian electricity industry is primarily comprised by the Electric Concessions Law (Decree Law N° 25,844 from 1992) and its regulatory norms.

The Ministry of Energy and Mining (MINEM) defines energy politics applicable on a national level, jointly regulates with the Ministry of the Environment, the environmental aspects applicable to the energy sector and is the competent authority for the granting and expiration of authorizations and concessions for the activities related to the generation, transmission and distribution of energy.

The Supervising Organism of the investment in Energy and Mining (Osinermin) is the regulatory entity that controls and oversees the enforcement of legal and technical norms related to the electricity, hydrocarbon, and mining activities, and enforces the obligations established in concession contracts. On its part, the Regulating Osinermin Tariffs Agency (GRT) is the competent authority for the determination of regulated tariffs. Osinermin also controls

and supervises the bidding processes required by distributing companies for the purchase of energy from generation companies.

Meanwhile, the Environmental Evaluation and Enforcement Organism (OEFA), which depends on the Ministry of the Environment, is responsible for the supervision and enforcement of the environmental obligations contained in the approved environmental instruments.

The Economic Operation System Committee (COES) is the National Electric Interconnected System Operator (SEIN), coordinates the dispatch of generation units in function of the minimum cost, and prepares diverse studies that serve as a base to annually calculate the bar prices, manages the short term market, and elaborates the Guaranteed System Transmission Plan. In the COES generating, transmitting, and distributing companies are represented, as are Big Users (free clients whose consumption is higher than 10MW).

In rural areas there are small isolated electric systems that supply electricity in specific areas, which represent approximately 6% of the total national production.

The main characteristics of the electric industry in Peru are: (i) the separation of the three activities: generation, trans-

mission, and distribution; (ii) open market for the supply of energy to unregulated clients; (iii) a regulated price system, primarily based on a long and short term bidding regimen.

Regulation in Generation Companies

Generation companies that own or operate a generation plant with an installed capacity larger than 500 KW require a definitive concessions given by the MINEM.

The dispatch coordination of electricity operations, the determination of the spot prices and the management of economic transactions that occur in the SEIN are managed by the COES.

Generation companies can sell their energy directly to distribution companies and free clients and liquidate their differences in the spot market at marginal costs. The sales to non-regulated clients are carried out in prices and conditions mutually agreed, which includes fees and compensations by the use of transmission systems, and if it is the case, fees for the use of the distribution networks.

The Electric Concessions Law allows the subscription of bilateral contracts of a price no greater than the Bar Rates, in the case of regulated clients, or at a price agreed by all parts in the case of unregulated clients. As well as this bilateral method, Law 28,832 from 2006, denominated the Law to Ensure Efficient Development of Electric Generating, also established the possibility that distributors can satisfy regulated and unregulated client demands by concluded agreements after a power bidding process and energy supervised by Osinergmin. The approval of this mechanism is important for the generators because it allows them to dispose of a stable price during the contract life, which is not set by the regulator and can have duration of up to 20 years.

Due to the introduction of bidding mechanisms, a large portion of the contracts to sell energy to distributing companies to get the client's attention, comes from these bids. Just a small portion of the electricity bought by distribution companies, is maintained under the bilateral contract scheme.

With regards to the transactions in the wholesale market, the Regulation of the Electricity Wholesale Market (Regulation MME) was approved through Supreme Decree N° 026-2016-EM. The main aspects are the following: The "MME" is comprised by the short-term market ("MCP" by its Spanish acronym) and the allocation mechanisms of complementary services, operational inflexibilities and the allocation of congestion revenues. The authorized participants to buy in the MCP are: generators to serve their supply contracts, distribution companies to serve free customers for up to 10% of its maximum demand; and large users to serve up to 10% of its maximum demand. COES will calculate the energy marginal costs and the congestion marginal costs. Participants will need payment guarantees of their obligations in the MME. In addition, action from COES are incorporated in the event of a payment default of a participant.

Legislative Decree 1,002 and its norm (Supreme Decree 050-2008-EM) creates a scheme to promote non-conventional renewable energy sources (ERNC by its Spanish acronym), through tender offers for specific technologies with a mechanisms of guaranteed income paid by the demand through a tariff charge included in the connection toll. This decree establishes a target of 5% of electricity demand of the Interconnected System to be supplied with NCRE to be awarded through this scheme. The corresponding authorities regarding the National Plan for Renewable Energies may review this 5% target. Technologies considered as renewable sources are the following: biomass, wind, tidal, geothermal, solar and mini-hydro (hydroelectric power plants with capacity below 20 MW are not considered in the 5%).

In 2017, the percentage of NCRE was 2.8% of the demand at the SEIN. The result of the fourth bidding of 2016, the percentage increased to 4.7% in 2018.

In Peru, capacity payment is defined by the amount that remunerates the development of a gas turbine, being the marginal unit that contributes to the demand of the system. Similar to Chile, capacity payment is independent from its dispatch and pays for the availability among the efficient target margin, which has been defined by the corresponding authorities.





Regulation in Distribution Companies

The electricity tariff for regulated clients includes charges for energy and power, for the generation and transmission, and the Distribution Added Value (VAD) that considers a regulated return for investments, fixed operating charges and maintenance, and a standard percentage for energy losses in distribution.

In September 2015 the Decree N° 1,221 was published, through which the fixed VAD (Distribution Added Value) establishes that it will be carried out every four years and will be calculated for each company (before this decree the VAD was calculated for a company that was representative of the group and typical sector, and this VAD is applied to all of the companies that made up the respective group). Also, an additional charge for fees in technologically innovative projects and efficient energy projects previously approved by the Osinergmin. Incentives were offered to improve the quality of service and the possibility to expand the concession areas for distribution companies in rural areas next to their concession zones.

The real return on the investment of a distribution company depends on its performance with respect to the standards set by Osinergmin for a theoretical model company. The tariff system allows a greater return to the distribution companies that are more efficient than the model company. The preliminary tariffs are determined by taking as a base the results of a study hired the company, corrected according to the Osinergmin. Preliminary tariffs are checked to ensure that the internal return rates are 12% with a +/- 4% variation. Also, the tariffs are indexed to the exchange rate, the price index to the greatest (IPM), and the commodities price as is copper and aluminum, with which Peru has no exchange risks.

During 2018 the process of setting process of Value Added for Distribution was carried out for the period 2018-2022 for Enel Distribución. This process ended on December 28, 2018.

Regulation in Transmission

Transmission activities are defined under different regimes. The facilities built before 2006 are divided in the Main System, that is for common used and allows the flow of energy through the national net, and the Secondary Sys-

tem is mostly unidirectional and are useful for evacuating energy from one generation power plant or to take energy to the final consumer.

For its part, the facilities built after 2006 are divided in: Guaranteed System formed by lines for common use, part of the Transmission Plan developed by the COES and whose toll y paid by the whole demand of the network, and the Complementary System whose lines are connected to a power plant or to a user of the system and are paid by the beneficiary.

The Transmission Plan, elaborated by the COES and approved by the MINEM, determines the development of the Guaranteed System lines, which are bid through a BOOT framework with a maximum duration of 30 years. The transmission concessions of the Guaranteed System receive an annual fixed income from said bids.

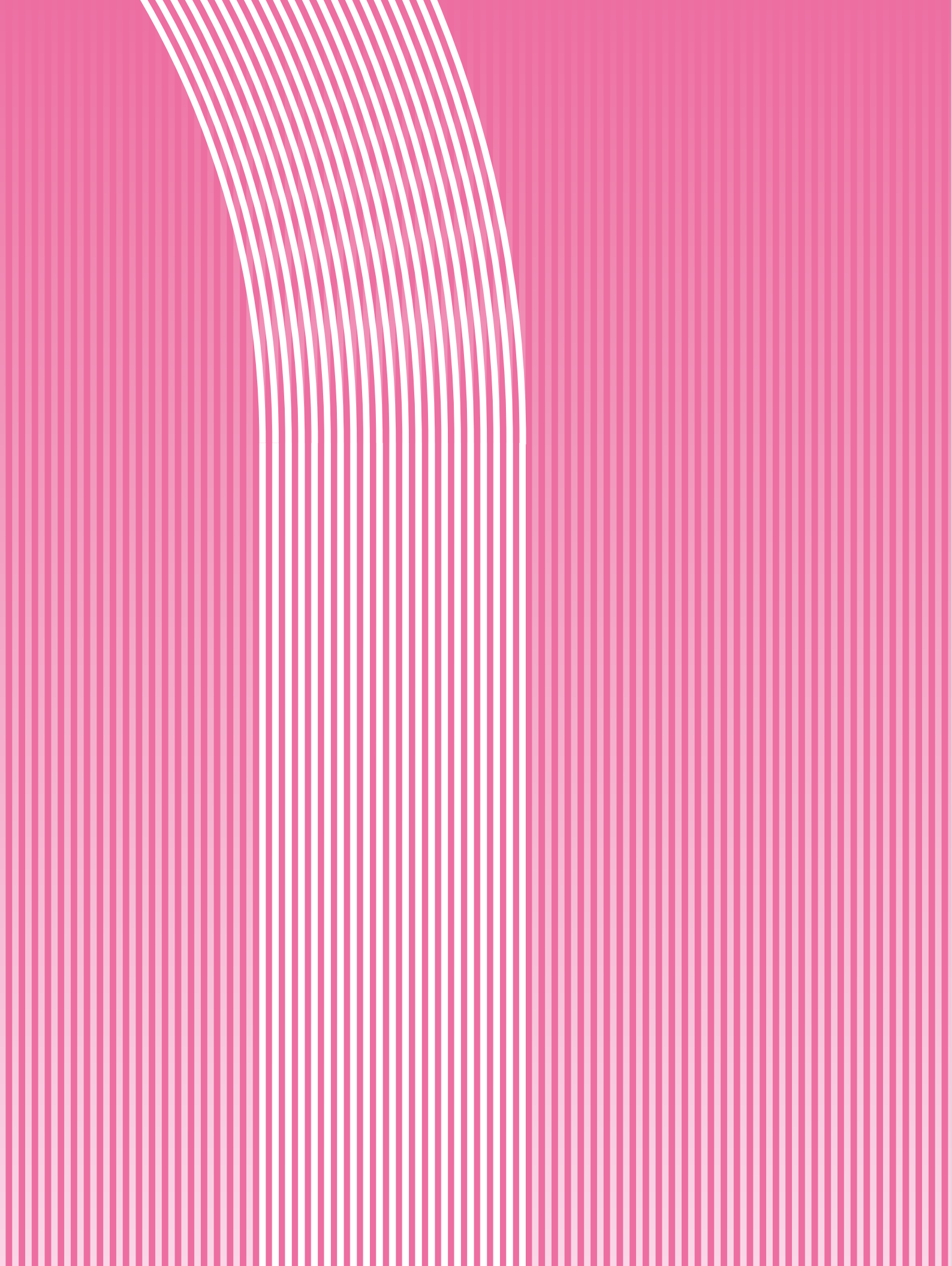
The Complementary System lines are developed through investment plans presented by the agents and approved by the Osinergmin, an entity that calculates the average annual cost to remunerate for each installation, considering the standard investment, operating, and maintenance costs, with an updated rate of 12% before tax and a useful life of 30 years.

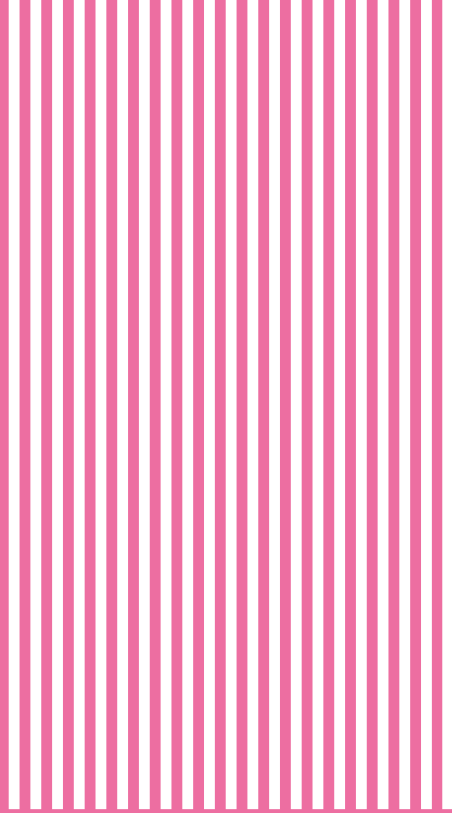
Environmental Regulation

The environmental legal framework applicable to the activities related to energy in Peru is established in the Environmental General Law (Law N° 28,611) and in the Environmental Protection Rules for Electric Activities (Supreme Decree 029-94-EM).

Following the aforementioned principles and regulations and the ones contained in Law 28,245, Framework Law for the National System of Environmental Administration, the National Policy of the Environment and the United Nations Framework Convention on Climate Change, in April 2018 Law N° 30754 was enacted, being the Framework Law on Climate Change, which will enable the State through transversal and jointed regulation to issue regulations related with the development of the RER generation, electric vehicles and sustainable investments consisted with Paris Memorandum of Understanding.







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Description of
the electricity
business by
country



Electricity Generation

In this segment, Enel Américas owns operating subsidiaries in Argentina, Brazil, Colombia and Peru.

As a whole, the gross installed capacity of Enel Américas Group reached 11,174 MW in December 2018 and the consolidated electricity generation amounted to 39,869 GWh, while energy sales totaled 65,332 GWh.

In the electricity industry, business segmentation between hydro and thermal generation is natural, since the variable costs of generation are different for each method of electricity production. Thermal generation requires the purchase of fossil fuels and hydroelectric generation requires the water that comes from dams and rivers.

56% of Enel Américas' consolidated generation capacity comes from hydroelectric sources and 44% from thermal sources.

Hence, the definition of the generation company's commercial policy is relevant for the proper management of the business. The Group carries out its generation business through Enel Generación Costanera, Enel Generación el Chocón and Central Docksud in Argentina, EGP Cachoeira Dourada, Enel Generación Fortaleza and EGP Volta Grande en Brasil, Emgesa in Colombia and Enel Generación Perú and Enel Generación Piura.

Electricity Transmission

The electricity transmission business for Enel Américas is mainly performed through the interconnection line between Argentina and Brazil, Enel Cien, subsidiary of Enel Brasil, whose transport capacity is 2,100 MW.

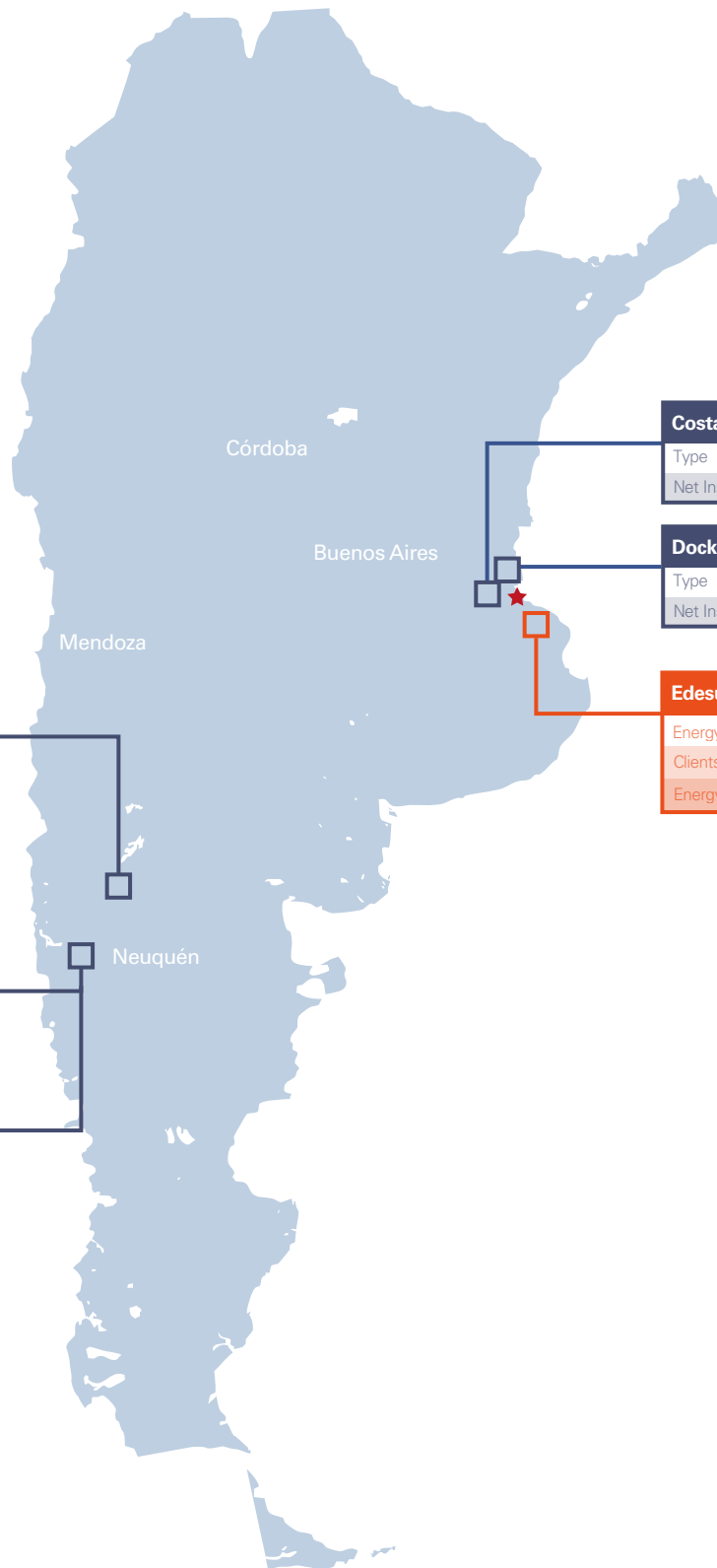
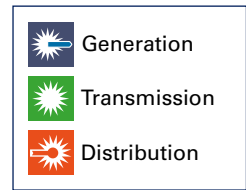
Electricity Distribution

The distribution business is conducted through Edesur in Argentina, Enel Distribución Río, Enel Distribución Ceará, Enel Distribución Goiás and the recently acquired Enel Distribución São Paulo (former Eletropaulo) owned by Enel Brasil in Brazil, Codensa in Colombia and Enel Distribución Perú in Peru. During 2018, our main distribution subsidiaries sold 100,927 GWh.

Currently, Edesur, Enel Distribución Río, Enel Distribución Ceará, Enel Distribución Goiás, Codensa and Enel Distribución Perú serve the main cities in Latin America, providing electricity service to more than 24.5 million clients.

Additionally, during 2018 the company launched a new business line: Enel X, a global business that leads the transformation of power sector. Enel X seeks to change paradigms, helping clients to use technology to transform energy in new opportunities, to thrive and lead progress worldwide. Enel X is a global company with strong roots in the energy field and an open strategy oriented towards digitization, sustainability and innovation. Enel X uses smart technologies, simple and fast to help clients to discover new ways to use energy globally.

The mission of Enel X is to provide innovative technology solutions and provide value added services, to create New Value for residential clients (B2C), companies (B2B) and cities (B2G).



Arroyito	
Type	Hydro
Net Installed Capacity	128 MW

El Chocón	
Type	Hydro
Net Installed Capacity	1,200 MW

Motogeneradores	
Type	Thermo
Net Installed Capacity	34 MW

Costanera	
Type	Thermo
Net Installed Capacity	2,210 MW

Dock Sud	
Type	Thermo
Net Installed Capacity	847 MW

Edesur	
Energy sales	17,548 GWh
Clients	2,529,953
Energy losses	14.2%

*Non-billable consumptions are not included in distribution business.





Participations in installed capacity and in business Groups for 2018 are distributed as follows:

Participation in installed capacity and in Business Groups in 2018

Enel	11.8%
SADESA	10.3%
AES	8.9%
Regional Governments	6.7%
Pampa Energía	10.1%
Foninvemem	8.3%
National Government	17.5%
Others	26.4%

Among the most relevant news of the year, worth is mentioning the biddings carried out by the new Government for the creation of new generation offer. In November 2018, a new tender offer was released of 400 MW of mini renewables (round 3) for medium voltage and to be adjudicated during 2019.

It should be remembered that during 2017, 1,810 MW of new thermal generation were awarded, the technology involved was: a) closing of combined cycle or b) cogeneration, with the commitment to be available to satisfy the demand in the MEM, and the biddings performed under the Program RenovAr Round 2, in order to create new generation capacity from Renewable Energies. In this program, the total capacity awarded is: through Round 2 of Program RenovAr 88 projects for 2,043 MW in 18 provinces. The Program RenovAr is included in Law 27,191, which establishes a route of participation in these types of energies in the market, which in 2025 are expected to reach 25%.

Argentina

Electricity Generation

Enel Américas S.A. participates indirectly in electricity generation through Enel Argentina S.A.'s subsidiaries Enel Generación Costanera S.A. (Costanera), Enel Generación El Chocón S.A. (Chocón) and Central Dock Sud S.A. (CDS).

Costanera, Chocón and CDS own together 4,537 MW gross installed capacity. This capacity represented by the end of 2018, 11.8% of the total capacity in the Argentine SIN (National Interconnected System). Electricity generation of these companies reached 13,949 GWh on December 31, 2018, equivalent to 10.1% of the total generation of Argentina.

Worth is to mention that some of the most important business groups that participates in the Argentine Electricity Market in generation are: AES, SADESA and Pampa Energía - company that in 2016 acquired Petrobras Argentina. Other companies with participation in the generation business are YPF Energía, CAPEX and Pluspetrol Energía, acquired by YPF.

Enel Generación Costanera S.A.

Costanera is located in the city of Buenos Aires and has six steam turbine units totaling 1,131 MW, which are enabled to generate either with natural gas or fuel oil. Costanera also operates two combined cycles of 851 MW and 322 MW respectively. Its gross installed capacity is 2,304 MW.

During 2018, CAMMESA performed the dispatch of the Interconnected Argentine System (SADI for the Spanish abbreviation), according to the resolutions established by Secretary of Energy. In this context, the dispatch prioritized natural gas, taking into account the performance of

the units and the use of liquid fuels (gas oil and fuel oil) in accordance to the restrictions imposed for power plants during the season of greater residential demand.

As a result of the performed operations, net generation of Costanera's Convectional Units reached 1,155 GWh, and net generation of Combined Cycles reached 5,946 GWh.

In January 2017, the Secretary of Electric Energy depending on the Ministry of Energy and Mining updated through Resolution N° 19/2017 the remuneration values of Resolution SE N° 22/2016 to be applied from February 2017. During 2018 this regulation remain in force.

The implementation of Resolution SEE N° 19/2017 triggered an increase of remuneration of around 50% in relation to the previous regulation. Basically the remuneration concepts were simplified. There is a capacity charge, which varies in relation to technology and size of the unit, and a variable charge. Values are defined in dollars.

Since the sanction of Resolution SEE N°19/2017, it was given for thermal units the possibility to offer commitments of guaranteed availability, and additional guaranteed availability (DIGO and DIGO Additional respectively) with the same differential remuneration for every technology.

In this sense, in 2018 Costanera participated in the Summer Seasonal Programming (from November 1 to April 30), in the Winter Seasonal Programming (from May 1 through October 31) and the 2019 Summer Seasonal Programming (from November 1 to April 30) of the commitments of guaranteed availability.

In November 2018, Resolution 2018-70-APN-SGE was published, through which Generation Agents, Cogenerators and Self-generators of the MEM are allowed to supply their own fuel for energy generation. Following the enactment of this Resolution, CAMMESA has authorized the declaration of Variable Production Costs (CVP by its Spanish acronym). The declared CVP will enable Costanera to carry out a commercial strategy, in order to optimize its costs and the declared CVP.

Enel Generación El Chocón S.A.

Hidroeléctrica El Chocón SA is an hydroelectric generation company, operating El Chocón and Arroyito power plants, located on River Limay. It's located in the provinces of Neuquén and Río Negro. The total gross installed capacity of this hydroelectric complex is 1,328 MW and includes El Chocón plant, with 1,200MW installed capacity (artificial reservoir's hydroelectric power plant) and Arroyito plant, with 128 MW installed capacity, both plants use the waters of Rivers Limay and Collón Curá for generation.

The gross hydro installed capacity of the Company is 1,328 MW; thermal gross capacity is 35.6 MW and corresponds to motogenerators. Its participation in the SADI is 3.6% in relation to the total installed capacity.

El Chocón is located in the Comahue region, consisting of the Argentinean provinces Río Negro, Neuquén and the southern areas of Buenos Aires provinces, over the Limay River, 80 km upstream from the confluence with Neuquén River. Arroyito is the compensator dam of El Chocón and is located in the same river, 25 km downstream.

The hydrological year starts on April 1, and 2018 has been characterized as dry accordingly the contribution of the hydrological basins of the Rivers Limay and Collón Cura. Net generation recorded for these power plants during the year was 2,898 GWh. This generation comes from 2,282 GWh in Chocón (79%), 577 GWh in Arroyito (20%) and 39 GWh by motogenerators (1%).

The company started 2018 with a level of the reservoir of 377.71 m.s.n.m. The reserve El Chocón dam was 2,159 GWh and in the Comahue was 5,919 GWh. Both amounts were measured in relation the minimum height condition of FOE.

At the end of year 2018, the level of the reservoir reached 377.55 m.s.n.m. The energy reserves of the Comahue dams were 6,083 GWh, 2,168 GWh of which were reserves of El Chocón.





In January 2017, the Secretary of Electric Energy, which is subordinated to the Ministry of Energy and Mining, through Resolution N° 19/2017 updated the remuneration values of Resolution SE N° 22/2016 to be applied from February 2017. During 2018 this regulation remained in force.

The implementation of Resolution SEE N°19/2017 prompted a change in the remuneration of thermal and hydro generators in relation to the previous regulation. The remuneration concepts were simplified, thus considering a capacity charge, which varies in relation to technology and size of the unit, and a variable charge. The values are defined in dollars.

Additionally, since the enactment of Resolution SEE N°19/2017, it was established for thermal units the possibility to offer commitments of guaranteed availability, and additional guaranteed availability (DIGO and DIGO Additional respectively) with the same differential remuneration for every technology.

Starting from motogenerators, in 2018 Chocón participated in the Summer Seasonal Programming (from November 1 to April 30), the Winter Seasonal Programming (from May 1 to October 31) and the Summer Seasonal Programming (from November 1 to April 30), of the commitments of guaranteed availability.

Central Dock Sud

Dock Sud power plants located in Avellaneda district, Buenos Aires. Dock Sud owns and operates a single generation power plant with two units, with a total capacity of 870 MW. Dock Sud power plant (CDS in Spanish acronym) has four gas turbines and one steam turbine. Two of the gas turbines and the steam turbine comprises once combined cycle power plant.

The energy generated by Dock Sud in 2018 reached 3,950 GWh, participating in 4.5% of thermal generation and covering 2.9% of the SADI demand.

On December 31, 2018, installed capacity of Central Dock Sud S.A. represented 2.3% of the total installed capacity of the SIN.

In January 2017, the Secretary of Electric Energy, which is subordinated to the Ministry of Energy and Mining, through Resolution N° 19E/2017 updated the remuneration values of Resolution SE N° 22/2016 to be applied from February 2017.

The implementation of Resolution SEE N°19/2017 prompted a change in the remuneration of thermal and hydro generators in relation to the previous regulation. The remuneration concepts were simplified, thus considering a capacity charge, which varies in relation to technology and size of the unit, and a variable charge. The values are defined in dollars.

Since Resolution SEE N°19/2017, it was established for thermal units the possibility to offer commitments of guaranteed availability, and additional guaranteed availability (DIGO and DIGO Additional respectively) with the same differential remuneration for every technology.

Later, through resolution N°70/2018, from the second half of November, generation agents were allowed to set to supply their own fuel for energy generation. Generation costs will be valorized according to the mechanism of recognition of Production Variable costs recognized by CAMMESA. Central Dock Sud was part of this scheme since the first half of December, 2018.

Since 2015, there is a loan obtained from CAMMESA, whose purpose was to finance the costs related to the combined cycle major maintenance. Pursuant to Article N°7 of Annex 2 of Resolution SEE 19/2017, in December 2017 the Company signed and Addenda to the existing mutual contract, where the payment method of the aforementioned loan was adjusted in relation to the remuneration established in the previous regulation and the use of credits of the Additional Remuneration of Trust (RAF in Spanish acronym). In this sense, the compensation between the updated debt and the RAF credits was performed, thus the new capital balance was ARS\$224.9 million to be paid in 24 installments plus interests (at CAMMESA interest rates). The first installment was paid in December 2017. The company estimates to pay the debt with the transaction of November 2019, and maturity is in January 2020.

Activities and projects in generation

Expression of interest for the development of infrastructure projects

In the context of the changes in regulation that the Argentine government has been performing and the variety of biddings that have been done, and the new ones that the government plans to carry out new investments in energy, the company is analyzing the potential installation of a new combined cycle in Costanera.

The intention is to compete for electricity energy contracts in those biddings that the Ministry of Energy and Mining offers.

The project consists on the installation of a combined cycle unit, with an installed capacity of 450 MW, connected to the voltage bars of 220 kV and 132 kV of the existing Costanera substation. The operation would work with two types of fuel (natural gas or diesel). Both the environmental permit and the prior authorization for connection (Stage 1) were granted in 2017.

The construction period is estimated in 30 months, depending on technical specifications.

Land Reserved for Future Projects

In Argentina, Enel Américas doesn't have any land reserved for future projects.

Electricity Distribution

Edesur

The main objective of Edesur is the distribution and commercialization of electricity in the southern area of Buenos Aires. This includes two-thirds parts of the city of Buenos

Aires' area and twelve districts of Buenos Aires province, covering 3,309 km², for a period of 95 years starting from August 31, 1992.

This period includes an initial term of 15 years and eight additional periods of 10 years each. On February 5, 2007, the National Electricity Regulatory Entity (ENRE) resolved to extend the initial period for five additional years, from the completion of the Integral Tariff Review (RTI) process.

Later, on January 27, 2016, the Resolution MINEM N° 7/2016 was enacted, which instructed ENRE, among other things, to: perform an adjustment to the VAD in the tariff charts of the Company, on behalf of the RTI (Integral Fees Renegotiation) and the framework of the Transitory Tariff Regime established in the Agreement Act and to carry out every act needed to proceed the RTI, which should come into force before December 31, 2016. The process and schedule for the RTI was established through Resolution ENRE 55 as of April 5, 2016.

Within the framework of the RTI process, on October 28, 2016 the public hearing was held to inform and hear the opinions with regards to the tariffs proposals that the distribution companies Edesur and Edenor presented to the ENRE according to Resolution ENRE N° 55/2016.

On December 30, 2016, the ENRE enacted Resolution N° 626, approving the document denominated Final Public Hearing Resolution with the purpose to inform and answer the opinions made in relation to the Tariffs Proposal presented previously by the companies with regards to the definition of tariffs to be applied, and to transfer the considerations of the Subsecretary of Tariffs Policy Coordination of the Ministry of Energy and Mining of the Nation, those subjects planned that are not under the responsibility of such entity.

On February 1, 2017 the Integral Tariff Review came into force, thus ending the process of renegotiation of the concession contract, and reestablishing the full validity of the Concession Contract, the Tariff Regime and the Quality of Service, which were renegotiated based on the principles established by Law 24,065.





This milestone is critical for the company, because it means the complete restoration of conditions of certainty and sustainability of the business, and also defines conditions and basic criteria (formation of capital base and calculation of WACC) for future tariff revisions throughout the concession period.

It's worth mentioning that along the tariff cycle of the RTI term, established between February 1, 2017 and January 31, 2022, the quality of service regime will increase its requirements according to the expectation of the development of investments and operational improvements that EDESUR proposed in the context of RTI. Therefore, the quality guidelines will be more demanding and the cost of energy not delivered will increase throughout the period, reaching the values established recently in the last semester of the cycle.

It should be noted that SAIDI (one of the indexes of service quality) has improved in 2018 in relation to 2017, with a reduction of 4.5 hours, reaching 25.18 hours –according to Enel criteria-.

The concession contract establishes for Edesur the obligation to supply energy according to the demand of the owners or inhabitants of the properties within its concession area, it also demands the company to comply with certain quality standards related to the electricity supplied, to comply with operational requirements concerning the maintenance of distribution assets and to bill clients on the basis of effective measurements.

In December 2017 the Ministry of Energy and Mining (MINEM) presented its proposal and criteria for the treatment of regulatory liabilities. The first measure was, through the Note issued on December 30, 2017, that the Ministry informed that CAMMESA took possession of the debt registered by EDESUR with this company for the purchase of energy, for a period of 90 days pending to formalize the aforementioned agreement. EDESUR is working on the latter to comply with the agreed deadlines. During 2018, the company continued working in the agreement, and the final resolution regarding these matters was subject to the change of jurisdiction.

On December 4, 2018 Law 27,469 was enacted, which approves the Fiscal Consensus signed on September 13, 2018 between the Nation and the majority of the Provinces. This agreement mandates “electricity distribution companies Empresa Distribuidora Norte SA (Edenor) and Empresa Distribuidora Sur SA (Edesur) to become part of the jurisdiction of the Province of Buenos Aires and the Ciudad Autónoma de Buenos Aires (CABA), in line with the electricity distribution companies in the other jurisdictions”.

In the same vein, Law 27,467 of General Budget for Expenses and Resources of National Administration for 2019, published also on December 4, 2018, established on article 124, to instruct the National Executive Power to “foster those acts needed for the transfer of jurisdiction of energy distribution companies Empresa Distribuidora Norte S.A. (Edenor) and Empresa Distribuidora Sur S.A. (Edesur) from Province of Buenos Aires to Ciudad Autónoma de Buenos Aires” from January 1, 2019, and “once this becomes effective, the National Entity for Electricity Regulation (ENRE in its Spanish acronym) created through article 54 of Law 24,065 will keep its functions and faculties in all matters not related to energy distribution public service”.

At the time of this report, the transfer of jurisdiction (which requires the approval of both companies) has not yet materialized. According to the conversations held with the authorities in the three jurisdictions, this transfer would be made without any changes in the Concession Contract, and after solving important pending topics for both companies (regulatory assets and liabilities, Framework Agreement and social tariff cap).

In 2018, Edesur delivered energy service to 2,529,953 clients. Of the total, 88% are residential customers, 11% commercial, 1% industrial and others 0.04%. Energy sales reached to 17,548 GWh, including distribution services (tolls) to large users, at similar levels than the previous year. Sales distribution was: 48% for the residential sector, 8% for the commercial sector, 24% for the industrial sector and 20% others.

During 2018, the annual mobile loss rate (technical and non technical) reached 14.25%, meaning deterioration in relation to 2017 (12.04%). This result was achieved in a scenario of stable demand (+0.2% 2018 vs. 2017) and an important growth of thefts related to higher tariffs.

Activities and projects in distribution

With regards to the Investment Plan for 2018, worth is mentioning that the investment amount in the year reached ARS\$ 5,405 million. The most important projects developed in 2018 are described below:

Commissioning of SE Padre Novak and expansion of its MT network

SE Padre Novak is a new substation, comprises 1x40 MVA with 8 cells of 13.2 KV. It's located in Av. Padre Novak 2115, Florencio Varela. It's feed in 132KV through lines 553/554.

This work consisted in the installation of four new feeders from the SE Padre Novak. Also 13 km of medium tension network new wiring was installed, benefitting users mainly from the villages of San Juan, Villa Vatteone, Gobernador Costa and Santa Rosa (Florencio Varela). The costs of these works were around ARS\$ 25 million.

Even though other works were completed in December 2017, ENRE has considered them "in service" during 2018, in the point of providing energy to the MT network.

Expansion of SE Santa Rita from 2x40 MVA to 2x80 MVA

Consists on the adjustment and expansion of the current Substation Santa Rita, from 2x40MVA to 2x80 MVA, and 16 cells of 13.2 KV were added. Finally 32 MT exits became available.

During 2018, ENRE considered finished the expansion works, with the installation of the bank of capacitors that completed the project.

New connection 132 KV SSEE Dock Sud – Escalada

This is a 10 km underground power line of 132 KV, 1.200 mm² with XLPE insulation, from SE Dock Sud to SE Escalada. This connection improved the service quality in south Buenos Aires.

Replacement of T.111/112/113 Puerto Nuevo-Azopardo

This is a 5.3 km underground power line of 132 KV, 1200 mm² with XLPE insulation between Puerto Nuevo and SE Azopardo. This work improved the operation of the system and solved charging transfer between north and south Buenos Aires and was commissioned on December 31, 2018.

Cámaras Pozo

This project consists on the installation of underground Transformation Centers MT/BT in areas with critical points and where the use of conventional equipment is difficult. In 2018, 40 new cameras were installed in Ciudad Autónoma de Buenos Aires (CABA for its Spanish acronym) in the following neighborhoods: Caballito, Villa Santa Rita, Villa Gral Mitre, Villa Crespo, Villa Devoto, Flores, Floresta, Mataderos, Villa Luro, Barracas, La Boca, Nueva Pompeya, Parque Avellaneda and Villa Soldati.

Paseo del Bajo

Paseo del Bajo project consists on the construction of underground trails for heavy transit, connecting north and south Buenos Aires. Its construction interferes longitudinal and cross-sectional with Medium and High voltage networks of Edesur.

The main activities are:

- 1- Execution of new MT lines for the transitory charging transfer to the adjacent SSEE.
- 2- Withdrawal of the affected facilities.
- 3- Reversal of current facilities of the 27.5KV network.
- 4- Conversion of SE Balcarce and Tres Sargentos a 132KV/13.2.
- 5- The MT networks are connected again to SSEE Balcarce and Tres Sargentos, with capacity for new feeders.

Even though in 2017 the medium tension underground network reached 16.4 km, and according to the plan to comply with items 1, 2 and 3; the installation of additional new MT lines of 7.5 km during 2018 almost completes the plan.





Infrastructure improvement of MT network

With the objective of improving service quality, in 2018 Edesur has expanded and renewed its network. In terms of quantity, it means 412.3 km medium voltage and 341 km low voltage networks. Likewise, considering the transformation centers, these grew in 311 CT intervened, representing 1,437 transformers (new and/or renewed).

In order to improve the situation to face severe climate events, during 2018 the "mitigation" plan in transformers and distribution chambers continued, with the purpose of prevent water entry, and completing the improvements in 31 underground chambers.

Likewise, the distribution company continues working in mechanical reinforcements in the medium voltage transmission grid in the province of Buenos Aires, in order to prevent the fall of pylons during severe storms, and replaced 299 wooden pylons for concrete pylons.

Land for future substations

In the context of the investment plan for 2017-2021, the company needs to install 3 AT/MT Substations, 2 in Buenos Aires and 1 in Quilmes (Solano). During 2018 advances were made in finding slots for these substations, working with municipalities for this purpose.

Currently, there are some proposals under technical analysis and negotiations are under way.

New clients for high voltage supply

During 2018, the company started projects for new AT clients according to their requests. Examples of these are: "growth of demand at Ezeiza Airport" (the AT energy supply requirement will start towards 2021) and "Parque de la Ciudad" project (for which there are negotiations regarding the use of land with the government of Buenos Aires).

Additionally, the supply project with the company AySA Bernal continues.

Digitization of the network

In order to improve the quality of service, during 2018 Edesur completed the installation of the first smart meters to digitize its network. The pilot project consisted on the installation of 20,000 equipments in the concession area. The new smart meters include technology that Enel is using worldwide, which has many advantages: the consumption reading is done remotely and more precisely; network failures are identified in real time, therefore repair times would be much shorter; and allows the user to read consumption data constantly, while leading to a more efficient energy consumption.

Regarding MT and BT networks, changes of PIMT networks were made and the system STM was incorporated, for a centralized operation.

The integration point to point of the SCADA-STM-SCADA systems has finished, which will enable a better operation of the network and the actualization of CERTA system, for claims management and the incorporation of new management tools for the BT network, which is guided by service quality indicators.

The company started the implementation of the e-order system of Enel Group, and the new work programming system (PDL by its Spanish acronym), which manages BT claims service and maintenance orders, thus improving employees management and records of the works.

Network maintenance management

During 2018 started a project for the comprehensive maintenance management of AT/MT and BT through actions intertwined, which enables the reduction of failures in the network. The most outstanding actions are the failure analysis, the implementation of operational risk analysis, improvement of IT system CERTA, monitoring and analysis of maintenance plans. A very important tool implemented is relieving AT/MT aerial networks with an helicopter equipped with state-of-the-art technology that takes pictures/ videos, thermographs and images detection with laser (LIDAR), and in BT networks it makes a Mobile Mapping (gets data such as thermography's and photos/ videos).

In the High Voltage system, worth is mentioning that during 2018 started a new comprehensive preventive maintenance plan of the facilities (SSEE) and High Voltage transmission lines, thus increasing 74% the maintenance works in relation to the previous year. It's important to recognize families of equipment that widely exceed 100% growth of their maintenance (AT and MT Switches, power and instrument transformers, Bars in AT).

The implementation of this preventive maintenance program in the High Voltage system is very important, because any failure of the system produces power outages to more than 100,000 clients.

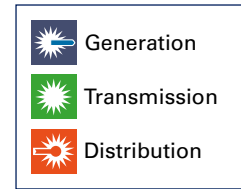
Technological improvements to the network

During 2018, the company continued working in the improvement of SAIDI, with the installation of 555 additional remote control equipment in different points of the medium voltage network, reaching 900 operational points, with the purpose of improving the efficiency of the MT network. The firm also installed 1,210 mini UTR (remote supervision units) and 150 line supervisors that allow access to information in real time of relevant variables of the network. Additionally, other works carried out during the year were the modernization of the design of MT/BT and AT networks and the implementation of new technologies in relation to best practices of different distribution companies and the standards defined by Enel Group.

Electricity-dependent users support

During 2018, the new regulatory framework demanded distribution companies to provide alternative energy sources (FAE by its Spanish acronym) for every electricity-dependent user, so in the case of lack of supply, power service will not be interrupted for this type of users. With this purpose, the company developed a prototype for alternative energy source and the implementation of technical requirements. The initial acquisition was 150 units. Additionally, in order to expand this energy source for a larger number of electricity-dependent users, the firm started a bidding process for the acquisition of up to 1,500 units FAE, including their supply, installation and maintenance.





*Non-billable consumptions are not included in distribution business.
 1. Energy sales since June 2018, date of consolidation of the company.

Brazil

Electricity Generation

Enel Américas participates in electricity generation through Enel Brasil and its subsidiaries Cachoeira Dourada, Volta Grande and Enel Generación Fortaleza.

These three power plants, two hydroelectric and the other thermal, add up 1,365 MW total net capacity, and represent 0.8% of the capacity of Brazilian SIN.

The electricity generation of the Group in Brazil reached 3,755 GWh, reaching 0.8% of the total generation in the country (thermal and hydro), where hydroelectric production represented 86% of the total generation of the Enel Américas group in Brazil.

Other generators connected to the Brazilian SIN are: CHESF, Furnas, Cemig, Electronorte, Cesp, Copel and Eletrobras.

Cachoeira Dourada

Cachoeira is located in the State of Goiás, 240 km south of Goiânia. The power plant owns ten units with 658 MW of net installed capacity. It's a run-of-the-river power plant and uses the waters of River Paranaíba.

Net generation in 2018 reached 2,071 GWh and sales amounted to 18,098 GWh.

Volta Grande

Enel Américas through its subsidiary Enel Brasil acquired the rights to operate for a 30-year period Volta Grande hydroelectric power plant, which is located in the Rio Grande, between the Brazilian states São Paulo and Minas Gerais. The total cost of the concession was BRL\$1,420 million (approximately US\$436 million). Enel Brasil won the auction for hydroelectric concessions performed by the Brazilian government on September 27, 2017, in an open public session at the São Paulo Stock Exchange. The operation

of the asset began on November 11, 2017. The acquisition of this concession was financed 60% with debt and 40% with equity. Initially a two-year bridge loan (2018-2019) was considered, under the guarantee of Enel. During the bridge loan term, a long-term financing would structure. For further details regarding this operation, see Note 10 of the Consolidated Financial Statements of Enel Américas as of December 2018.

Net generation in 2018 was 1,148 GWh and sales reached 1,376 GWh.

With this acquisition, Enel Brasil increased in 40% its hydroelectric capacity in Brazil, adding 380 MW to its portfolio.

Enel Generación Fortaleza

Fortaleza is located in Caucaia municipality, 50 km from the capital of Ceará state. Fortaleza is a 327 MW gross combined cycle thermal power plant that uses natural gas; and is able generate one third of the electricity needs of Ceará, state that has a population of nearly 9 million inhabitants.

Fortaleza was built in a 70 thousand square meters area, and is part of the infrastructure of the Industrial and Port Complex of Pecém, in Caucaia municipality, and is part of the Thermolectricity Priority Program (PPT) of the Federal Government. Fortaleza has a strategic location to boost regional growth and to facilitate the setup of other industries. Its main customer is the distribution company Enel Distribución Ceará and its most important supplier is Petrobras.

Electricity generation in 2018 was 537 GWh, while sales reached 2,763 GWh.

Land reserved for future projects

Enel Brasil owns an area of 75 hectares in the city of Macaé, State of Rio de Janeiro, reserved for a new thermoelectric project.





Electricity Transmission

Enel Américas Group also participates in the transmission and sale of electricity in Brazil through the interconnection line between Argentina and Brazil, through the Enel Cien, holding 99.3% ownership.

Enel Cien

Enel Cien is an energy transmission company in Brazil. The complex consists of two frequency conversion stations, Garabi I and II Garabi II, converting both ways the frequencies of Brazil (60 Hertz) and Argentina (50 Hertz) and transmission lines. On the Argentinean side, they are managed by two subsidiaries: Compañía de Transmission del Mercosur S.A. (CTM) and Transportadora de Energía S.A. (TESA). Enel Cien has control of 100.0% of the capital in both companies.

The interconnection system consists of two transmission lines with a total length of 1,006 km, and the Garabi Conversion Station, SE STA (Santo Angelo/RS) and SE YTA (Itá/SC).

On April 5, 2011 the decrees were published in the Official Gazette defining the annual value of the Allowed Annual Remuneration (RAP) for Enel Cien. With this, the regulator equates Enel Cien (the assets of which consist of Garabi

1 and 2 lines) to concessionaires of public service transmission. Total annual RAP is adjusted annually and the tariff review processes will be conducted every four years. Starting from April 2011, therefore, Enel Cien was officially authorized to receive payments under this new business approach.

Electricity Distribution in Brazil

Enel Américas participates in distribution through Enel Brazil and its subsidiaries Enel Distribución Río, Enel Distribución Ceará, Enel Distribución Goiás and Enel Distribución São Paulo.

Enel Américas owns directly and indirectly economic ownership of 99.7%, 74.1%, 99.9% and 95.88% of these companies ownership, respectively.

In Brazil, the main distribution companies in the electricity system are: CPFL, Cemig, Light, Coelba y Copel.

Enel Distribución Río

Enel Distribución Río (former Ampla) is an energy distribution company with operations in 73% of the territory of the State of Río de Janeiro, which is equivalent to a 32,188-km² area. The population is approximately 8 million inhabitants, distributed in 66 municipalities, and the following are the most important ones: Niteroi, São Gonçalo, Petrópolis, Campos and Cabo Frío.

During 2018, Enel Distribución Río Enel Distribución Río supplied electricity to 2,959,220-billed customers. Out of the total, 92% are residential clients, 5% are commercial clients and 3% other users.

Energy sales in 2018 reached 11,019 GWh, representing a slight decrease in relation to 2017. In this figure its important to acknowledge the participation of residential clients, representing 43% of physical sales, followed by commercial clients with 18% of sales, industrial clients with 4% and other clients and tolls representing 36% of sales. Enel Distribución Río greatly emphasizes energy theft fight, developing projects for the use of technology and social activities.

Nevertheless, currently energy losses still represent one of the main challenges of Enel Distribución Río. The year 2018 ended with 20.99% of energy losses, and compared with 2017, means a growth of 0.60%, mainly due to the increase of risky areas and the economic downturn in the State of Río de Janeiro.

Additionally, in 2018 Enel Distribución Río also took actions to improve quality indicators, reducing the SAIDI (period of time without energy supply) in 23% in relation to 2017 (14.10h vs. 18.21h).

Enel Distribución Ceará

Enel Distribución Ceará is the electricity distribution company that operates the State of Ceará, in northeastern Brazil, which covers a 148,921-km² concession area. The company serves a population of over 9 million inhabitants.

During 2018, Enel Distribución Ceará (former Coelce) supplied energy to 3,933,281-billed customers. Of of the total, 81% are residential clients, 4% commercial customers and 15% other users.

Energy sales in 2018 were 11,843 GWh, increasing 2.8% over 2017. Out of these sales, residential clients represented 37%, commercial clients were 19%, industrial clients 12%, followed by tolls and other clients with 32%.

Enel Distribución Goiás

Enel Américas, through its subsidiary Enel Brasil, acquired 94.8% of Enel Distribución Goiás (former Celg) share capital, a distribution company that operates in the Brazilian State of Goiás. The investment reached BRL\$ 2,187 million (approximately US\$ 640 million).

Enel Brasil was awarded with the public tender for the privatization of Celg, which carried out by the Brazilian government in November 2016 through Banco Nacional de Desenvolvimento BNDES, and started operating the asset on February 14, 2017. In May 2017, Enel Brasil acquired an additional 5% of Celg capital (currently Enel Distribución Goiás) for BRL\$ 81.7 million. Additionally, Enel Brasil performed a capital increase in Enel Distribución Goiás for a total amount of BRL\$1,600 million. By the end of 2017, the participation of Enel Brasil in the share capital of Enel Distribución Goiás reached 99.93%. For further information of this operation, see Note 7.1. of the Consolidated Financial Statements Enel Américas as of December 2018.

The acquisition of Enel Distribución Goiás was completely financed with funds from the capital increase of Enel Américas, which was approved by the end of 2012.

The company is located in the central-west area of Brazil, its concession area amounts to 337 thousand km² and serves a population of more than 6 million inhabitants.

Energy sales were 13,755 GWh in 2018, increasing 12.2% over 2017 (taking into account the consolidation of this distribution company since February 2017). The distribution is the following: 34% residential clients, 18% commercial clients and, 26% of industrial clients and 22% tolls and others.

During 2018, Enel Distribución Goiás supplied energy service to 3,026,991-billed customers. The classification by type of clients shows that 86% are residential, 7% are commercial, and other clients represent el 10%.

Additionally, Enel Distribución Goiás also took actions to improve quality indicators and in 2018 reduced SAIDI (period of time without energy supply) in 19% over 2017 (26.19h vs. 32.29h).





Enel Distribución São Paulo

Enel Américas through its subsidiary Enel Brasil Investimentos Sudeste acquired 73.4% of Enel Distribución São Paulo (former Eletropaulo) share capital, a distribution company that operates in the Brazilian State of São Paulo. The amount of the investment was BRL\$ 5,553 million (approximately US\$ 1,445 million), through a public tender offer held on June 4, and on June 7, 2018 the financial liquidation and transfer of shares were completed. In July 2018, Enel Sudeste acquired more than 19,9% of Enel Distribución São Paulo share capital for de BRL\$ 1,516 million (approximately US\$ 395 million).

Additionally, Enel Sudeste performed a capital increase for a total of BRL\$ 1,500 million (approximately US\$395 million). Therefore the ownership of Enel Brasil in Enel Distribución São Paulo reached 94.4%. For further information of this operation see Note 7.2. of the Consolidated Financial Statements Enel Américas of December 2018.

Enel Distribución São Paulo is the largest energy distribution company in Brazil, in terms of energy sales, it operates in 24 cities in the Metropolitan Region of São Paulo including the capital, the main economic and financial center in Brazil.

Its concession area amounts to 4,526km², concentrates the largest domestic GDP and the highest demographic density of the country, 1,596 consumer units per km² with 18 million people, equivalent to 32.6% of the total energy consumed in the State of São Paulo and 9.1% of the country.

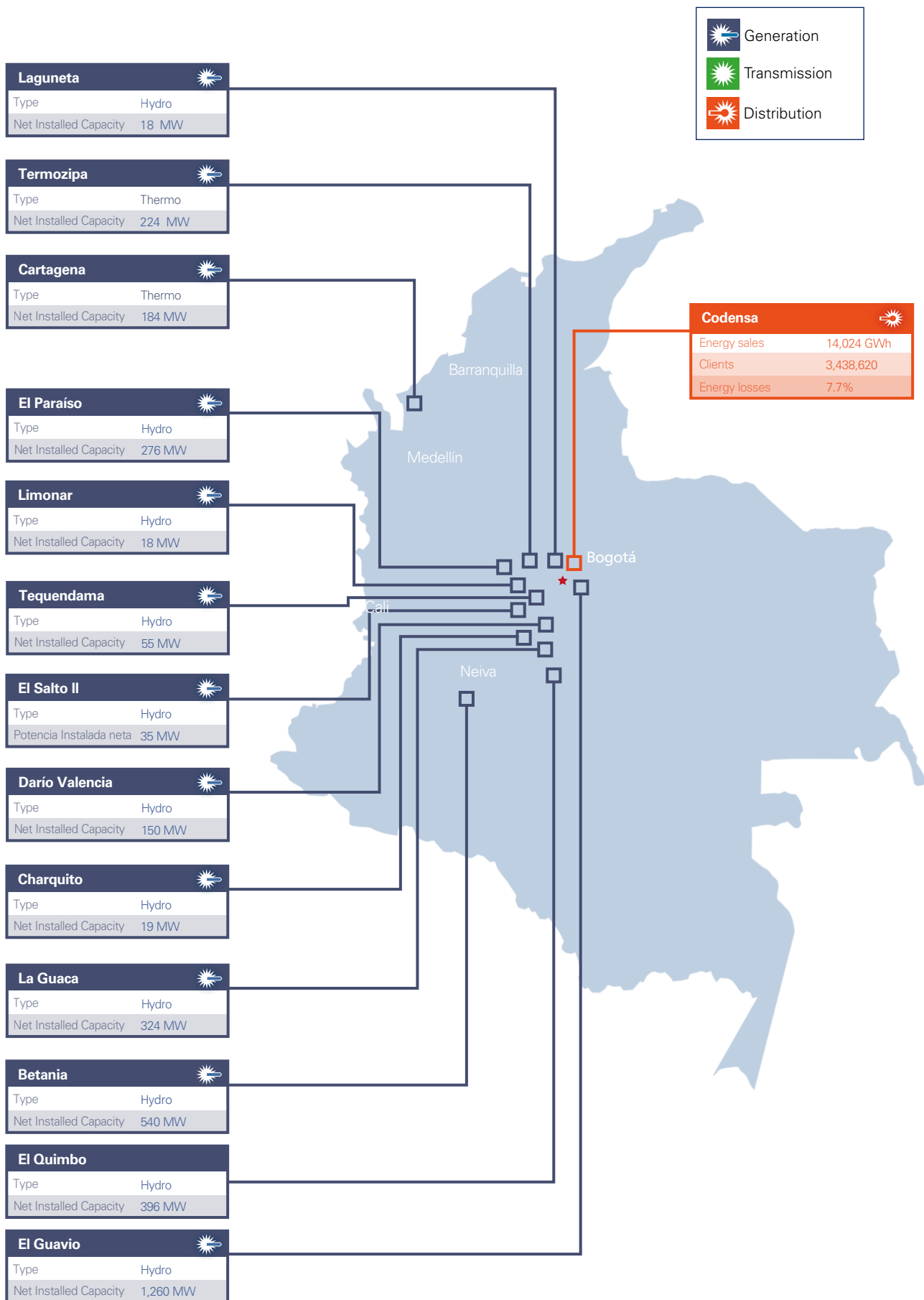
During 2018, Enel Distribución São Paulo supplied energy service to 7,224,487-billed customers. Out of the total, 94% are residential clients, 6% are commercial clients, and 1% other users. Considering that this distribution company was consolidated since June 2018, sales amounted to 24,693 GWh.

Activities and projects in distribution

Energy Efficiency

Energy efficiency projects comprise actions to promote the conscious energy consumption and changes of equipment (refrigerators, freezers, lamps) and electrical wiring, with an important impact on energy consumption and home energy efficiency improvement. In 2018, 81,793 people in Enel Distribución Río, Enel Distribución Ceará, Enel Distribución Goiás, and recently, Enel Distribución São Paulo, benefited with the change of equipment initiatives. Also, 164,115 consumers were benefited from the educational projects for conscious consumption (125,615 in conferences and workshops, 11,020 by community agents and 27,480 by the school program). Projects are supported by touring trucks equipped with explanatory model of energy generation, transmission and distribution processes, simulators of consumption and interactive totems with fun units for all ages. The displacement of the project guarantees the access to information for residents and students in zones far from metropolitan areas.

In 2018 the energy efficiency program of Enel Brasil concentrated its initiatives in the regions with greater impact in commercial losses (electricity theft), thus promoting responsible energy consumption initiatives in the population, especially among low-income consumers. The resources invested by distribution companies are regulated and are equivalent to 0.4% of the companies' net operational revenues.



*Non-billable consumptions are not included in distribution business.





Colombia

Electricity Generation

Enel Américas participates in electricity generation through its subsidiary Emgesa, where it controls, directly and indirectly, 48.5% of its property (economic participation) and 56.7% of political participation. Electricity generation of Enel Américas in Colombia reached 22% of the total generation in this market in 2017. Other generators connected to the Colombian electricity system are: Empresa Pública de Medellín, Isagen, Gecelca, Celsia and Chivor.

Emgesa

On September 1st, 2007, the Colombian companies Emgesa S.A. E.S.P. and Central Hidroeléctrica de Betania S.A. E.S.P. completed a merger process, leaving the latter as the absorbing company, which changed its name to Emgesa S.A. E.S.P.

Emgesa is the largest electricity generation company in Colombia, and is located near the city of Bogotá. The company is comprised by 17 power plants with 3,499 MW of total installed capacity, among which El Guavio is significant, with 1,250 MW of installed capacity, being the largest hydroelectric power plant in the country. Out of the 17 existing plants, 15 are hydroelectric and 2 are thermal. Net generation was 14,052 GWh in 2018. Hydro generation reached 13,763 GWh and thermal generation was 289 GWh. Sales through the energy exchange reached 2,827 GWh.

Hydrologic Context for Emgesa in 2018

The offer of electric energy in Colombia in 2018, presented ENSO conditions (Oscillation of El Niño South, for its English abbreviation) relatively neutral, without any incidence in the hydrologic contributions of the main rivers in Colombia. Then again, by the end of 2018, there was an alert of a probability for the presentation of ENSO/EL Niño conditions for 2018-2019, according to the releases of the Institute of Hydrology, Meteorology and Environmental Studies – (IDEAM by its Spanish acronym) and international agencies, which means a rainfall shortage in Colombia.

During the first three quarters of 2018 at a national level (SIN) the contribution meant surpluses and in the last quarter turned to deficit, and even below historical average. The deficit was consequence of the rainfalls during the second rain season in the country, due to the impact of atmospheric phenomena, which inhibits rainfalls such as the subsident phase of the intra-seasonal wave MJO (Oscillation Madden Julian, by its English acronym) and the slow displacement of the Intertropical Convergence Zone (ZCIT by its Spanish acronym) that regulates rainfalls.

Hydrological contributions accumulated during 2018 in the basins of Bogotá and Guavio rivers were above historical average, Quimbo basin was normal and Betania river basin shown deficit in hydro contribution.

Effective maintenance management of generation power plants and production management milestones in 2018

In 2018 net energy generation of Emgesa reached 14,052 GWh, showing a 4.8% decrease over 2017, mainly due to a lower hydro generation considering the lower hydrologic contribution in relation to historical average and also due to differences in the context of the market.

The availability of Emgesa's generation park in 2018 was 91.2%, meaning 1.3% fall in relation to 2017, due to the maintenance of unit 3 of Cartagena and Termozipa power plants required by the Life Extension project and the environmental improvement.

A total of 185,451 hours of service of generation units were accounted in 2018, 6,482 additional hours in relation to 2017.

A major overhaul of El Guavio power plant took place during the year; the last one was carried out in 2007. This maintenance was scheduled 18 months in advance, and consisted on the works related to the overhaul of the ball valves of the five units, civil works inspection activities, the maintenance of charging and discharging tunnels and the annual maintenance of the associated systems. This maintenance was completed according to plan.



Gas commercialization

In 2018 the company continued its process of consolidation of the natural gas market in Colombia, with the achievement of 23% margin growth over 2017 (COP\$ 3,421 million), due to the 312% increase of SPOT sales from COP\$ 470 million to COP\$ 1,937 million. The company supplied gas to 14 industrial non-regulated clients located in Bogotá, Manizales and Cartagena and 3 clients at the well head (secondary market). New sale contracts were signed with final customers for 2019, whose duration are 1, 3 and 5 years.

Activities and projects in generation

Improvements in Termozipa Thermal Power Plant

Termozipa is a thermal power plant owned by Emgesa located 40 km from Bogotá. This power plant has four units and its total installed capacity amounts to 236 MW and the coal supply comes from coalmines located in the nearby areas. Among other things, the improvements project comprises, among others, interventions in boilers, turbines,

generators and water outlets. This will allow the increase of the useful life in additional 15 years or 100,000 hours of operations. In addition, the specific heat rates will improve (a measure of the energy power plant efficiency) and will reduce the unavailability of energy. These improvements seek to achieve high environmental standards with regards to gas emissions of thermal coal power plants in Latin America, mainly focused on: Nitrogen Oxide (NOx) emissions below 330 mg/Nm³; Sulfur Dioxide (SO₂) below 400 mg/Nm³ and particulate matter emissions below 35 mg/Nm³. The interventions began by the end of 2016 and are expected to be completed in 2022, including the environmental improvements whose objective is to reach a new emissions regime in every generation unit.

Batteries energy storage system in Termozipa

The project consists in the installation of batteries energy storage system (BESS, for its English acronym), with 14 MW of installed capacity and 7 MWh of energy storage connected to the 13,8 kV bars of the four turbines of the power plant, whose purpose is to bring primary services of frequency regulation, through units located in the power plant. As such, the processes of this power plant are optimized, and it can sell additional 7 MW, thus improving the general income of the plant.





Land reserved for future projects

Enel Américas doesn't own any land reserved for future projects in Colombia,

Electricity Distribution

Codensa

Codensa is the electricity distribution and commercialization company of Enel Américas in Colombia, serving the complete market of Bogotá and Cundinamarca, as well as the thirteen districts of the neighboring departments of Meta, Tolima and Boyacá.

By the end of 2018, the Company served more than 3.4 million clients, and obtained important achievements and developments in activities addressed to improve the quality of service, whose result was the improvement in the average frequency of interruptions of our clients' service (9.0 times of SAIFI -System Average Interruption Frequency Index-) and in the duration of interruptions (710 Min of SAIDI -System Average Interruption Duration Index-).

Activities and projects in distribution

The work fronts were focused on:

- Projects for the improvement of service quality.
- Telecontrol Project of the Network
- Reposition and Normalization of high and medium voltage infrastructure (substations and lines)
- Expansion of installed capacity in substations regarding capacity and MT networks
- Expansion of coverage for rural areas
- Improvement of energy losses control
- Massive connection of clients and generators
- Smart measurement
- Digitization of the network

The results described above, show the vision of Codensa for the network administration in order to achieve world-class standards in terms of quality of service, under scenarios of higher investments and operations, also implementing Telecontrol to our network thus reaching very satisfactory quality of service indicators for our clients.

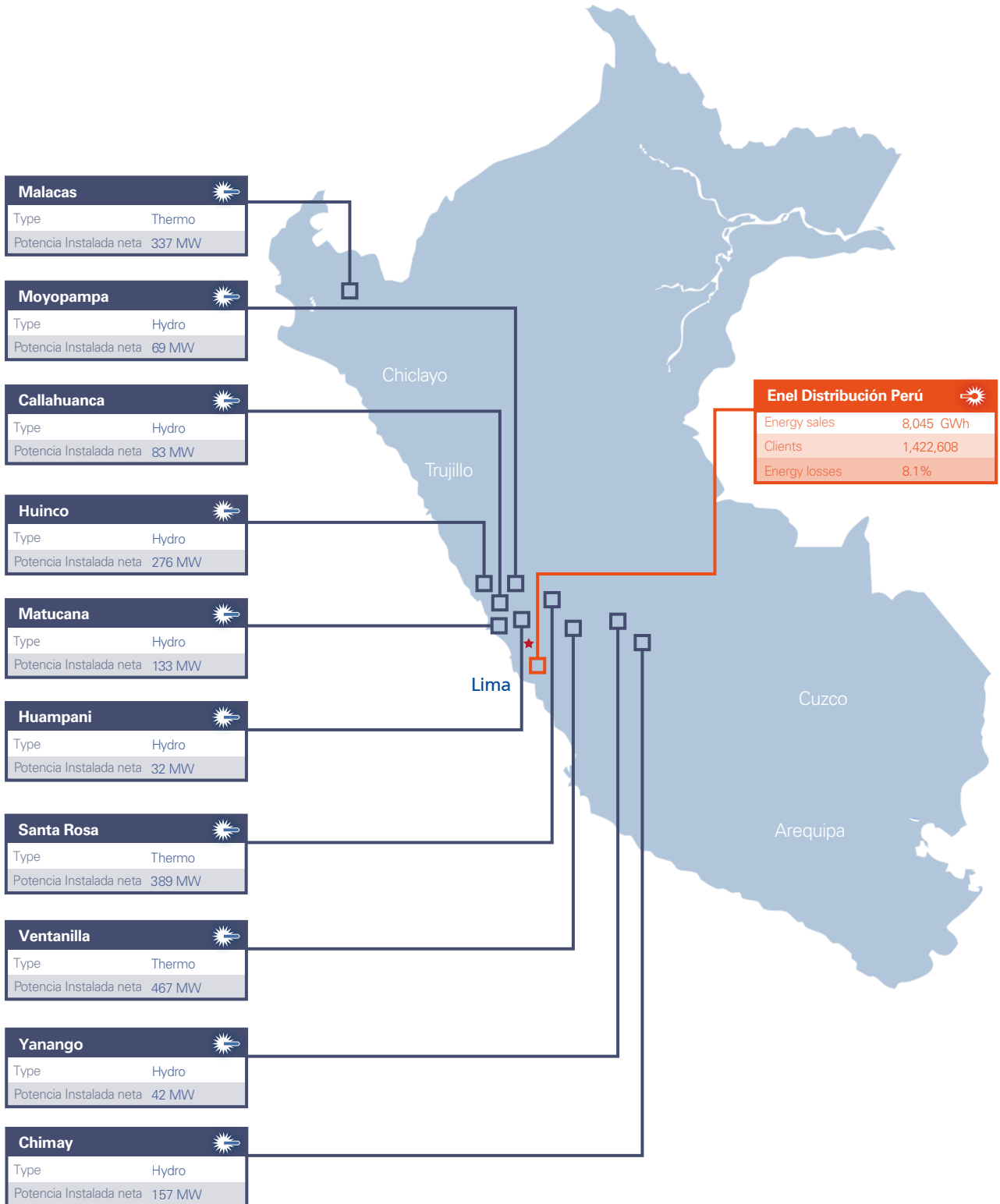
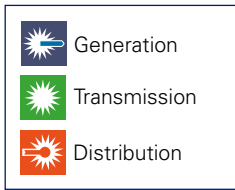
Additionally, and continuing with the program of market discipline, worth is mentioning the implementation of plans focused on the control of electricity theft, thus achieving energy losses index of 7.74% in 2018.

Energy demand in the area that Codensa serves showed a TAM growth of 1.17%. During 2018 energy sales were 14,024 GWh, 36% of which are residential clients, 18% are commercial clients, 35% tolls and 12% are industrial clients and others.

As of December 31, 2018 Codensa has installed 73,013 smart meters and 1,652 macro meters in the framework of the Smart Measure Project.

Likewise, in relation to public lighting, the modernization project for the Public Lighting of Bogotá continued, which until 2018 included the installation of more than 50,000 lights using LED technology over a total of 70,000 LED lights in the city, out of the total 350,187 lights of the public lighting system in Bogotá. Moreover, by the end of 2018, the Company modernized 164,295 lights using Electronic Ballast technology (Sodium and Metal Halide) in different areas of the city.

Worth is mentioning that during 2018, Codensa continued with the implementation of the Smart City Project regarding the infrastructure AMI and Telecontrol equipments. Likewise, Codensa as a public utilities company, continued supporting the District in the development of the first Electric Subway in Bogotá, with the definition of the electric networks transfers through the layout and the connection points where energy supply will be made. The company contributed with this project to the development of Bogotá.



*Non-billable consumptions are not included in distribution business.





Peru

Electricity Generation

Enel Américas S.A., through Enel Perú S.A.C. controls two generation companies in Peru: 83.60% of Enel Generación Perú share capital and 96.50% of Enel Generación Piura. The company is the sole shareholder of Enel Perú.

In Peru, the others generators connected to the electricity system are: Electroperú, Engie Energía Perú and Kallpa Generación.

Enel Perú S.A.C.

Enel Perú S.A.C. is a company constituted in Peru. Its social purpose is to perform investments in other companies, mainly in those dedicated to the exploitation of natural resources, and specially those related to generation, operation and commercialization of electric energy; develop engineering for the construction of energy power plants; carry out activities for the supply, assembly and commissioning of equipment, facilities and/ or services for the generation of electrical energy. Additionally, the company may perform any other activity related to the energy sector and waters.

Enel Generación Perú S.A.A.

Enel Generación Perú commercializes capacity and electric energy in the Peruvian market, complying with all the specifications of the Technical Norm for the Quality of Electric Services, being tension levels, frequency and the periods of unavailability of the service the most important ones.

The gross installed capacity of the company is 1,590 MW, (of the total capacity of the National Electric Interconnected System– henceforth “SEIN”), where 44% was hydro generation and 56% thermal generation, considering Yanango (43 MW) and Chimay (155 MW) power plants, which since May 31, 2009 split off and became part of Chinango S.A.C.

Enel Generación Perú equity participation as on December 31, 2018 was the following: 83.6% is owned by to Enel Perú S.A.C. (of which Enel Américas owns 100% shareholding), Prima AFP S.A. holds 5.96% shareholding and other shareholders the remaining 10.44%.

The company owns seven hydroelectric power plants; five are located in Lima and two in Junín. Worth is mentioning that Callahuanca hydro power plant is under reconstruction and out of commercial operation since June 15, 2017, due to the damages caused by the flooding that happened in March caused by “El Niño Costero” phenomena.

The hydroelectric power plants in Lima are located in the Rímac River basin. Huinco Power Plant is located in Santa Eulalia River basin, a tributary of Rímac River. Its installed capacity amounts to 278 MW and Matucana Power Plant is located in Rímac River basin, whose installed capacity is 137 MW. These rivers are diverted through tunnels and channels to the town of Barba Blanca, where Callahuanca Power Plant is located, whose installed capacity is 84 MW. The power plants Moyopampa (69 MW) and Huampaní (31 MW) are located downstream. The total capacity of these five power plants is 515 MW (without considering Callahuanca).

The company also owns 21 lagoons with installed capacity of 282,35 hm³, which allows the regulation of the flow for energy generation and for the water supply to the city of Lima.

The two hydroelectric Yanango power plants are located in the department of Junín. Installed capacity of Yanango is 43 MW, which uses the flows of Tarma River; and Chimay, with 158 MW installed capacity, which uses the flows of Tulumayo River. Their total installed capacity amounts to 201 MW. These two power plants became part of the subsidiary Chinango, as a consequence of a simple corporate reorganization process.

Likewise, Enel Generación Perú owns two thermal power plants, Santa Rosa and Ventanilla, whose installed capacity is 403 MW and 472 MW, respectively. The first is located in the Cercado de Lima, and is comprised by UTI units with 94MW, TG7 of 122 MW and TG8 of 187 MW. The second power plant is located in the Callao province, and comprises three generation units: two gas turbines and one steam turbine that constitute a combined cycle. Ventanilla Thermal power plant was the first combined cycle installed in the SEIN and currently is one of the four combined cycles of the system.

Thermal power plants use natural gas from Camisea as their main fuel, and the alternative fuel is diesel 2.

Total generation of Enel Generación Perú reached 7,510 GWh in 2018, 9,1% higher than the previous year. Energy

sales totaled 9,997 GWh as of December 2018, representing 1.8% increase over 2017.

Enel Generación Piura S.A.

The main objective of Enel Generación Piura is to perform activities related to generation and commercialization of electrical energy and to have presence in the natural gas business.

The power plant is located in the city of Talara, in the northeast of Peru, and the administrative area operates in Lima. Its operations are carried out within the concession area, and according to the current legislation that allows the development of every civil, industrial, commercial and any other and operations related or unrelated to the main purpose.

As of December 31, 2018, the equity participation of Enel Generación Piura is the following: 96.50% is controlled by Enel Perú S.A.C. (company wholly owned by Enel Américas) and other shareholders own the remaining 3.5% shareholding.

Generation plants are:

- > Malacas 1 Power Plant: Comprises one Siemens unit, model SGT-800, named TG6, its gross installed capacity is 51 MW and operates with natural gas. This unit began commercial operations on February 25, 2017.
- > Malacas 2 Power Plant: Comprises one ABB unit, named TGN-4, its gross installed capacity is 106 MW and operates with natural gas.
- > Malacas 3 Power Plant: Comprises one single Siemens unit, named TG-5, operates with diesel B5 fuel in open cycle in condition of Cold Reserve. On July 4, 2018 a gross new installed capacity of 187 MW in diesel mode was approved. Worth is mentioning that, since August 6, 2017, the Coes Sinac approved its gross commercial operation with 128 MW "natural gas mode" additionally to its operation with diesel fuel.





Production Centers

Power Plant	Unit	Manufacturer	Declared Fuel	Effective Installed Capacity (MW)
Malacas 1	TG-6	SIEMENS	Natural Gas	51*
Malacas 2	TGN4	ABB	Natural Gas	106**
Malacas 3	TG-5 RF	SIEMENS	Diesel B5	187***
Total				344

* Effective from May 7, 2017.

** Effective from July 20, 2017. Since 10.07.2017 operates in water injection mode to reduce NOx emissions.

*** Since 10.07.2017 operates in water injection mode to reduce NOx emissions.

The generation of Enel Generación Piura reached 603 GWh in 2018, representing a 10.1% growth over 2017. Energy sales totaled 603 GWh in December 2018, a 5.8% reduction in relation to the same period in the previous year.

Activities and projects in generation

Activities and projects in hydroelectric power plants

Rehabilitation of hydroelectric power plants after the “El Niño Costero” phenomenon in March, 2017

In 2018, rehabilitation works of the power plants affected by the “El Niño Costero” phenomenon continued, and the hydro power plants Callahuanca and Huinco registered important damages in their electromecanical equipments and infrastructure. Scheduled rehabilitation works were completed, where security and safety measures were taken during the rainy season. The Operation and Maintenance unit completed more than 70 activities in the renovation timeline of the power plants, such as repairs and inspections to channels and minor civil works, and finally the rehabilitation of Callahuanca power plant, whose main contractor is Andritz. In February, a fire occurred in the Load Chamber of Callahuanca power plant, cleaning and rehabilitation works started soon with the purpose of not affecting the rest of the schedule for the recovery of the power plant. This work finished in November.

Project for the expansion of Huampani power plant

Huampani hydroelectric power plant is located in Lurigancho Chosica, district of Lima, Peru. The Huampani project consists on the recovery of hydroelectric energy through the expansion of installed (currently 31 MW) and the installation of two new turbines (a total of 0.7 MW) inside the discharge chute of the existing Huampani power plant, using a generator and ancillary equipment. It will connect with Huampani SE through a 10kV, 140 meters long line.

The archeological and environmental authorizations for the project, or Certificate of Absence of Archaeological Remains (CIRA for the Spanish acronym) and Pre-Operability Study (EPO for the Spanish acronym) respectively, were granted in 2016. The construction started in August 2017, and as of December 31, 2018, the project was substantially completed; nevertheless as of the date of this report, works are being carried out to improve its efficiency.

Capacity increase of C.H. Huinco in 10 MW

In November 2017, the changes of the 4 new Pelton were completed, which have a more efficient design. Investment was US\$3.2 million and its main advantage is the increase of installed capacity in 10MW. On January 3, 2018 Coes approved the trial of effective capacity

Huinco and Matucana participate in the electricity secondary frequency regulation market

The hydro power plants Huinco and Matucana started participating in the Secondary Frequency Regulation market (“RSF” by its Spanish acronym) since late 2017 and February 2018, respectively. For this purpose the communication and control equipments of these power plants were adapted according to the Procedure N°22 of COES. It’s estimated that Chimay hydro power plant will participate in this market during 2019.



Major maintenance of Group 2 of Huinco

In the period August to December the works carried out in generator G2 of Huinco was the rewinding of the stator, maintenance of the rotor and changes of half shafts, with the purpose of increasing the reliability and efficiency of the unit in order to comply with the new quality standards. Investment reached US\$2.7 million and was performed by Andritz. Rehabilitation took 18 weeks.

Civil works: roofing of Huampaní Channel and Marcapomacocha

In the period May to June, 59 meters of Huampaní Channel were roofed (investment was approximately US\$ 600 thousand). The purpose of these works was to prevent the risks for people living in houses located in adjacent areas of the channel of falling, and in the gorges area in order to avoid blockage of the channel in the case of possible landslides. Estimations are to finish these works in 2021.

Between October and December, 450 meters of Marcapomacocha Channel were roofed. This is a very important work, because the roofing prevents the access and/or falling stones, thus avoiding obstructions of waters runoff. Investment was approximately US\$ 180 thousand.

Activities and projects in thermal power plants

Repair of generation in TG7 – Thermal power plant (C.T.) Santa Rosa

In the beginning of the second semester, the emergency repair of the stator of the generator of TG7 was performed. It was produced by a ground fault in the derivation of the elbow ring of phase R. Following a thorough analysis, together with E&C global, the company decided to repair the failure removing the rotor from the generator. This emergency work that restored the operability of the generator was completed on July 4.

Rewinding of Generator TG4 Strator Project

In June 2017, due to a bad maneuver of the company General Electric during the major overhaul of unit TG4, when introducing the rotor inside the generator, the later fell causing damages in the generator's stator. A prompt emergency repair was carried out immediately. Engineering and management works of major supplies have been carried out during 2017, with the purpose of performing a complete repair of the stator, and together with the company General Electric, it was agreed to carry out the complete rewinding of the generator's stator. The project con-





cluded successfully in July, 2018, achieving the objective of extending its useful life, ensuring capacity and efficiency of the generator of unit TG4.

Batteries energy storage system in Termozipa

The project consists in the installation of batteries energy storage system (BESS, for its English acronym), with 14 MW of installed capacity and 7 MWh of energy storage connected to the 13,8 kV bars of the four turbines of the power plant, whose purpose is to bring primary services of frequency regulation, through units located in the power plant. As such, the processes of this power plant are optimized, and it can sell additional 7 MW, thus improving the general income of the plant.

Batteries energy storage system in Ventanilla

Ventanilla is a 479 MW thermal power plant located in the province of Callao. It comprises three units, two gas turbines and one steam turbine, and generates in combined cycle. The project involves the installation of a batteries energy storage system (BESS, by its English acronym) in Ventanilla power plant, with 14 MW of installed capacity and 7 MWh of energy storage, connected to a 16 kV bar of one of the existing turbines of the power plant, whose purpose

is to provide primary frequency regulation required by the power plant, in order to optimize its operations and reduce potential sanctions related to primary frequency regulation costs and secondary frequency regulation.

The environmental authorization was granted in 2017, meanwhile the previous authorization for the connection of the system operator was issued during the first quarter of 2018. The construction period is estimated in nearly 12 months and it's expected to be completed in 2019.

Land reserved for future projects

Enel Generación Perú owns two lots with the purpose of being used for thermal generation projects, the first is located in the south coast of Peru and its total area is 203 hectares and the second is located in the central coast with a total area of 10 hectares.

Electricity Distribution

Enel Américas S.A., through Enel Perú S.A.C., owns 83.18% of Enel Distribución Perú share capital.

In Peru, other distribution companies that participate in the electricity system are: Luz del Sur, ElectroSur and Grupo Distriluz.

Enel Distribución Perú S.A.A.

Enel Distribución Perú is the concessionary company for electric utility that covers the north area of Metropolitan Lima, in the Callao province and in Huaura, Huaral, Barranca and Oyón provinces.

The concession area covers a total of 1,550 km², serves exclusively 52 districts and shares five additional districts with the distribution company in the south area of Lima. The distribution company distributes energy to 1,422,608 clients, and benefits more than half of the inhabitants of Metropolitan Lima.

Currently, Enel Distribución Perú is the holder of two definitive concessions of electricity distribution, two definitive concessions of electricity transmission and one authorization to develop generation activities, granted by the Peruvian State, all of them for an indefinite period.

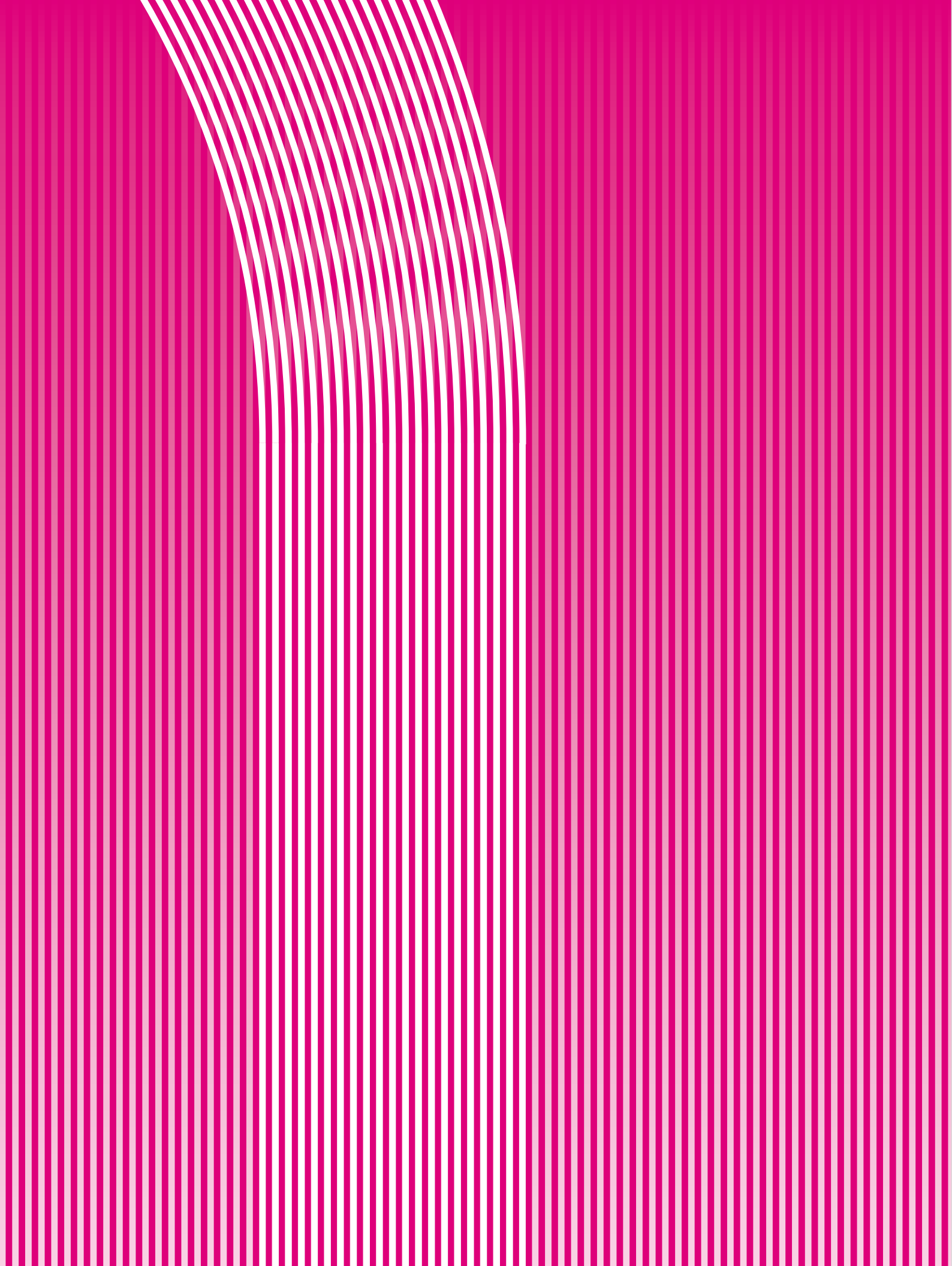
During 2018, our clients' base grew 1.84% over 2017. The energy distributed for consumption, including tolls, was 8,045 GWh, representing 1.4% growth in relation to the previous year. In monetary terms, sales reached PEN\$ 2,874 million; representing 6.07%, increase during the year.

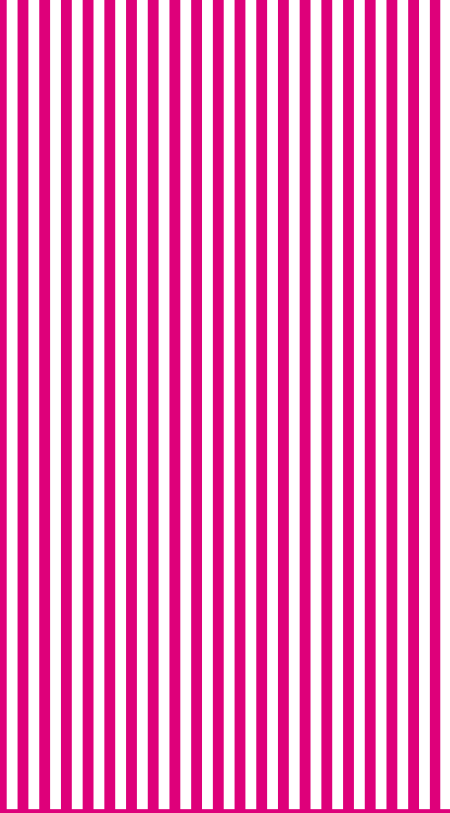
Activities and projects in distribution

In 2018, the company made investments for a total of PEN\$ 468.8 million. Main investments were:

- Capacity expansion of the transformation substations (SET) and transmission lines including works for the SET Comas, Medio Mundo and Bayobar (PEN\$ 118.7 million).
- Expansion and reinforcement of medium and low voltage networks (PEN\$ 56.4 million).
- Capacity expansion of medium and low-tension feeders (PEN\$ 11.7 million).
- Attention/ electrification of new projects for the expansion of the grid in human settlements (PEN\$ 8.6 million).
- Provision of greater safety in the facilities (PEN\$ 28.1 million).
- Improvements in public lighting facilities (PEN\$ 8.6 million).
- Investments in commercial losses reduction. (PEN\$ 25.3 million).







17

Sustainability



Sustainable Business Model

The energy industry is a very dynamic market, which is going through a transition process influenced also by profound social and demographic changes and the digital age.

In this context, there are new opportunities which are being incorporated in the business model of Enel Américas, with the integration of the environmental, social and governance objectives of the company with the goals set in the industrial plan with the in such a way to generate long-term value.

The sustainability plan of Enel Américas for 2018 is focused on five pillars that represent the cornerstones of sustainable integrated development: occupational health and safety, solid corporate governance, environmental sustainability, sustainable suppliers chain and the generation of economic and financial value. These pillars support the strategic priorities of the company: the optimization of assets and innovation, growth through services and low-carbon technologies, develop strong relationships with the community and involvement with the people they work with. These pillars as well as strategic priorities have as enabling tools the focus on the client and the digitization.

With regards to its strategic plan, Enel Américas has identified the following most important emerging risks:

Cyber attacks ("cyber risk "): the digitization and technological innovation age, means an increasing exposure to cyber attacks, which are becoming ever more numerous and sophisticated, also in relation to the changes in their

frame of reference. Currently, the Group is performing an important digitization process, which is expected to boost in the following years, therefore the company would be even more exposed to these risks. The complex organizational structure of the Group and its different contexts (data, people and the industrial world) creates an environment of greater exposure of its assets to the risk of attacks, representing severe threats not only for data, but also for the continuity of Service and for automatic systems of generation power plants and distribution networks. The Enel Group has adopted a risk management model based on a "systemic" view for the traditional information technology sector as well as the industrial sector (operational technology), taking into account the network connection of smart "objects".

Extreme climate events and natural disasters: the frequency and intensity of these events are expected to strongly increase, according to the analysis and forecasts of the scientific community. This means an increase of this risk in the medium to long-term for the Group. The increasing trend towards renewable technologies also means a greater impact for generation power plants, whose level of vulnerability would also rise. The impact of these risks in the business is related to the risk of damage to assets and facilities, and the resulting unavailability of these assets for an extended period of time. In order to mitigate these risks, the Group uses the best prevention and protection strategies, which is done also with the purpose of reducing the potential impacts in the communities and surrounding areas to the assets, performing constant monitoring and prediction in those areas where the assets are more exposed. In addition, the Group carries out several actions to increase the resilience of these assets, which are more exposed to extreme climate or natural disasters. Every area of the Group is subject to the ISO 14,001 certification and through the application of the Environmental Administration Systems (SGA in the Spanish abbreviation), both recognized worldwide, the potential sources of risk are monitored in order to promptly identify any critical situation.

Optimization of assets and innovation

During 2018, the strategic priority was focused on the digitization of its assets. In the generation business, the company carried out important investments in digitization its processes and activities related to operations and maintenance. This is especially important in the implementation of systems for predictive maintenance through artificial intelligence algorithms, in line with the principle of being a “data-driven company”. Apart from that, understanding the main phenomena of energy transition, the Group has worked in increasing the efficiency of its thermal plants and environmental improvements. Meanwhile, in the distribution business, the company worked to improve service quality and response times in distribution, progressing in the installation of smart meters, totaling 107 thousand units installed, and also moving forward in the omnichannel in order to enable the customer approach and improve the coverage and opportunity of our services.

Without a doubt, an important milestone to move forward in our consolidation in the energy distribution industry, was the incorporation of Enel Distribución São Paulo, with the incorporation of more than 7 million clients with a market share of 19% in terms of energy sales.

Growth through services and low-carbon technologies

During 2018 the Group launched a new line of business, Enel X, with the objective of introducing new products, services and solutions with value added and to face the challenges of the new cities, where electrical energy satisfies more functions of daily life. Enel X offers four portfolios of solutions; e-industries, e-city, e-home and e-mobility, all of which address different needs with innovative technologies. Through e-industries, the company offers energy efficiency solutions, advisory and energy distribution services for commercial and industrial clients, all leveraged through digital platforms. Enel X has installed 1.1 MWp of photovoltaic systems in the year. Through e-home, Enel X seeks to offer products and services that empower clients and allow energy efficiency and clean solutions. The e-city portfolio is comprised by solutions for the development of infrastructure and energy for cities and communities, totaling 421 thousand smart lighting points by the end of 2018. E-mobility is the line focused on the development transport electrification through the expansion of public and private infrastructure, in addition to provide a fleet of electric vehicles. Enel X has positioned as the main referent in electric mobility, through the incorporation of taxis and electric buses to the public transportation system, thus contributing with more than 66 charging points in the countries where the company operates.





Involving local communities

In the social context in Latin America, in some economies poverty has been reduced, with the rising of a middle class and more stable economies. This dynamics have improved social and economic structures, but there is still the need of greater social inclusion, support a growing middle class and generate developments in low productivity sectors. These changes have challenged sustainable development, and provided guidelines for sustainability administration, where inclusion, transparent cooperation and the creation of shared value with stakeholders are fundamental.

Enel Américas works incorporating the criteria and principles for fair relationships, where stakeholders are involved in from the design of the project, thus ensuring symmetry when dialogue takes place and enabling access to the information required for the decision-making process. This is carried out through the identification of the most important stakeholders involved in each operation and assessing the possible areas of impact and possible opportunities working together.

Local needs are directly related with the goals of the company through the development of materiality matrices specific for each territory, with the objective of creating adequate projects and initiatives to meet the goals and shared priorities.

The strong geographical presence enables us to have a constant view of stakeholders' instances, in order to align solutions on a consensual basis, thus generating value for both parties.

Some of the most important projects are related with access to energy, promotion of entrepreneurship for the economic development and education.

The business culture of Enel Américas is focused on the Open Power vision, on its commitment with the fulfillment of the United Nations Sustainable Development Objectives, the Creation of Shared Value and compliance with its Human Rights Policy.

Open Power Vision

Enel Américas established the "Openness" concept in the center of its business, being the cornerstone of its strategic and operational approach: open energy to a larger number of people; open energy to new technologies; provide new energy management methods for the consumer; open de possibility of new uses of energy; and open to a greater number of collaborators.

Objectives of sustainable development

As of 2015 the United Nations adopted the new Sustainable Development Goals (ODS), through them these organization called companies to promote the use of creativity and innovation to address the 17 great challenges of sustainable development, such as poverty, gender equality, access to water and clean energies and climatic change, among others.

In this occasion, Enel SpA ("Enel") announced the Group's commitment to contribute the achievement of four out of the seventeen objectives. Particularly, Enel and its companies worldwide have been focused on the following objectives:

1. Quality Education (ODS 4): support educational activities for 800,000 people by 2020, through similar projects to the ones in execution, such as the scholarship programs in Latin America. During 2018, Enel Américas reached 66 thousand beneficiaries.
2. Affordable Energy (ODS 7): commit to the promotion of affordable, sustainable and modern energy. During



- 2018, Enel Américas reached 1.4 million beneficiaries.
3. Decent work and economic growth (ODS 8): foster job creation and sustained economic growth, inclusive and sustainable. During 2018, Enel Américas covered 29 thousand people.
 4. Action for Climate (ODS 13): Take initiatives to combat climate change, with the objective of achieving carbon neutrality in 2050. During 2018, Enel Américas registered specific emissions of CO₂ of 170-grams/kWhe.

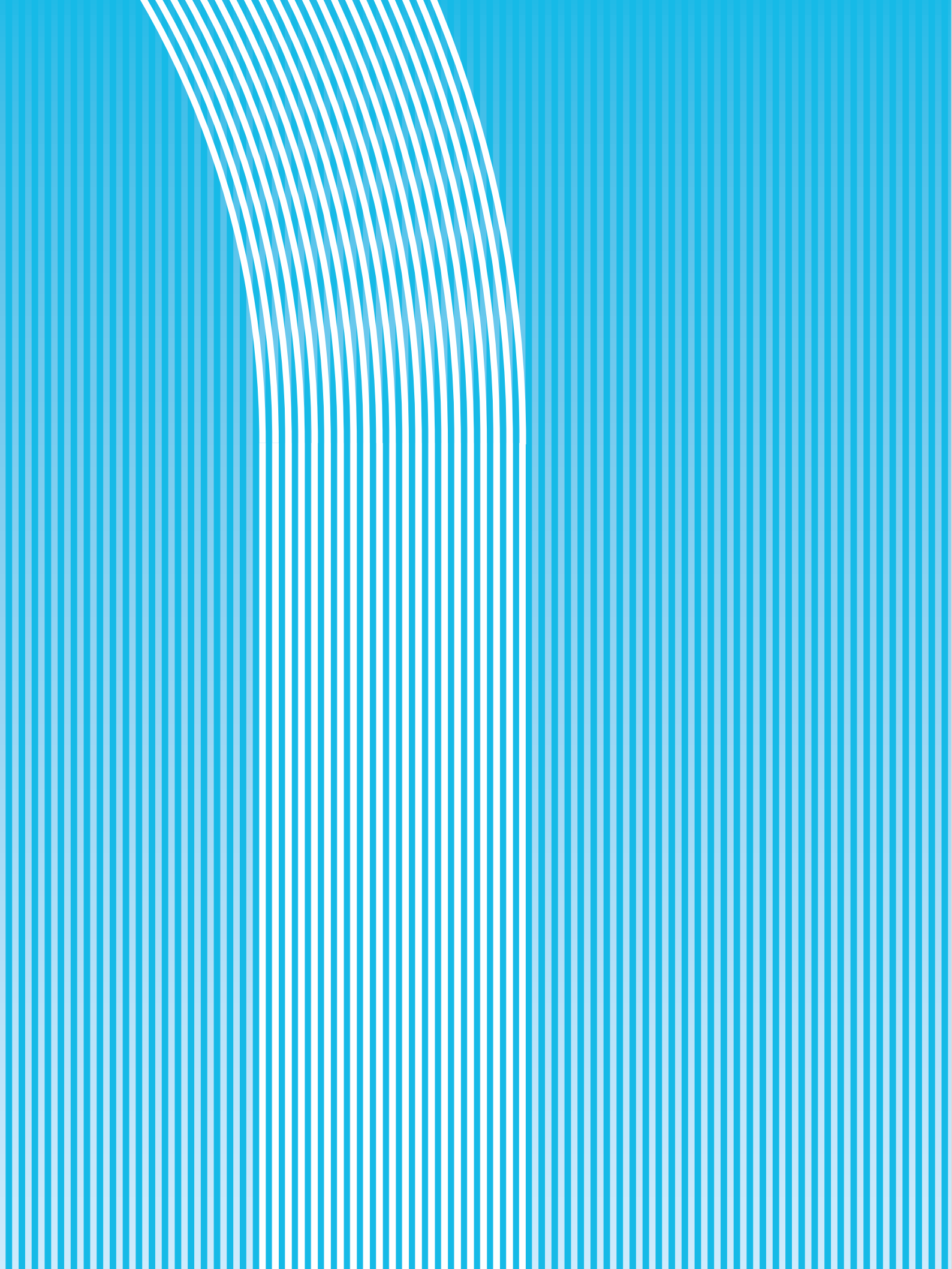
By the end 2018, the Group committed to advance on new ODS: Industry, innovation and infrastructure (ODS 9) and sustainable cities and communities (ODS 11), being a way to underline the contribution of Enel X to the goals of sustainable growth.

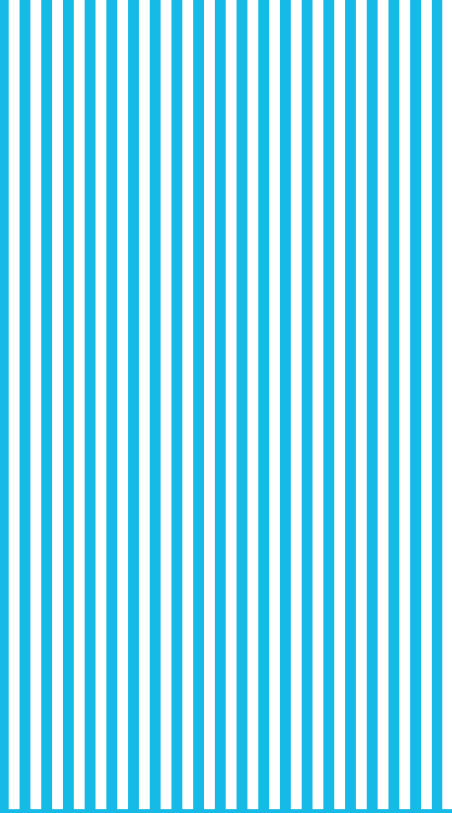
Human Rights Policy

Enel Américas has developed a Human Rights Policy as a demonstration of its commitment and responsibility in this key area for social and corporate sustainability. The document gathers the commitment and responsibilities of the Company in relation to every human right, and especially to the ones that impact the business activity and operations developed by the company's employees in the countries where it operates

During 2018, Enel Américas worked to solve the identified gaps of the due diligence process that started in 2017, emphasizing the actions defined to move forward in the issues related with diversity, relationships with suppliers, among others, which will continue in 2019. Likewise, its important to highlight the greater promotion and communicational campaigns addressed to spread the Human rights Policy.

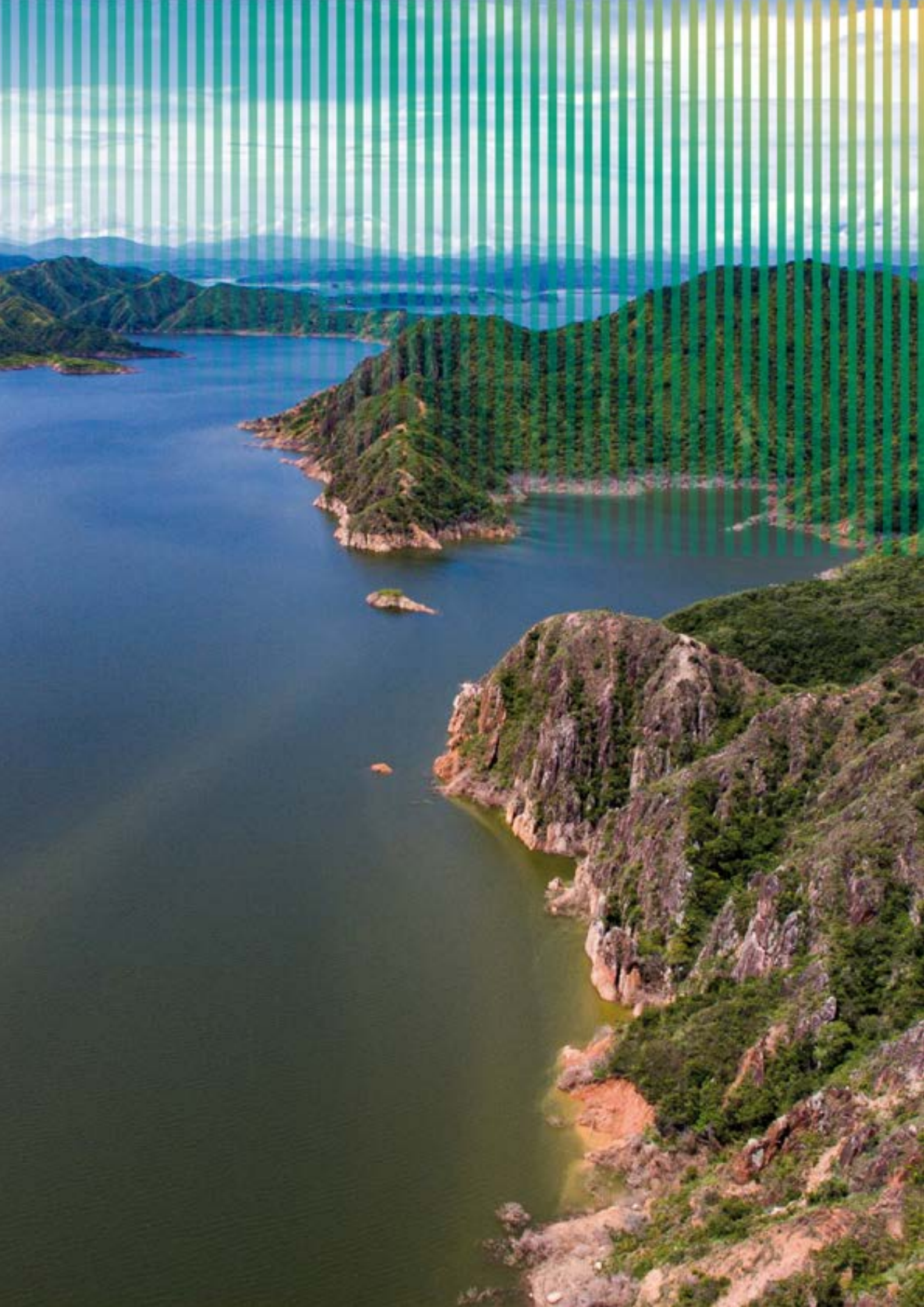






18

Direct and
Indirect
Economic
Participations



Direct and Indirect Economic Participations

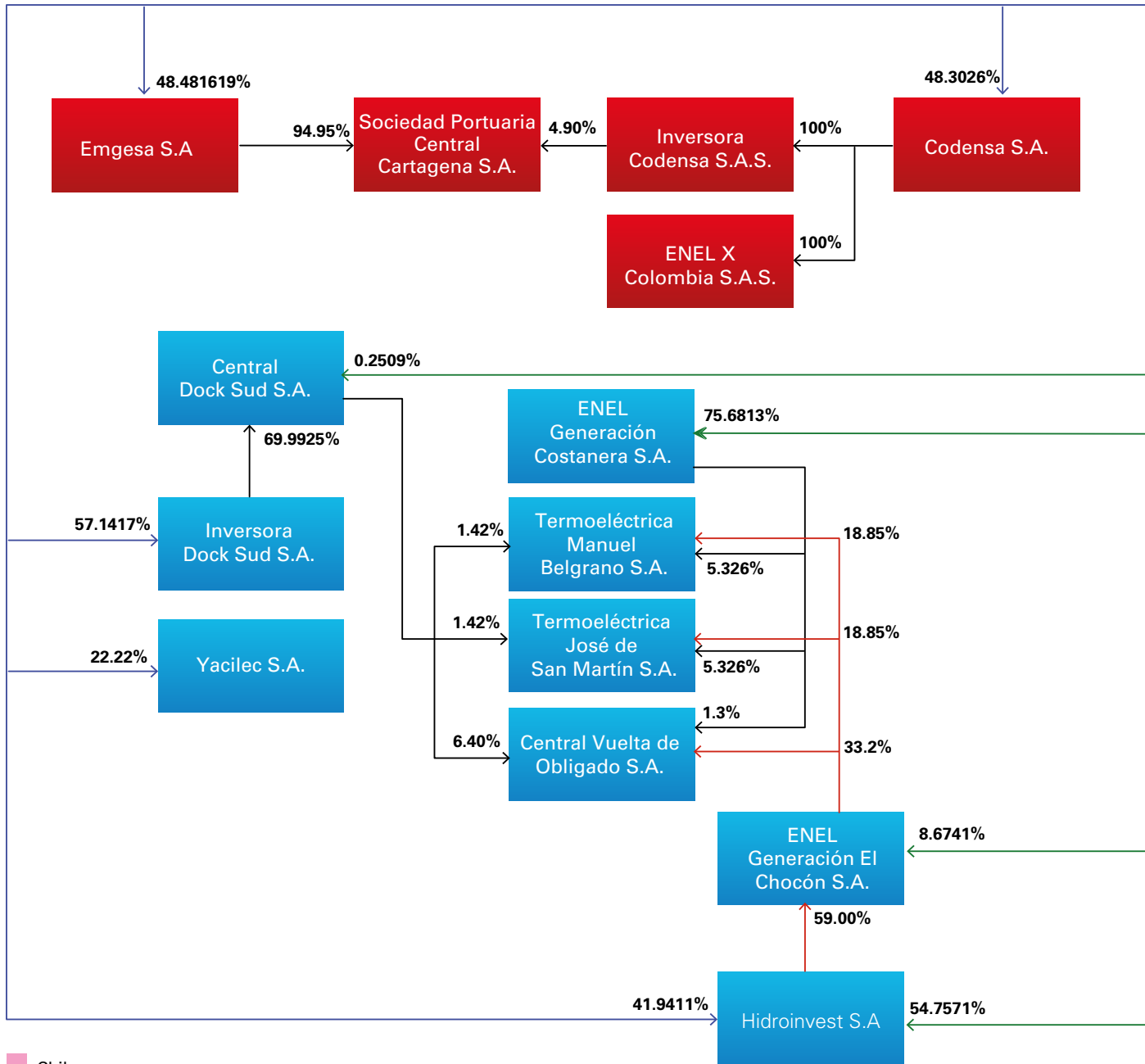
Argentina	Business	Ownership
Enel Generación Costanera S.A.	Gx	75.62%
Enel Generación El Chocón S.A	Gx	65.35%
Central Dock Sud, S.A.	Gx	40.25%
Edesur S.A.	Dx	72.09%
Compañía de Transmisión del Mercosur S.A.	Tx	100.00%
Transportadora de Energía S.A.	Tx	100.00%
Enel Trading Argentina S.R.L.	Tx	99.96%
Yacylec	Tx	22.22%
Termoeléctrica José de San Martín	Gx	16.92%
Termoeléctrica Manuel Belgrano	Gx	16.92%
Central de Vuelta Obligado S.A.	Gx	25.26%
Brazil	Business	Ownership
Enel Brasil S.A.	Gx, Dx, Tx	100.00%
Enel Generación Fortaleza S.A.	Gx	100.00%
EGP Cachoeira Dourada S.A.	Gx	99.75%
Enel Distribución Río S.A.	Dx	99.73%
Enel Distribución Ceará S.A.	Dx	74.05%
Enel Distribución Goiás S.A.	Dx	99.93%
Enel Distribución São Paulo S.A.	Dx	95.88%
Enel Cien S.A.	Tx	100.00%
EGP Volta Grande	Gx	100.00%
Colombia	Business	Ownership
Emgesa S.A. E.S.P.	Gx	48.48%
Codensa S.A.	Dx	48.30%
Peru	Business	Ownership
Enel Generación Perú	Gx	83.60%
Enel Distribución Perú S.A	Dx	83.15%
Compañía Energética Veracruz	Gx	100.00%
Enel Generación Piura	Gx	96.50%
Chinango S.A.C	Gx	66.88%

Gx: Generation
Dx: Distribution
Tx: Transmission / Commercialization
Ox: Gas pipelines, others



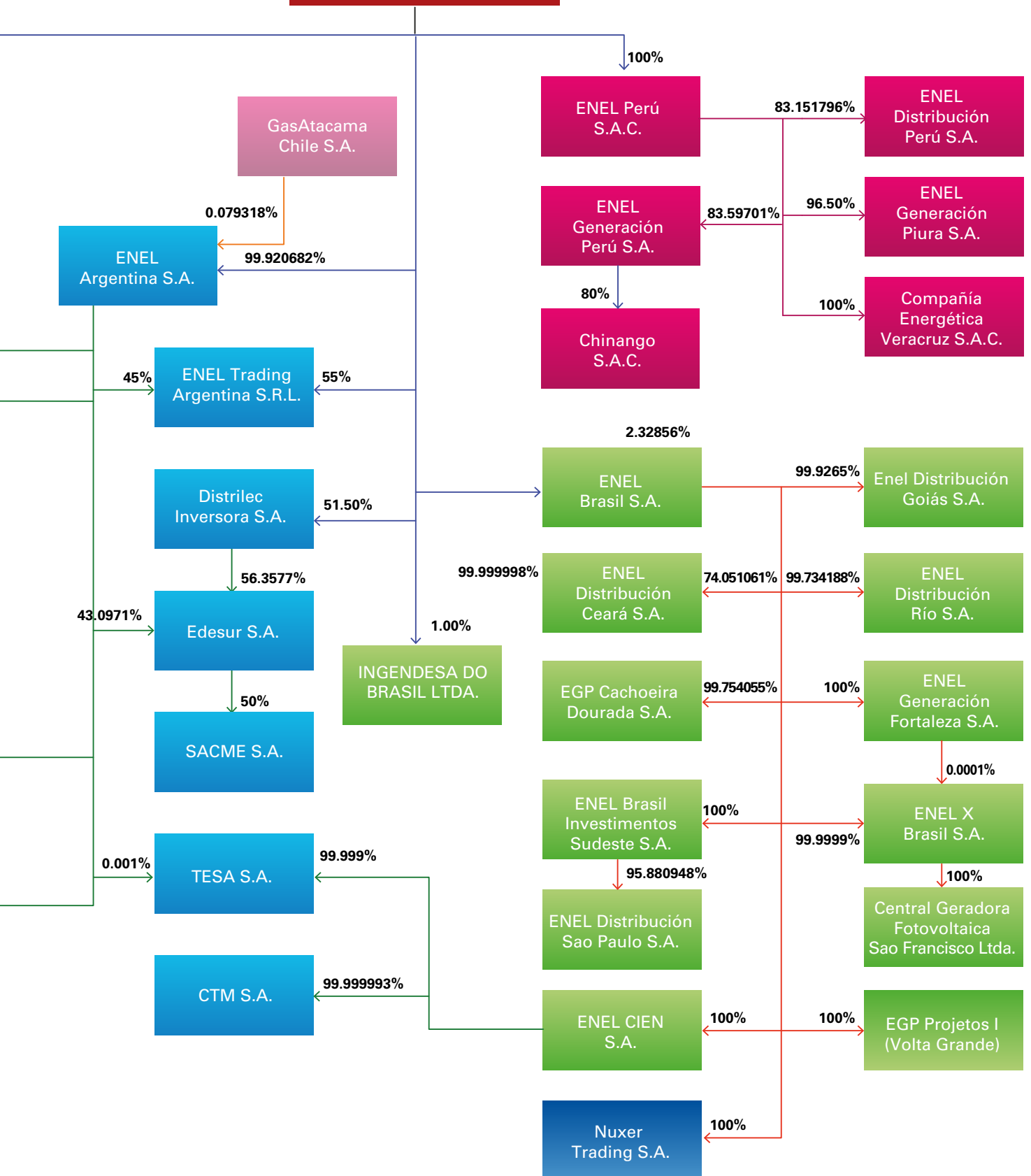


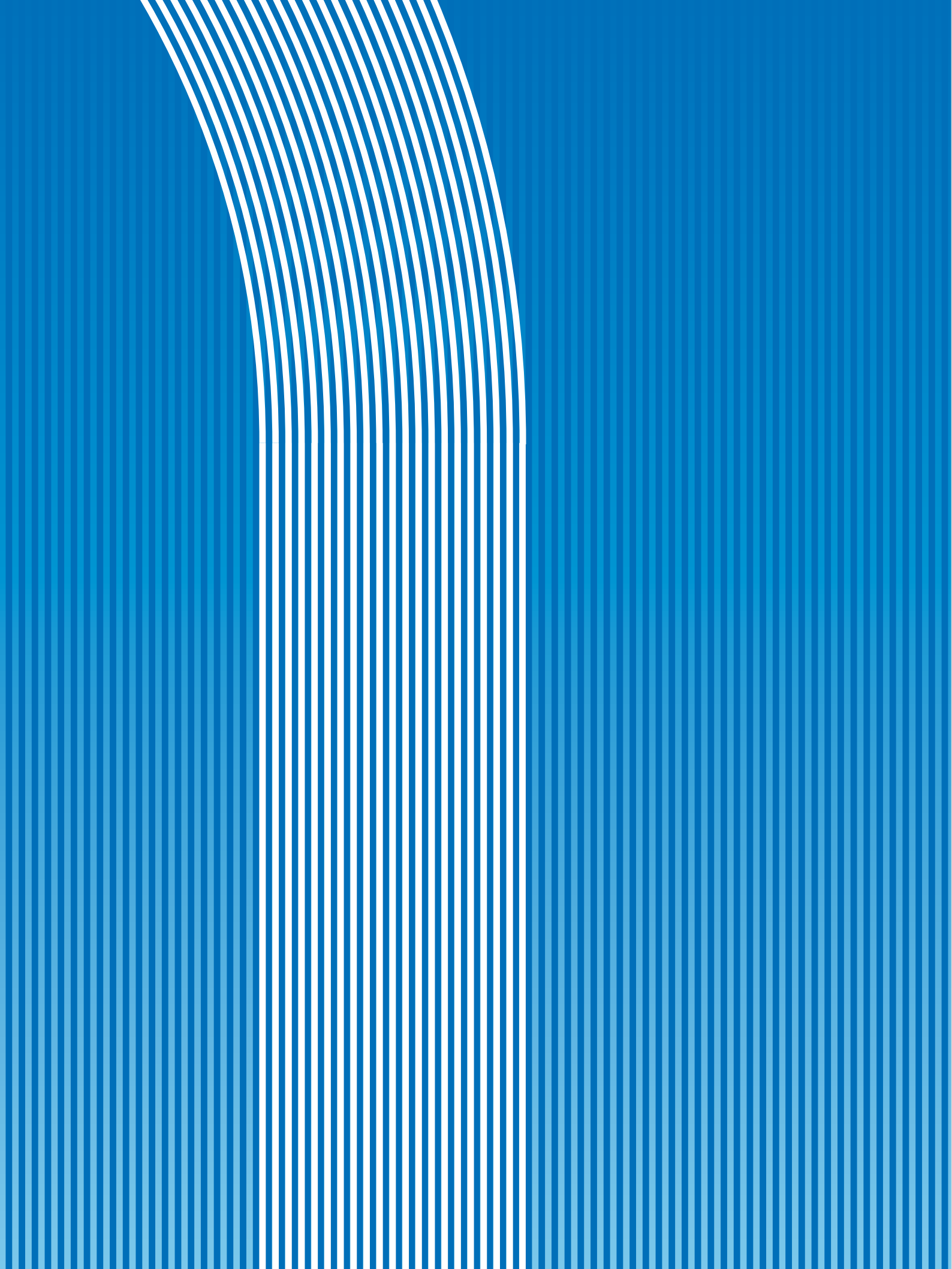
Perimeter of Enel Américas' Corporate Shareholdings

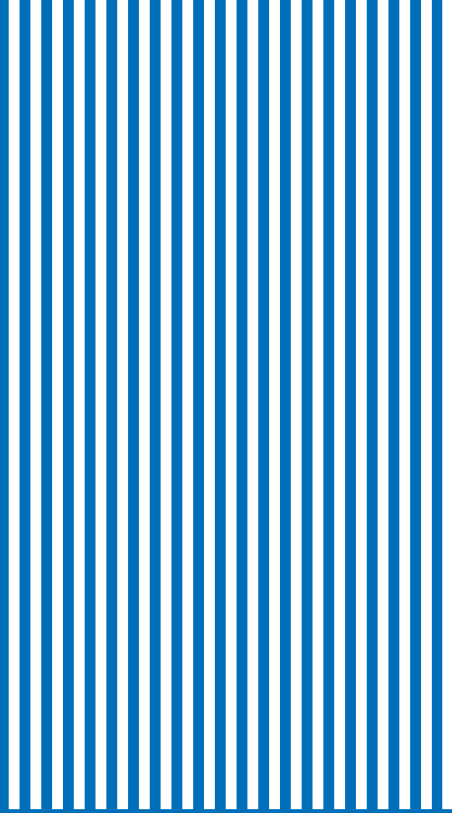


- Chile
- Argentina
- Brazil
- Peru
- Colombia
- Uruguay

ENEL AMÉRICAS S.A.







19

Significant
Events of the
Company



2018

Significant Events

In accordance with articles 9 and 10, paragraph 2, under Securities Market Law N°18,045, and as established under General Norm No. 30 of the Superintendence of Securities and Insurance (“SVS” by its Spanish acronym), currently the Financial Market Commission (“CMF” by its Spanish acronym), the following significant events were informed:

- On February 15, 2018 the following significant event was informed:

On February 14, 2018, the company signed committed credit facility contract with a group of Banks for USD 500 million. This is a general-purpose funding.

- On March 23, 2018 the following significant event was informed:

Enel Américas’ subsidiary, Enel Brasil S.A., has sent a proposal to Eletropaulo Metropolitana Eletricidade de São Paulo S.A., (Eletropaulo), related to a potential participation in an eventual capital increase that is being analyzed by Eletropaulo. As of this date, the negotiations are preliminary and we will provide relevant information to the market according to its progress.

This Significant Event is being issued in relation to the “Fato Relevante” that Eletropaulo sent yesterday to the market in Brazil.

- On April 17, 2018 the following significant event was informed:

The company’s subsidiary Enel Brasil S.A., through its investment vehicle and wholly-owned subsidiary Enel Investimentos Sudeste S.A. (Enel Sudeste), has launched today a voluntary Public Tender Offer for all shares issued by the Brazilian electricity distributor Eletropaulo Metropolitana de Eletricidade de São

Paulo S.A. (Eletropaulo), subject to the acquisition of more than 50% of such shares, in order to be the controller of this company. The price per share that Enel Sudeste has agreed to pay is BRL 28. The total value of the Public Tender Offer amounts to approximately BRL 4,700 million, equivalent of approximately US\$ 1,400 million. Enel Américas will support the funding of this operation.

The exercise of voting rights over the shares acquired by Enel Sudeste as a result of this Public Tender Offer is subject to the approval of the Brazilian anti-trust authority (“Conselho Administrativo de Defesa Econômica”); moreover, the exercise of control of Enel Sudeste over Eletropaulo is subject to the approval of the Brazilian government Agency for electric energy (ANEEL).

- On April 19, 2018 the following significant event was informed:

Enel Sudeste modified the terms of the Tender Offer reinforcing its commitment by supporting and promoting a capital increase in Eletropaulo of at least BRL 1.5 billion, equivalent to approximately US\$ 440 million, at the current exchange rate, which will be subject to the success of the Tender Offer. Therefore, Enel Sudeste is offering both the certainty of financial support for Eletropaulo as well as the most attractive conditions to the shareholders who wish to participate in the Tender Offer.

- On April 23, 2018 the following significant event was informed:

Enel Sudeste modified the terms of the Tender Offer reinforcing its commitment by supporting and promoting a capital increase in Eletropaulo of at least BRL 1.5 billion, equivalent to approximately US\$ 440 million, at the current exchange rate, which will be subject to the success of the Tender Offer. Therefore, Enel Sudeste is offering both the certainty of financial support for Eletropaulo as well as the most attractive conditions to the shareholders who wish to participate in the Tender Offer.

This terms modification is complementary to the total amount of the Tender Offer carried out on April 17, 2018 (see the paragraph described above).

Worth is mentioning that the price per share offered by Enel Sudeste in the Public Tender Offer is BRL 28. The Tender Offer is aimed at acquiring Eletropaulo's total equity and subject to the acquisition of a sufficient number of shares that would represent more than 50% of Eletropaulo's share capital, and to the postponement of Eletropaulo's capital increase.

- On April 25, 2018 the following significant event was informed:

Enel Sudeste has announced today that it has improved the terms of the referred Tender Offer for the acquisition of all the capital of Eletropaulo, launched on April 17, 2018, increasing the share price from 28 to BRL 32.

The Tender Offer remains subject, among others, to the acquisition of a total number of shares that would represent more than 50% of Eletropaulo's share capital and to leave without effect the capital increase currently in progress by Eletropaulo, of at least BRL 1.5 billion.

The price increase confirms the Enel Sudeste's willingness to continue participating in a competitive, transparent and fair public tender offer process, to acquire the control of Eletropaulo. However, Enel Sudeste estimates that, in the current context of the competitive offers, the capital increase currently in progress distorts the competition, provides an unfair advantage to one of all bidders and goes against the best interest of Eletropaulo and its shareholders. Therefore, Enel Sudeste has also stated that it will not continue with the process unless the referred capital increase is nullified.

To facilitate Eletropaulo's decision on this issue and considering its preoccupation with the ability of Eletropaulo to raise funding in a later stage, Enel Sudeste committed to subscribe, subsequently, a capital in-

crease in Eletropaulo of at least the same amount as the current capital increase, should the Public Tender Offer be successful or should neither the referred to Public Tender Offer nor any of the other competitive offers be successful, as was already informed in the Significant Events dated April 19 and 23, 2018.

On April 25, 2018, Eletropaulo announced that its Board of Directors had decided to cancel the capital increase in progress. This decision fulfills one of the conditions that Enel Sudeste's Tender Offer was subject to and permits it to continue in the competition for Eletropaulo's control along with the current bidders.

- On April 26, the following significant event was informed:

Enel Sudeste has once again improved the terms of its Tender Offer, increasing the share price from BRL 32 to BRL 32.2, which does not vary significantly, under the terms of this improved Tender Offer, the total estimated investment of BRL 5,400 million, equivalent to approximately US\$1,500 million at the current exchange rate.

- On April 26, 2018 the following significant event was informed:

The Ordinary Shareholders' Meeting of Enel Américas S.A. held on April 26, 2018, has agreed to distribute the minimum mandatory dividend (from which the interim dividend paid in January 2018 has been deducted) as well an additional dividend that amounts to US\$ 354,521,675 equivalent to US\$ 0.00617 per share.

Given that the above-mentioned interim dividend has already been paid, the distribution and payment of the remnant of the final dividend No. 97 shall be for a total of US\$ 296,939,208, or US\$ 0.00517 per share.

The aforementioned dividend will be paid in Chilean pesos, the legal currency, converted according to the Observed Dollar exchange rate published in the Official Gazette on May 18, 2018.





- On May 30, 2018 the following significant event was informed:

Enel Sudeste has improved the terms of the referred to Public Tender Offer launched on April 17, 2018, for the acquisition of all the share capital of Eletropaulo, increasing the share price from BRL 32.20 to BRL 45.22.

This price is the highest among those presented in the competitive offer process for Eletropaulo.

According to Brazilian regulations that regulate the Offer, this price is the final price at which Enel Sudeste will acquire the shares offered in this process, at an auction in which will participate Eletropaulo's shareholders who decide to do so. The auction will take place on June 4, 2018, in São Paulo, Brazil.

The Offer is still subject, amongst other matters, to the acquisition by Enel Sudeste of a total number of shares that would represent more than 50% of Eletropaulo's share capital.

- On June 4, 2018 the following significant event was informed:

Enel Sudeste has received the confirmation of the successful conclusion of its Public Tender Offer for all the shareholding capital issued by Eletropaulo, given that the holders of 122,799,289 shares, equivalent to 73.4% of Eletropaulo's shareholding capital, have accepted the referred Offer. According to Brazilian regulations on the subject, the acquisition will be carried out through the payment of the price and the transfer of the shares to Enel Sudeste, which will take place on June 7, 2018.

Eletropaulo's shareholders will have until July 4, 2018 to sell the remaining shares to Enel Sudeste, at the same price offered in the Public Tender Offer (BRL 45.22 per share).

As a result of the Offer, Enel Sudeste's investment reaches at least to approximately BRL 5,553 million, equivalent to approximately US\$ 1,484 million, at the current exchange rate. To this amount, the investment required to acquire the corresponding shares issued by Eletropaulo must be added, until July 4, 2018, as described in the preceding paragraph.

Enel Sudeste will finance the acquisition through short-term bank financing managed and guaranteed by its controlling shareholder, Enel Américas S.A.

Enel Sudeste has received the approval from the Brazilian Antitrust Authority or "Conselho Administrativo de Defesa Econômica" ("CADE"), while the approval from the Brazilian National Electric Agency or "Agência Nacional de Energia Elétrica" ("ANEEL") is expected to be granted within the next few days.

In relation with the above, Enel Américas S.A. is inviting all interested parties to a conference call that will take place tomorrow, June 5, 2018, at 10:00 a.m. São Paulo, time corresponding to 9:00 a.m. Santiago, Chile time.

- On June 26, 2018 the following significant event was informed:

As of this date, June 26, 2018, the Brazilian National Electric Energy (Agência Nacional de Energia Elétrica - ANEEL) approved the takeover of Eletropaulo, through the acquisition of 122,799,289 shares issued by the above-mentioned company, all of the same class and corresponding to 73.4% of the share capital of said company. Given that Eletropaulo shareholders can sell the remaining shares to Enel Sudeste until July 4, 2018, at the same price offered in the Public Tender Offer (BRL 45.22 per share), the number of shares and the percentage shareholding might increase.

Consequently, Eletropaulo becomes, as of that date, an indirect subsidiary of Enel Américas S.A and, therefore, shall be consolidated by the latter.

- On July 6, 2018 the following significant event was informed:

On July 5, 2018 the Chief Executive Officer of the Company, Mr. Luca D'Agnesse, has submitted his resignation. He will remain in his position until July 31, 2018.

In addition, it is reported that in the next session of Enel Américas' Board of Directors, the new Chief Executive Officer of the Company will be appointed.

- On July 10, 2018 the following significant event was informed:

In the extraordinary session of the Board of Directors held on July 9, 2018, Mr. Maurizio Bezzeccheri was appointed as Chief Executive Officer of the Company. He will assume mentioned position as of August 1, 2018.

- On July 13, 2018 the following significant event was informed:

The 30-day period established for Eletropaulo's shareholders to sell the remaining shares issued by said company to Enel Sudeste concluded on July 4, 2018, after an auction dated June 4, 2018, at the same price as the one offered in said auction as part of the Public Tender Offer, BRL 45.22 per share, pursuant to Brazilian regulation.

Consequently, once the above-mentioned period was finalized, Enel Sudeste has increased its shareholding in Eletropaulo from 122,799,289 shares issued by the above-mentioned company, all of the same class and corresponding to 73.4% of the share capital of said company, to 156,158,581 shares issued by Eletropaulo, corresponding to 93.3% of its share capital.

Therefore, the total investment of Enel Sudeste at the end of the acquisition period aforementioned, as a consequence of the Tender Offer, reached a total of BRL 7,069 million, equivalent to approximately US\$ 1,829 million at the exchange rate as of July 13.

According to the above, Enel Sudeste will subscribe a new capital increase of Eletropaulo for the minimum amount of BRL 1,500 million, equivalent to approximately US\$ 388 million at the current exchange rate, of which BRL 900 million, equivalent to approximately US\$ 233 million at the current exchange rate, were already deposited in Eletropaulo's cash corporate account with a charge to the aforementioned capital increase.

- On October 16, 2018 the following significant event was informed:

Our parent company Enel SpA. issued "Comunicato Stampa", that it has signed two agreements with a financial institution, aiming to increase its current shareholding in Enel Américas S.A. by up to a maximum of 5%. Further details can be found in the attached "Comunicato Stampa".





ENEL TO INCREASE ITS STAKE IN ENEL AMERICAS BY UP TO 5%

- *Enel has entered into two transactions with a financial institution to increase its current 51.8% shareholding in Enel Americas by up to 5% in line with its announced objective to buy out minorities in South America*

Rome, October 16th, 2018 – Enel S.p.A. ("Enel") has entered into two share swap transactions (the "Swap Transactions") with a financial institution to increase its equity stake in its listed Chilean subsidiary Enel Américas S.A. ("Enel Américas"). Based on these Swap Transactions, Enel may acquire, on dates that are expected to occur no later than the fourth quarter of 2019:

- up to 1,895,936,970 shares of Enel Américas' common stock, and
- up to 19,533,894 of Enel Américas' American Depositary Shares ("ADSs"), each representing 50 shares of Enel Américas' common stock.

All of the above shares total up to 5.0% of Enel Américas' entire stock capital.

The number of shares of Enel Américas' common stock and Enel Américas' ADSs actually acquired by Enel pursuant to the Swap Transactions will depend on the ability of such financial institution to establish its hedge positions with respect to the Swap Transactions.

The amount payable for any shares of Enel Américas' common stock acquired will be based on the prices at which such financial institution establishes its hedge with respect to the corresponding Swap Transaction. The amount payable for any of Enel Américas' ADSs acquired will be based on the observable volume-weighted average prices of Enel Américas' ADSs (as defined "VWAP") during the period in which such financial institution establishes its hedge with respect to the corresponding Swap Transaction.

Prior to settlement, Enel will not have any right to dispose of or vote any shares of Enel Américas' common stock or Enel Américas' ADSs acquired or held by such financial institution as a hedge in connection with the corresponding Swap Transaction.

Enel's payment obligations under the Swap Transactions will be funded through internal cash flow generation.

These acquisitions are in line with Enel Group's 2018-2020 Strategic Plan announced to the markets, which remains focused on the buyout of minorities in South America.

- On November 26, 2018 the following significant event was informed:

In its ordinary session held on November 26, 2018, the Board of Directors of the company has approved the Strategic Plan of Enel Américas S.A. for the period of 2019-2021.

A copy of the aforementioned Strategic Plan of Enel Américas S.A. for the period of 2019-2021 can be obtained from the company's website at the following link www.enelamericas.com.

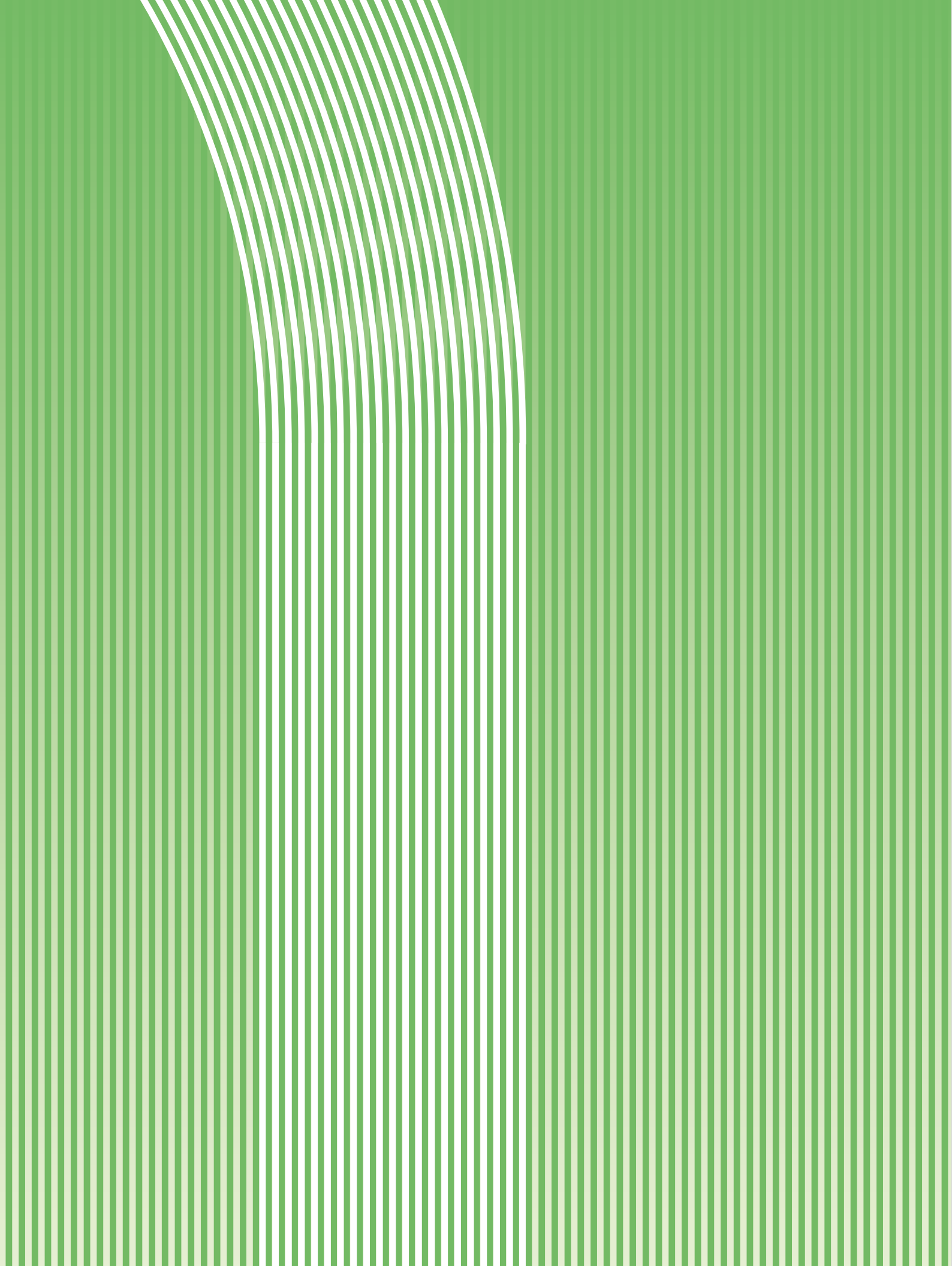
Taking into consideration that the contents of the referred to Strategic Plan follow and are based on projections and hypotheses that might or might not come true in the future, its effects cannot be established at this date.

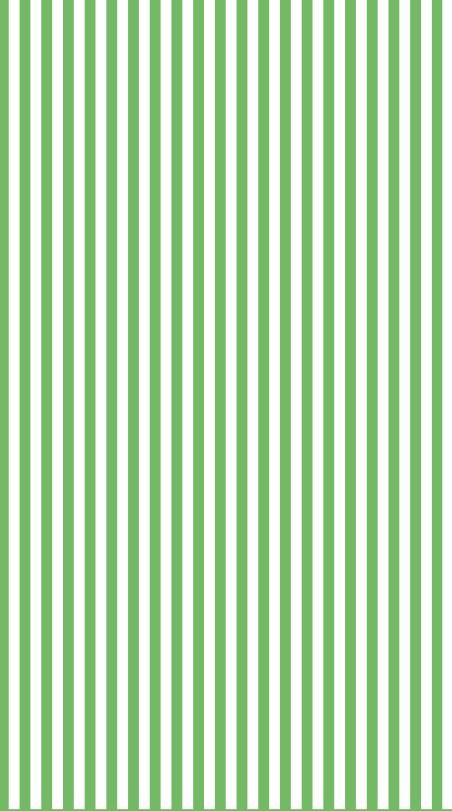
- On November 26, 2018 the following significant event was informed:

In its session held on November 26, 2018, the Board of Directors of Enel Américas, unanimously agreed to distribute an interim dividend of US\$ 0.00133849910936791 per share on January 25, 2019, attributable to the 2018 fiscal period, corresponding to 15% of net income as of September 30, 2018, determined based on the Financial Statements of the company as of said date.

The aforementioned dividend will be paid in Chilean pesos, the legal currency, converted according to the Observed Dollar exchange rate published in the Official Gazette on January 18, 2019.







20

Identification
of subsidiaries
and associate
companies



CENTRAL DOCK SUD S.A.

Company Name
Central Dock Sud S.A.

Type of Company
Limited Liability Company

Address
Avenida Debenedetti 1636
Dock Sud Avellaneda
Phone
4229-1000

Subscribed and paid-in capital (US\$ thousand)
356,221

Corporate purpose
The corporate purpose of the company is the generation of electricity and its block sale. The company may carry out any supplementary and subsidiary activities linked to its corporate purpose, having to that effect full legal capacity to acquire rights and commit obligations and execute all acts not forbidden by law, by these By-laws, the Document of the International Public Tender for the Sale of Central Dock Sud S.A.'s Shares, or by any applicable regulation.

Core business
Electricity generation

Regular Directors
Héctor Martín Mandarano
Chairman
Santiago Matías Sajaroff
Vice chairman
Juan Carlos Blanco
Paolo Pescarmona
Michele Siciliano
Jorge Esteban Ravlich
Alejandro Aníbal Avayu
Rodolfo Eduardo Berisso
Paula María García Kedingier

Deputy Directors
Andrea Biasotto
Mónica Diskin
Nicola Melchioti
Patricio Javier Cipollone
Sebastián Torres
Gabriel Eduardo Abalos
Julio Omar Francisco Temen
Rodolfo Heriberto Freyre
María Elizabeth Tchouldjian

Senior Management
Juan José Marcet
General Manager
Alejandro Serantes
Finance Manager
Leonardo Limoli
Commercial Manager
Fabian Mario Cabana
Operations Manager
Graciela Babini
Planning and Control Manager
Sebastián Ortiz
Acquisitions and Stores Manager

Business Relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
70.24%

CENTRAL VUELTA OBLIGADO S.A.

Company Name
Central Vuelta Obligado S.A.

Type of Company
Limited Liability Company

Address
Av. Thomas Edison 2701
Buenos Aires, Argentina

Phone
(5411) 5533 0200

Subscribed and paid-in capital (Thousand USD)
13

Corporate purpose
Generation of electricity and its commercialization by blocks and particularly, equipment purchasing management, construction, operation and maintenance of a thermal power plant named Vuelta Obligado complying with "Management and Operation of Projects, Increase of Thermal Generation Availability and Generation Compensation Adaptation 2008-2011 Agreement" agreed upon November 25, 2010 by the National State and the signing generation companies.

Core business
Construction of a thermal power plant called Central Vuelta de Obligado.

Regular Directors
Leonardo Pablo Katz
Chairman
Adrián Gustavo Salvatore
Vice Chairman
Michele Siciliano
Mónica Diskin

Deputy Directors
Leonardo Marinaro
Ignacio Villamil
Andrea Biasotto
Juan Carlos Blanco

Senior management
Leonardo Pablo Katz
General Manager

Business relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
40.90%

CHINANGO S.A.C.

Company Name
Chinango S.A.C.

Type of Company
Limited Liability Company

Address
Calle César López Rojas N° 201, Urb. Maranga, San Miguel
Lima, Peru

Subscribed and paid-in capital (Thousand USD)
78,833

Corporate purpose
Electricity generation, trading and transmission, being able to perform all acts and also engage all contracts that the Peruvian law allows for such purposes.

Core business
Electricity generation.

Senior Executives
Marco Raco (representative of Enel Generación Perú S.A.A.)
General Manager

Business relations
The company has no commercial relation with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
80.00%

CODENSA S.A. E.S.P.

Company Name
CODENSA S.A. E.S.P.

NIT: 830.037.248-0

Type of Company
Limited Liability Company– Public residential utility company.

Address
Carrera 13 A No. 93-66
Bogotá D.C, Colombia

Phone
(57 1) 601 6060

Subscribed and paid-in capital (Thousand USD)
4,153

Corporate purpose
The company's main purpose is the distribution and sale of electricity, as well as all similar, connected, complementary and related activities with respect to electricity distribution and sale; the execution of electrical engineering works, design and consultancy, and sale of products for the benefit of its customers. The society may also perform other activities related to the provision of public

services in general, manage and operate other utility companies, sign and execute special management agreements with other utility companies and sell or loan goods or services to other economic agents related with utilities, in or out of the country. The society may also participate as partner or shareholder in other utility companies, directly, or joining into partnerships with other persons, or in joint venture with them.

Core business

Energy distribution and commercialization.

Regular Directors

David Felipe Acosta Correa
José Antonio Vargas Lleras
Lucio Rubio Diaz
Gloria Astrid Álvarez Hernández
Felipe Castilla Canales
Open position since may 2018
Andrés López Valderrama

Deputy Directors

Carlos Mario Restrepo
Leonardo López Vergara
Juan Manuel Pardo Gómez
Ernesto Moreno Restrepo
Alejandro Botero Valencia
Daniel Ríos Rodríguez
Mario Cajiao Pedraza

Senior Management

David Felipe Acosta Correa
General Manager
David Felipe Acosta
Infrastructure & Networks Manager
Andrés Caldas Rico
Legal and Corporate Affairs Manager
Carlos Mario Restrepo
Market Manager
Michele Di Murro
Administration, Finance and Control Manager
María Celina Restrepo Santamaría
Communications Manager
Rafael Carbonell Blanco
Human Resources and Organization Manager
Diana Marcela Jiménez
Regulation and Institutional Relations Manager
Eugenio Belinchon
Audit Manager
Raúl Fernando Vacca Ramírez
Procurement Manager
Ana Patricia Delgado Meza
Digital Solutions Manager
Ana Lucia Moreno Moreno
General Services and Safety Manager
Carlo Ferrara
Sustainability Manager

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)

48.30%

Share of the investment in Enel Américas' assets.

5.14%

COMPAÑÍA ENERGÉTICA VERACRUZ S.A.C.

Company Name

Compañía Energética Veracruz S.A.C.

Type of Company

Limited Liability Company

Address

Calle César López Rojas N° 201, Urb. Maranga, San Miguel
Lima, Peru

Subscribed and paid-in capital (Thousand USD)

854

Corporate purpose

Develop and operate hydroelectric projects located in any river basin in Peru.

Core business

Owner of Veracruz hydroelectric project.

General Manager

Jean Philippe Salvatore Bellavia

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)

100.00%

CTM Compañía de Transmisión del Mercosur S.A.

Company Name

Compañía de Transmisión del Mercosur S.A.

Type of Company

Publicly traded company constituted in Buenos Aires, Argentina

Address

Bartolomé Mitre 797, 11th floor, Buenos Aires, Argentina

Subscribed and paid-in capital (Thousand USD)

1,425

Corporate purpose

The provision of high tension electricity transmission services, in the case of linking both national and international electrical systems, according to current laws, to the purpose of which it may participate in national or international tenders, become a high tension electricity transmission concessionaire, locally or abroad, and perform those activities deemed necessary to carry out its purposes.

Core business

International interconnected electricity transmission.

Regular Directors

Juan Carlos Blanco
Chairman

Paolo Giovanni Pescarmona
Vice Chairman
Mónica Diskin
Deputy Directors
Jorge Lemos
Gaetano Salierno
Roberto de Antoni

Senior Management

Sandro Ariel Rollan
General Manager

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)

99.99%

DISTRILEC INVERSORA S.A.

Company Name

Distrilec Inversora S.A.

Type of Company

Limited Liability Company

Address

San José 140
Buenos Aires, Argentina

Phone

(54 11) 4370 3700

Subscribed and paid-in-capital (Thousand USD)

322,819

Corporate purpose

Exclusively to invest in companies constituted or to be constituted whose main activity is the distribution of electricity or that directly or indirectly participate in companies with that principal business through all kind of financial and investment activities, except those in the laws of financial entities, the purchase and sale of public and private debt paper, bonds, shares, negotiable instruments and the granting of loans, and the placement of its funds in bank deposits of any kind.

Core business

Investment Company.

Regular Directors

Guillermo Pablo Reca
Chairman
Paolo Giovanni Pescarmona
Vice Chairman
Gaetano Salierno
Mónica Diskin
Juan Carlos Blanco
Jorge Lemos
Andrés L. Vittone
Rubén Vázquez
Víctor J. Díaz Bobillo
Rubén López

Deputy Directors

María Inés Justo
Alain Rosolino





Nicola Melchioti
Roberto de Antoni
M. Victoria Ramírez
Gonzalo Peres Moore
Pablo Javier Viboud
José Manuel Pazos
Patricio J. Richards
Enrique Terraneo

Business Relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
51.50%

Share of the investment in Enel Américas' assets.
0.09%

EDESUR Empresa Distribuidora Sur S.A.

Company Name

Empresa Distribuidora Sur S.A.

Type of Company

Publicly Traded Company

Address

San José 140 (1076)
Capital Federal, Argentina

Phone

(54 11) 4370 3700

Subscribed and paid-in capital (Thousand USD)
563,803

Corporate purpose

Distribution and commercialization of electricity and related activities.

Core business

Electricity distribution.

Regular Directors

Juan Carlos Blanco
Chairman
Paolo Giovanni Pescarmona
Vice Chairman
Monica Hodor
Gonzalo Peres Moore
Víctor José Díaz Bobillo
Alain Rosolino
Ernesto Pablo Badaraco
Gerardo Marcelo Silva Iribarne
Mónica Diskin

Deputy Directors

Gaetano Salierno
María Victoria Ramirez
Jorge Lemos
Andrés L. Vittone
Ruben Omar López
Roberto Alfredo De Antoni
María Alejandra Martinez
Nicola Melchioti
María Inés Justo

Senior Management

Guisepe Fanizzi
General Manager

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
99.45%

Share of the investment in Enel Américas' assets.
2.30%

Emgesa S.A. E.S.P.

Company Name

Emgesa S.A. E.S.P.

NIT 860.063.875-8

Type of Company

Private Commercial Corporation. Public Utility Company

Address

Carrera 11 N°82-76, piso 4
Bogotá, D.C. Colombia

Subscribed and paid-in capital (Thousand USD)
201,762

Corporate purpose

The corporate purpose of the company is generation and sale of electricity and sale of fuel gas, as well as all activities similar, connected, supplementary and related to its main purpose, including oil derivatives liquid fuels for energy generation, and also de import of natural gas for energy generation and/or its commercialization and (ii) the participation in financial derivatives markets of energy commodities.

Core business

Electricity and fuel gas generation and commercialization.

Regular Directors

Andrés Caldas
Lucio Rubio Díaz
José Antonio Vargas Lleras
Gloria Astrid Álvarez Hernández
Remained vacant since December 2018
Luis Fernando Alarcón Mantilla
Luisa Fernanda Lafaurie Rivera

Deputy Directors

Diana Marcela Jiménez Rodríguez
Fernando Javier Gutiérrez Medina
Michele Di Murro
Álvaro Villasante
Camila Merizalde Arico
Rodrigo Hernán Galarza Naranjo
María Paula Camacho

Senior Management

Bruno Riga

General Manager and Renewables Energies Manager

Marcelo Falcucci
Thermal Generation Manager
Andrés Caldas Rico
Legal and Corporate Affairs Manager
Fernando Javier Gutiérrez Medina
Energy Trading Manager
Michele Di Murro
Administration, Finance and Control Manager
María Celina Restrepo Santamaría
Communications Manager
Rafael Carbonell Blanco
Human Resources and Organization Manager

Diana **Marcela** Jiménez Rodríguez
Regulation and Institutional Relations Manager
Eugenio Belinchon
Audit Manager
Raúl Fernando Vacca Ramírez
Procurement Manager
Ana Patricia Delgado Meza
General Services and Safety Manager
Ana Lucia Moreno Moreno
General Services and Safety Manager
Carlo Ferrara
Sustainability Manager

Commercial Relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
48.48%

Share of the investment in Enel Américas' assets.
7.93%

ENEL ARGENTINA S.A.

Company Name

Enel Argentina S.A.

Type of Company

Publicly Traded Company

Address

Av. España 3301
Buenos Aires, Argentina

Phone

(5411) 4307 3040

Subscribed and paid-in capital (Thousand USD)
60,999

Corporate purpose

Carry out investments in companies dedicated to the production, transmission and distribution of electricity and its commercialization, as well as financial activities except those limited by the law to banks.

Core business

Investment Company.

Regular Directors

Juan Carlos Blanco

Chairman
Paolo Giovanni Pescarmona
Vice Chairman
Mónica Diskin

Deputy Directors

Nicola Melchioni
Jorge Lemos
María Victoria Ramírez
Business relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
99.92%

Share of the investment in Enel Américas' assets.
9.67%

ENEL BRASIL INVESTIMENTOS SUDESTE S.A.

Company Name
Enel Brasil Investimentos Sudeste S.A.

Type of Company
Limited Liability Company

Address
Praça Leoni Ramos, nº 1, 7º andar, bloco 2, São Domingos,
Niterói, Rio de Janeiro.

Phone
(21) 2716-1138

Subscribed and paid-in capital (Thousand USD)
1,030,354

Company purpose
Its purpose is the planning, development and execution of generation, distribution, transmission and/ or commercialization activities of electric energy. Likewise, the participation in the equity capital of other companies and entities that operate or constitute to act in the generation, distribution, transmission and/ or commercialization of electric energy segments as partners, consortia or shareholder.

Core business
Electricity generation.

The company that doesn't have a management board (Board of Directors)

Senior management
Antonio Basilio Pires de Carvalho e Albuquerque
Raffaele Grandi

Business relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
100.00%

ENEL BRASIL S.A.

Company Name
Enel Brasil S.A.

Type of Company
Limited Liability Company

Address
Praça Leoni Ramos, Nº1, 7º andar, bloco 2
Parte, Niterói, Rio de Janeiro, Brazil

Phone
(5521) 3607 9500

Subscribed and paid-in capital (Thousand USD)
1,750,617

Company purpose
Participate in the capital of other companies in any segment of the electricity sector, including companies that provide services to companies in that sector, in Brazil or abroad; transmission, distribution, generation or commercialization of electricity and related activities and participation, individually or through joint ventures, consortia or other similar forms of association, in tenders, projects and enterprises for the supply of services and activities previously mentioned.

Core business
Investment Company.

Board of Directors
Mario Fernando de Melo Santos
Chairman
Maurizio Bezzeccheri
Vice Chairman
Antonio Basilio Pires de Carvalho e Albuquerque

Senior Management
Raffaele Grandi
Antonio Basilio Pires de Carvalho e Albuquerque
Carlos Ewandro Naegele Moreira
Anna Paula Hiotte Pacheco
José Nunes de Almeida Neto
Janaina Savino Vilella Carro
Flávia da Silva Baraúna
Margot Frota Cohn Pires
Márcia Massotti de Carvalho
Luis Alonso Campos Rivas
Guilherme Gomes Lencastre
Matteo de Zan
Cristine de Magalhães Marcondes
Carlos Omar Arriagada Retamal
Roberto Zanchi
André Osvaldo dos Santos
Bruno Cecchetti
Giovanni de Vita

Business relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
99.99%

Share of the investment in Enel Américas' assets.
45.14%

ENEL CIEN S.A.

Company Name
ENEL CIEN S.A.

Type of Company
Limited Liability Company

Address
Praça Leoni Ramos, Nº 1, piso 6, Bloco 2, São Domingos, Niterói
Rio de Janeiro, Brazil

Phone:
(55 21) 3607 9500

Subscribed and paid-in capital (Thousand USD)
73,545

Corporate purpose
The purpose of the company is the production, industrialization, distribution and commercialization of electricity, including the import and export activities. In view of achieving the purposes mentioned above, the company will promote the study, planning and construction of facilities for production systems, transmission, conversion and distribution of electricity by capturing the necessary investment to develop the activities and by providing services. Beyond the purposes referred to, the company may promote the implementation of associated products, as well as inherent, ancillary or complementary activities to services and jobs that come to provide. To carry out the activities necessary to achieve its goals, the company may participate in other societies.

Core business
Electricity transmission.

Board of Directors
Antonio Basilio Pires de Carvalho e Albuquerque
Chairman
Julia Freitas de Alcantara Nunes
Vice Chairman
Victor Hugo Balbontin Artus

Senior Management
Guilherme Lencastre
General Manager
Raffaele Grandi
Anna Paula Hiotte Pacheco
Déborah Meirelles Rosa Brasil
Carlos Ewandro Naegele Moreira
José Nunes de Almeida Neto
Janaina Savino Vilella Carro
Margot Frota Cohn Pires

Business relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
100.00%





ENEL DISTRIBUCIÓN CEARÁ S.A. COELCE (Companhia Energética do Ceará S.A.)

Company Name

Companhia Energética do Ceará S.A.

Type of Company

Publicly Traded Company

Address

Rua Padre Valdevino, 150 - Centro
Fortaleza, Ceará, Brasil

Phone

(55 85) 3453-4082

Subscribed and paid-in capital (Thousand USD)

191,199

Corporate purpose

Generation, transmission, distribution and commercialization of electricity, performing awarded or authorized correlated services, and the development of activities associated with the services, as well as celebrating trading acts related to those activities. Likewise, the company may carry out studies, planning, projects, construction and operation of production, transformation, transportation and storage, distribution and sale of energy systems, of any origin, in the form of concessions, authorizations or permits it may be awarded, with jurisdiction in the territory of the State of Ceará, and others defined in the Grantor. The Society may also carry out studies, projects and planning and research and development programs of new energy sources, especially renewable, and the study, making and execution, in the energy sector, of plans and programs for economic and social development, in places of interest for the community and for the company.

Core business

Distribution and sale of electricity and related services in the State of Ceará, Brazil.

Regular Directors

Mario Fernando de Melo Santos
Chairman
José Nunes de Almeida Neto
Vice Chairman
Monica Hodor
Ramón Francisco Castañeda Ponce
Francesco Amadei
Cristine de Magalhães Marcondes
Francisco Honório Pinheiro Alves
Fernando Antonio de Moura Avelino
Fernando Augusto Macedo de Melo
Aurelio Ricardo Bustilho de Oliveira

Deputy Directors

Márcia Sandra Roque Vieira Silva
Maria Eduarda Fischer Alcure
Deborah Meirelles Rosa Brasil
Teobaldo José Cavalcante Leal
José Tavora Batista
Carlos Ewandro Naegle Moreira
Marcia Massotti de Carvalho
Cesario Macedo de Melo Neto

Nelson Ribas Visconti
Dilma Maria Toledo

Senior Management

Roberto Zanchi
General Manager
José Távora Batista
Raffaele Grandi
Carlos Ewandro Naegle Moreira
José Nunes de Almeida Neto
Janaina Savino Vilella Carro
Luiz Gazulha
Margot Frota Cohn Pires
Déborah Meirelles Rosa Brasil
Fernando Andrade
Márcia Sandra Roque Vieira Silva

Business Relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)

74.05%

ENEL DISTRIBUCIÓN GOIÁS S.A. CELG DISTRIBUIÇÃO S.A. - CELG-D

Company Name

CELG DISTRIBUIÇÃO S.A. - CELG-D

Type of Company

Limited Liability Company

Address

Rua 2, Quadra A-37, nº 505, Jardim Goiás,
Goiânia, Goiás.

Phone

(62) 3243 1771

Subscribed and paid-in capital (Thousand USD)

1,309,589

Corporate purpose

The corporate purpose is the technical and commercial exploration of electricity distribution.

Core business

Electricity Distribution

Board of Directors

Mario Fernando de Melo Santos
Chairman
Antonio Basilio Pires de Carvalho e Albuquerque
Francesco Bertoli
Maria Eduarda Fischer Alcure

Senior Management

Abel Alves Rochinha
General Manager
Marcia Sandra
Raffaele Grandi
Déborah Meirelles Rosa Brasil
Carlos Ewandro Naegle Moreira
Flavia Baraúna
Angela Magalhães
Margot Cohn
Carlos Omar Arriagada Retamal

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)

99.93%

ENEL DISTRIBUCIÓN PERÚ S.A.A.

Company Name

Enel Distribución Perú S.A.A.

Type of Company

Publicly Traded Company

Address

Calle César López Rojas 201 Urb, Maranga,
San Miguel
Lima, Peru
Phone
(51 1) 561 2001

Subscribed and paid-in capital (Thousand USD)

157,383

Corporate purpose

Engage the activities of distribution, transmission and generation of electricity in accordance with the provisions of current legislation. Additionally, the company may engage in the sale of goods in any form, as well as providing consulting and financial services, among others, except those services, which require specific authorization in accordance with current law.

Core business

Distribution of electricity

Board of Directors

José Manuel Revuelta Mediavilla
Chairman
Guillermo Lozada Pozo
Vice Chairman
Ricardo Lama
Carlos Solis Pino
Francesco Bertoli
Patricia Teullet Pipoli
Martín Pérez Monteverde
Rafael Llosa Barrios

Senior Management

Ricardo Lama
General Manager
Guillermo Martin Lozada Pozo
Administration, Finance & Control Manager
Carlos Alberto Solis Pino
Commercial Manager
Soraya Ahomed
Legal Counsel
Milagritos Tatiana Lozada Gobeia
Regulation Manager
Rocío Pachas Soto
Organization and Human Resources Manager
María Alicia Martínez Venero
Communications Manager

Business relations

The company has no commercial relations with

Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
83.15%

**ENEL DISTRIBUCIÓN RÍO S.A.
AMPLA ENERGÍA (Ampla Energía e Serviços S.A.)**

Company Name
Ampla Energia e Serviços S.A.

Type of Company
Publicly Traded Company

Address
Praça Leoni Ramos, N° 01, São Domingos, Niterói
Rio de Janeiro, Brazil

Phone
(55 21) 2613 7000

Subscribed and paid-in capital (Thousand USD)
644,575

Corporate purpose
Study, plan, project, build and explore electricity production, transmission, transformation, distribution and sale systems, and provide related services that have been or may be conceded; carry out research in the energy sector, participate in regional, national or international organizations dedicated to the planning, operation, technical Exchange and business development related to the electricity industry and participate as a shareholder in other companies in the energy sector, even within the framework of Brazil's privatization program.

Core business
Electricity distribution.

Regular Directors
Mario Fernando de Melo Santos
Monica Hodor
Roberto Zanchi
Deborah Meirelles Rosa Brasil
Luiz Carlos Franco Campos
Otacilio de Souza Junior

Alternate Directors
Flávia da Silva Baraúna
Márcia Massoti de Carvalho
Gabriel Maluly
Claudio César Weyne da Cunha
Carlos Ewandro Naegele Moreira

Senior Management
Artur Manuel Tavares Resende
Raffaele Grandi
Carlos Ewandro Naegele Moreira
José Nunes de Almeida Neto
Janaina Savino Vilella Carro
Anna Paula Hiotte Pacheco
Déborah Meirelles Rosa Brasil
Margot Frota Cohn Pires
Artur Manuel Tavares Resende

Fernando Andrade
Marcia Sandra Roque Vieira Silva

Business Relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
99.73%

**ENEL DISTRIBUCIÓN
SÃO PAULO S.A.
ELETROPAULO METROPOLITANA
ELETRICIDADE DE SÃO PAULO S.A.**

Company Name
Eletropaulo Metropolitana Eletricidade de São Paulo S.A.

Type of Company
Publicly Traded Company

Address
Avenida Dr. Marcos Penteado de Ulhôa Rodrigues, n° 939, lojas 1 e 2 (térreo) e 1° ao 7° andar, Bairro Sítio Tamboré, Torre II do Condomínio Castelo Branco Office Park, Barueri, São Paulo

Phone
(21) 2716-1113

Subscribed and paid-in capital (Thousand USD)
728,495

Corporate purpose
Exploit energy services, mainly electricity, in the areas defined in the Concession Contract and in others that, according to the existing regulation, it is authorized to act, study, design, execute, explore or transfer research and development plans and programs to analyze any type of form of energy; participate in those endeavors whose purpose is the distribution and commercialization of energy; provision of technical services for the operation, maintenance and planning of electricity facilities of third- parties; provision of services for the optimization of energy processes and electricity facilities of consumers; transfer of rights of slots of lines and areas of exploitable land of plants and deposits; IV) provide other public or private services, including IT services through the exploitation of its infrastructure, with the purpose of generating supplementary alternative revenues; contribute with the preservation of the environment, and participate in social programs for the interest of the community; participate in endeavors that foster a better use of its real-estate assets; and participate in other societies as partner, quota holder or shareholder.

Core business
Distribution of electricity.

Board of Directors
Britaldo Pedrosa Soares
Chairman

Nicola Cotugno
Vice Chairman
Ana Marta Horta Veloso
Antonio Basilio Pires de Carvalho e Albuquerque
Aurelio Ricardo Bustilho de Oliveira
Bernardino Jesus de Brito
Guilherme Gomes Lencastre
Helio Lima Magalhães
Marcia Sandra Roque Vieira Silva

Senior Management
Max Xavier Lins
Monica Hodor
Deborah Meirelles Rosa Brasil
Carlos Ewandro Naegele Moreira
Sidney Simonaggio
Rosario Zaccaria

Business Relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
95.88%

**ENEL GENERACIÓN
COSTANERA S.A.**

Company Name
Enel Generación Costanera S.A.

Type of Company
Publicly Traded Company

Address
Av. España 3301, Buenos Aires, Argentina

Phone
(5411) 4307 3040

Subscribed and paid-in capital (Thousand USD)
131,230

Corporate purpose
Electricity generation and trading in blocks of energy.

Core business
Electricity generation

Regular Directors
Juan Carlos Blanco (Chairman)
Paolo Pescarmona (Vice Chairman)
Michele Siciliano
Alain Rosolino
Antonino Asione
Mónica Diskin
César Fernando Amuchástegui
Matías María Brea
Marcelo Luis Diez

Alternate Directors
Gaetano Salierno
Jorge Lemos
Fernando Boggini
Rodrigo Quesada
Mariano Pessagno
Nicola Melchioti
María Victoria Ramirez





María Alejandra Martínez
María Laura Posadas

Senior Management

Andrea Biasotto
General Manager

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
75.68%

ENEL GENERACIÓN EL CHOCÓN S.A

Company Name

Enel Generación El Chocón S.A.

Type of Company

Publicly Traded Company

Address

Av. España 3301
Ciudad Autónoma de Buenos Aires, Argentina

Subscribed and paid-in capital (Thousand USD)
227,243

Corporate purpose

Electricity Generation and its block commercialization

Core business

Electricity generation.

Regular Directors

Juan Carlos Blanco
Chairman
Paolo Giovanni Pescarmona
Vice Chairman
Mónica Diskin
María Victoria Ramírez
Daniel Garrido
Alex Daniel Horacio Valdez
Néstor Hugo Martín
Alberto Eduardo Mousist

Alternate Directors

Jorge Lemos
Alain Rosolino Fernando Boggini
Rodrigo Quesada
Nicola Melchiotti
Sebastián Eduardo Guasco
Oscar Horacio Carvalho

Senior Management

Daniel Garrido
General Manager

Business Relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
67.67%

**ENEL GENERACIÓN FORTALEZA S.A.
CGTF - CENTRAL GERADORA
TERMELÉCTRICA FORTALEZA S.A.**

Company Name

CGTF - Central Geradora Termelétrica Fortaleza S.A.

Type of Company

Limited Liability Company

Address

Rodovia 422, Km 1 s/n,
Complexo Industrial e Portuário de Pecém
Caucaia, Ceará, Brazil

Phone

(55 85) 3464-4100

Subscribed and paid-in capital (Thousand USD)
39,201

Corporate purpose

Study, project, construct and explore electricity production, transmission, distribution and trading systems, awarded, permitted or authorized by any rights title, as well as any other activity related to the aforementioned activities; acquisition, obtaining and exploration of any right, concession or privilege related to the aforementioned activities, as well as the practice of all other acts and businesses necessary to reach its purpose; and participation in other companies or societies corporate capital, as shareholder, partner or on account of participation, whichever its purposes are.

Core business

Electricity generation.

Board of Directors

Marcelo Falcucci
Chairman
Anna Paula Pacheco

Senior Management

Raimundo Câmara
Interim General Manager
Raffaele Grandi
Pedro Werbest Alves Silva
Claudia Maria Suanno
Janaina Savino Vilella Carro
Ana Claudia Gonçalves Rebello
José Nunes de Almeida Neto
Anna Paula Hiotte Pacheco
Margot Frota Cohn Pires

Commercial relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
100.00%

ENEL GENERACIÓN PERÚ S.A.A.

Company Name

Enel Generación Perú S.A.A.

Type of Company

Publicly Traded Company

Address

Calle César Lopez Rojas N° 201, Urb. Maranga,
San Miguel
Lima, Peru (address change according to memo 2015)

Subscribed and paid-in capital (Thousand USD)
809,478

Corporate purpose

In general, electricity generation activities, also the civil, industrial, commercial and any other act or operation related or leading to its main corporate purpose.

Core business

Electricity generation.

Regular Directors

José Manuel Revuelta Mediavilla
Chairman
Marco Raco
Eugenio Calderón López
Guillermo Martín Lozada Pozo
Rocío Pachas Soto
Francisco García Calderón Portugal
Carlos Rojas Perla

Alternate Directors

Claudio Helfmann Soto
Rigoberto Novoa Velásquez
Daniel Abramovich Ackerman
Carlos Sedano Tarancón
Úrsula De La Mata Torres
Milagritos Tatiana Lozada Gobeia
Bartolomé Enrique Ríos Hamann

Senior Management

Marco Raco
General Manager
Pedro Cruz Vine
Energy Management and Trading Manager
Daniel Abramovich Ackerman
Legal Counsel
Guillermo Marín Lozada Pozo
Administration, Finance and Control Manager

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
83.60%

ENEL GENERACIÓN PIURA S.A.

Company Name
Enel Generación Piura S.A.

Type of Company
Publicly traded company

Address
Calle César López Rojas 201, Urb. Maranga,
San Miguel
Lima, Peru

Subscribed and paid-in capital (Thousand USD)
24,131

Corporate purpose
The main purpose of the company is the generation, sale and transmission of electricity, performing all acts and signing all agreements allowed by current legislation.

Core business
Electricity generation and sale of natural gas.

Directors
José Manuel Revuelta (Chairman)
Marco Raco (Vice Chairman)
Guillermo Martin Lozada Pozo

Senior Management
Marco Raco (representing Enel Generación Perú S.A.A.)
General Manager

Commercial relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
96.50%

ENEL GREEN POWER CACHOEIRA DOURADA S.A.

Company Name
ENEL GREEN POWER CACHOEIRA DOURADA S.A.

Type of Company
Limited Liability Company

Address
Rodovia GO 206, Km 0, Cachoeira Dourada
Goiânia
Goiás, Brazil

Phone
(55 62) 3434 9000

Subscribed and paid-in capital (Thousand USD)
16,600

Corporate purpose
The corporate purpose of the Company is the carrying out of studies, planning, construction, installation, operation and exploitation of electricity generation plants, and the trade related to these activities. Likewise, the company may foster or participate in other societies formed for the production of electricity, in or out of the State of Goiás.

Core business
Electricity Generation

Directors (regular)
Antonio Basilio Pires de Carvalho e Albuquerque
Andre Bruno Santos Brandão Gordon Afonso
Anna Paula Pacheco

Senior Management
Matteo Francucci
Deputy Manager
Raffaele Grandi
Matteo de Zan
Janaína Savino Villela Carro
Carlos Ewandro Naegele Moreira
Ana Claudia Gonçalves Rebello
José Nunes de Almeida Neto
Anna Paula Hiotte Pacheco
Margot Frota Cohn Pires

Commercial relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
99.75%

ENEL GREEN POWER VOLTA GRANDE S.A (former ENEL GREEN POWER PROJETOS I S.A)

Company Name
Enel Green Power Volta Grande S.A

Type of Company
Limited Liability Company

Address
Praça Leoni Ramos, nº 1, 5º andar - parte, bloco 1, São Domingos.
Niterói, Rio de Janeiro.

Phone
(21) 2716-1100

Subscribed and paid-in-capital (Thousand USD)
145,972

Corporate purpose
Its main activity is the generation of electricity, pursuant to the current regulation. Likewise, the company is enabled to commercialize energy by any means and in any market.

Core business
Electricity generation.

The company does not have a Board of Directors.

Senior Management
Matteo Francucci
Carlos Ewandro Naegele Moreira
Raffaele Grandi

Commercial relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
100.00%





ENEL PERÚ S.A.C.

Company Name
Enel Perú S.A.C.

Type of Company
Limited Liability Company

Address
Calle César López Rojas 201, Urb. Maranga,
San Miguel
Lima, Perú

Subscribed and paid-in capital (Thousand USD)
1.587.916

Corporate purpose
Perform investments in other companies, most preferably in those involved in the exploitation of natural resources, and especially those related to the distribution, transmission and generation of electricity. Develop engineering services for the construction of power plants; perform activities related to the supply, assembly and commissioning of equipment and/ or services for electricity generation. Additionally, the company may carry out any other activity related to the electricity and water sectors. The company may also make equity investments in any kind of property including stocks, bonds and any other class of transferable securities, as well as the administration of such investments within the limits set by the board and ordinary shareholders meeting. The activities that are considered within the purpose of the company may be carried out in Peru and abroad.

Core business
Investment Company

Senior Management
José Manuel Revuelta Soldevilla
General Manager

Commercial relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
20.33%

ENEL X BRASIL S.A (former ENEL SOLUÇÕES S.A.)

Company Name
ENEL X BRASIL S.A.

Type of society
Limited Liability Company constituted pursuant to the Brazilian law.

Address
Praça Leoni Ramos nº 01
Parte, São Domingos, Niterói, Rio de Janeiro, Brazil.

Phone
(55 21) 2613 7000

Subscribed and paid-in capital (Thousand USD)
23,302

Corporate purpose
The company' objective is to participate in the capital of other companies in Brazil or abroad, trade in general, even imports and exports, through retail or wholesale transactions of various products, and to provide general services for the energy electricity sector and others.

Core business
Provision of services in general to the electricity industry and others.

The company does not have an administration council (Board of Directors)

Senior Executives
Nestor Jesus Benito Saenz
General Manager
Tennessee Williams Pearce Maia
Rafael Felipe Coelho da Silva

Commercial relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
100.00%

ENEL TRADING ARGENTINA S.R.L.

Company Name
Enel Trading Argentina S.R.L.

Type of Company
Limited Liability Company

Address
San José 140, piso 6, CABA
Buenos Aires, Argentina

Phone
(5411) 4124-1600

Subscribed and paid-in capital (Thousand USD)
2,483

Corporate purpose
The purpose of the company is the wholesale purchase and sale of electricity capacity and energy produced and/or consumed by third parties, including the import and export of electricity power and energy and the marketing of royalties, and the supply and/or performing of services related to the above activity, both in the country as well as abroad of information technology services and/or of control of the operation and/or of telecommunications. Likewise, the Company shall be entitled to execute buy/sell operations or to purchase and sell natural gas, and/or its transportation, including the importation and/or exportation of natural gas and/or the marketing of regalia/privileges, as well as to provide and/or execute services related to the abovementioned activity. Also, the Company shall be entitled to execute buy/sell operations or to purchase and sell crude petroleum, and/or lubricants and/or to transport such elements, including the importation and/or exportation of liquid fuels and the marketing of regalia/privileges, as well as to provide and/or execute services related to the aforementioned activity.

Core business
Trading of electricity, gas and derivatives. IT services and/or operation control and/or telecommunications.

Regular Managers
Livio Filipo Colasanto
Paolo Giovanni Pescarmona

Alternate Managers
Mónica Diskin
Fernando Boggini

Commercial relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
100.00%

Proportion of Enel Américas S.A. assets
0.02%

HIDROINVEST S.A.

Company Name
Hidroinvest S.A.

Type of Company
Publicly Traded Company

Address
Av. España 3301
Buenos Aires, Argentina

Phone
(5411) 4307 3040

Subscribed and paid-in capital (Thousand USD)
1,468

Corporate purpose
Acquire and maintain a majority shareholding in Hidroeléctrica Alicura S.A. and/or Hidroeléctrica El Chocón S.A. and/or Hidroeléctrica Cerros Colorados S.A. ("the concessionaire companies") created by National Executive Power decree 287/93 and manage such investments.

Core business
Investment Company

Regular Directors
Juan Carlos Blanco
Chairman
Paolo Giovanni Pescarmona
Vice Chairman
Mónica Diskin

Alternate Directors
Jorge Lemos
María Victoria Ramírez

Commercial relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
96.70%

INGENDESA DO BRASIL Ltda.

(company under liquidation)

Company Name
Ingendesa do Brasil Ltda.

Type of Company
Limited Liability Company

Address
Praça Leoni Ramos, N° 1
Parte, São Domingos
Niterói - RJ, Brazil

Subscribed and paid-in capital (Thousand USD)
129,006

Corporate purpose
Offer services in engineering, studies, projects, technical consulting, management, inspection and supervision of works supply, inspection and reception of materials and equipment for laboratories, appraisals, commercial representation of local and foreign engineering companies, as well as other services that the legal powers permit in the practice of the professions of engineering, architecture, agronomy, geology and meteorology in all their specialties.

Core business
Engineering services.

Representative
Bruno César Vasconcelos

Business relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
1.00%

INVERSORA CODENSA S.A.S.

Company Name
Inversora Codensa S.A.S.

NIT 900.351.013-6

Type of Company
Simplified joint stock company

Address
Carrera 13 No. 93-66
Bogotá, Colombia

Phone
(571) 601 6060

Subscribed and paid-in capital (Thousand USD)
2.0

Corporate purpose
Investment in residential public electric utility services, especially the acquisition of shares in any public electric utility or in any other company that also invests in utilities whose main purpose is residential electricity service according to the definition in Law 142 of 1994, or in any other company that also invests in utilities whose main purpose is residential public electric utility services.

Core business
Investment Company

Senior Management
David Felipe Acosta Correa
Manager
Leonardo Lopez Vergara
First Deputy Manager
Juan Manuel Pardo Gómez
Second Deputy Manager

Business relations
The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)
100,00%





INVERSORA DOCK SUD S.A.

Company Name

Inversora Dock Sud S.A.

Type of Company

Limited Liability Company

Address

Avenida Debenedetti 1636 Dock Sud
Avellaneda

Phone

4229-1000

Subscribed and paid-in capital (Thousand USD)

21,215

Corporate purpose

The corporate purpose of the company is the participation in companies of any nature, by means of creating shareholding companies, transitory company ventures, collaboration groups, joint ventures, consortiums and any other kind of association, and in general, the purchase, sale and negotiation of titles, shares and all other kind of securities and credit papers in any of the systems or modes created or to be created.

Core business

Investment Company

Regular Directors

Juan Carlos Blanco
Chairman
Paolo Giovanni Pescarmona
Vice Chairman
Michele Siciliano
Héctor Martín Mandarano
Santiago Matías Sajaroff
Jorge Esteban Ravlich

Alternate Directors

Andrea Biasotto
Nicola Melchioni
Mónica Diskin
Patricio Javier Cipollone
Sebastián Torres
Gabriel Eduardo Abalos

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)

57.14%

Proportion of Enel Américas S.A. assets

1.43%

SACME S.A.

Company Name

Sacme S.A.

Type of Company

Limited Liability Company

Address

Av. España 3251
Ciudad Autónoma de Buenos Aires, Argentina

Phone

(5411) 4361 5107

Subscribed and paid-in capital (Argentinean Pesos)

42

Corporate purpose

Conduct, supervise and control the operation of the electricity generation, transmission and sub transmission system of Capital Federal and Gran Buenos Aires, and the interconnections with the Argentine Interconnection System (SADI in its Spanish acronym). Represent the companies Distribuidora Edenor S.A. and Edesur S.A. in terms of operations, before the wholesale market administrator, Compañía Administradora del Mercado Mayorista Eléctrico (CAMMESA in its Spanish acronym). In general, adopt all actions necessary to allow it to carry out the administration of the business correctly, as being constituted for this purpose by the concessionaire companies of the electricity distribution and trading in Capital Federal and Gran Buenos Aires, all in accordance with the international public tender for the sale of Class A shares in Edenor S.A. and Edesur S.A. and applicable regulations.

Core business

Lead, supervise and control of operations from the Argentine electricity system.

Regular Directors

Roberto De Antoni
Giuseppe Fanizzi
Daniel Flaks
Eduardo Maggi

Alternate Directors

Fabio Canosa
Vincenzo Ruotolo
Miguel Patricio Farrell
José Luis Marinelli

Senior Management

Francisco Cerar
General Manager

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)

50.00%

SOCIEDAD PORTUARIA CENTRAL CARTAGENA S.A.

Company Name

Sociedad Portuaria Central Cartagena S.A.

Type of Company

Publicly Traded Company

NIT 900.325.249-7

Address

Carrera 13 A No. 93-66, piso 2
Bogotá, D.C. Colombia

Subscribed and paid-in capital (Thousand USD)

28

Corporate purpose

The company's main purpose is the following: investment, construction and maintenance of docks and private and public ports, their management and operations and the development and operation of a multipurpose port, in accordance with the law, among others.

Regular Directors

Marcelo Falcucci
Leonardo Lopez Vergara
Juan Manuel Pardo

Alternate Directors

Fernando Javier Gutierrez Medina
Alba Lucia Salcedo
Luis Fernando Salamanca

Senior Management

Fernando Gutierrez Medina
General Manager
Marcelo Falcucci
First Deputy General Manager
Oswaldo Rafael Novoa Arroyo
Second Deputy General Manager

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)

100.00%

ENEL X COLOMBIA S.A.S.

Company Name

Enel X Colombia S.A.S.

Type of Company

Simplified stock company

NIT 901.176.579-6

Address

Carrera 13 A No. 93-66, piso 2
Bogotá, D.C. Colombia

Subscribed and paid-in capital (Thousand USD)

1,540

Corporate purpose

Develop any commercial or civil lawful activity. In particular, it may: a) execute public lighting projects for the development of modernizations, administrations, operation and maintenance, expansions, teleprocessing, collection of inventories, photometric designs, auditing, among others; under the different contract modalities with the state such as concessions, individually or jointly building strategic alliances; b) develop electricity engineering projects of low, medium and high voltage, special lighting projects, architectural illumination and Christmas lighting, energy storage projects and renewable energies through the participation in tender offers of public and private biddings, celebrate contracts with governmental entities or companies, of mixed economies or private; c) design, develop, maintain, build and all types of electric installations in industrial and/or commercial areas and/or free zones. d) commercialize electric materials, provide conceptual engineering services, basic and detailed, such as advisories, studies, auditing and projects' supervision; develop and sale of renewable energy projects, software of energy intelligence, operation and maintenance of public services systems; e) develop and implement new products and services related with the needs of the public and private sectors, through the following: 1) use of existing public lighting infrastructure for leveraging innovation and technology projects (smart cities); 2) urban development projects such as the installation and maintenance of traffic lights, traffic signals, bus stops, advertising and parks among other urban spaces. 3) implementation of Energy as a Service models, response to the demand, increase reliability of industrial users in the country; f) carry out every legal acts and operations required for the development of its social purpose; g) acquire and development goods of any nature, either movable or immovable properties, corporeal or incorporeal, required for the development of social businesses; h) sell, lease, tax and manage social goods; i) issue, withdraw, accept, endorse, insure, discount, and negotiate in general, securities or any kind of individual or collective loans; j) celebrate any kind of state contracts and of private law; k) become part, according to law and by-laws, of other societies,

with the purpose of easing or broadening or supplement the social company, either subscribing or acquiring quotas or shares with the intention of permanence or merger with them; l) celebrate contracts for the participation, either actively or inactively, consortiums, temporary companies' joint ventures and any other lawful way of business collaboration; m) celebrate or execute, in general, every act or contracts needed for the development of the social purpose of the company.

Regular Directors

Lucio Rubio Díaz
Carlos Mario Restrepo Molina
Michele Di Murro

Alternate Directors

Andrés Caldas Rico
Juan Manuel Pardo Gómez
Alejandro Barragán Osorio

Senior Management

Carlos Mario Molina
General Manager
Alejandro Barragán Osorio
First Deputy Manager
Diego Rolando Valderrama Acevedo
Second Deputy Manager

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)

100.00%

TERMOELÉCTRICA JOSÉ DE SAN MARTÍN S.A.

Company Name

Termoeléctrica José de San Martín S.A.

Type of Company

Publicly Traded Company

Address

Maipú 757, Piso 9° Ciudad Autónoma de Buenos Aires, Argentina

Phone

(54 11) 4117-1011/1041

Subscribed and paid-in capital (Thousand USD)

13

Corporate purpose

The generation of electricity and its block trading, and particularly the management of the equipment, construction, operation and maintenance of a thermal plant in accordance with the "Definitive agreement for the management and operation of the projects for the re-adaptation of the MEM in the terms of Resolution SE N° 1427/2004", approved by Resolution SE N° 1193/2005.

Core business

Electricity generation. Management services (acquisition of equipment, construction, operation and maintenance of a thermal power plant).

Regular Directors:

Ricardo Araraki
Chairman
Adrián Salvatore
Michele Siciliano
Mónica Diskin
Guillermo Giraudo
Julián Mc Loughlin
José Manuel Tierno
Gerardo Carlos Paz
Rubén Turienzo

Alternate Directors:

Leonardo Katz
Leonardo Marinaro
Juan Carlos Blanco
Andrea Biasotto
Luciano Palombella
Juan Castellanos Mon
Sergio Raúl Sánchez
Luis Agustín León Longombardo
Rodrigo Leonardo García

Senior Management

Fernando Fabián Rabita
General Manager

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)

25.60%





TERMOELÉCTRICA MANUEL BELGRANO S.A.

Company Name

Termoeléctrica Manuel Belgrano S.A.

Type of Company

Publicly Traded Company

Address

Azopardo 1487, Ciudad Autónoma de Buenos Aires, Argentina

Phone

011 3221-7950

Subscribed and paid-in capital (Thousand USD)

13.0

Corporate purpose

The company's purpose is the generation of electricity and its block trading, and particularly the management of the equipment, construction, operation and maintenance of a thermal plant in accordance with the "Definitive agreement for the management and operation of the projects for the re-adaptation of the MEM in the terms of Resolution SE N° 1427/2004", approved by Resolution SE N° 1193/2005.

Core business

Electricity generation. Management services (acquisition of equipment, construction, operation and maintenance of a thermal power plant).

Regular Directors

Andrea Biasotto
Mónica Diskin
Julián Mc Loughlin
Guillermo Giraudo
Adrián Gustavo Salvatore
José Manuel Pazos
Gerardo Carlos Paz
Rubén Turienzo
José Manuel Tierno

Alternate Directors

Juan Carlos Blanco
Michele Sicialiano
Luciano Palombella
Juan I Castellanos Mon
Leonardo Marinaro
Leonardo Katz
Luis Agustín León Longombardo
Rodrigo Leonardo García
Sergio Raúl Sánchez

Senior Management

Francisco Monteleone
General Manager

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)

25.60%

TESA

Company Name

Transportadora de Energía S.A.

Type of Company

Publicly Traded Company

Address

Bartolomé Mitre 797, piso 11
Buenos Aires, República de Argentina

Phone

(5411) 4394 1161

Subscribed and paid-in capital (Thousand USD)

11,715

Corporate purpose

High tension electricity transmission services' provision, linked to both national and international electrical systems, for which purpose it may participate in national and international tenders, become a high tension electricity transmission utilities concessionaire, locally or abroad, and carry out all activities deemed necessary to fulfill its purpose.

Core business

Electricity transmission.

Regular Directors

Juan Carlos Blanco
Chairman
Paolo Giovanni Pescarmona
Vice Chairman
Mónica Diskin

Alternate Directors

Jorge Lemos
Gaetano Salierno
Roberto de Antoni

Senior Management

Sandro Ariel Rollan
General Manager

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)

99.99%

YACYLEC S.A.

Company Name

Yacylec S.A.

Type of Company

Limited Liability Company

Address

Bartolomé Mitre 797, piso 11°;
Ciudad Autónoma de Buenos Aires, Argentina

Phone

(5411) 4587 4322/4585

Subscribed and paid-in capital (Thousand USD)

531

Corporate purpose

Construction, operation and maintenance of the first electrical link between Yacyretá Hydroelectric Plant and the Resistance's Transformation Station, and provision of electricity transmission services, including the exploitation under concession as independent transporter.

Core business

Electricity transmission.

Regular Directors

Guillermo Osvaldo Díaz
Eduardo Martín Albaracín
Open position
Juan M. Pereyra
Juan Carlos Blanco
Sandro Ariel Rollan
Raffaele Sardella
Luis Juan Bautista Piatti
Osvaldo Antenor Acosta
Mónica Diskin
Maurizio Bellomo
Gerardo Luis Ferreyra

Alternate Directors

Carlos Fernando Bergoglio
Juan José Arena
Paolo Giovanni Pescarmona
Jorge Alberto Lemos
Gianfranco Catrini
Massimo Villa
Roberto Leonardo Maffioli
Dario Ballaré
Sergio Alejandro Vestfrid
Nicola Melchiotti
Robert Ortega
Alberto Esteban Verra

Senior Management

Sandro Ariel Rollan
General Manager

Business relations

The company has no commercial relations with Enel Américas S.A.

Shareholding of Enel Américas S.A. (direct and indirect)

22.22%

Proportion of Enel Américas S.A. assets

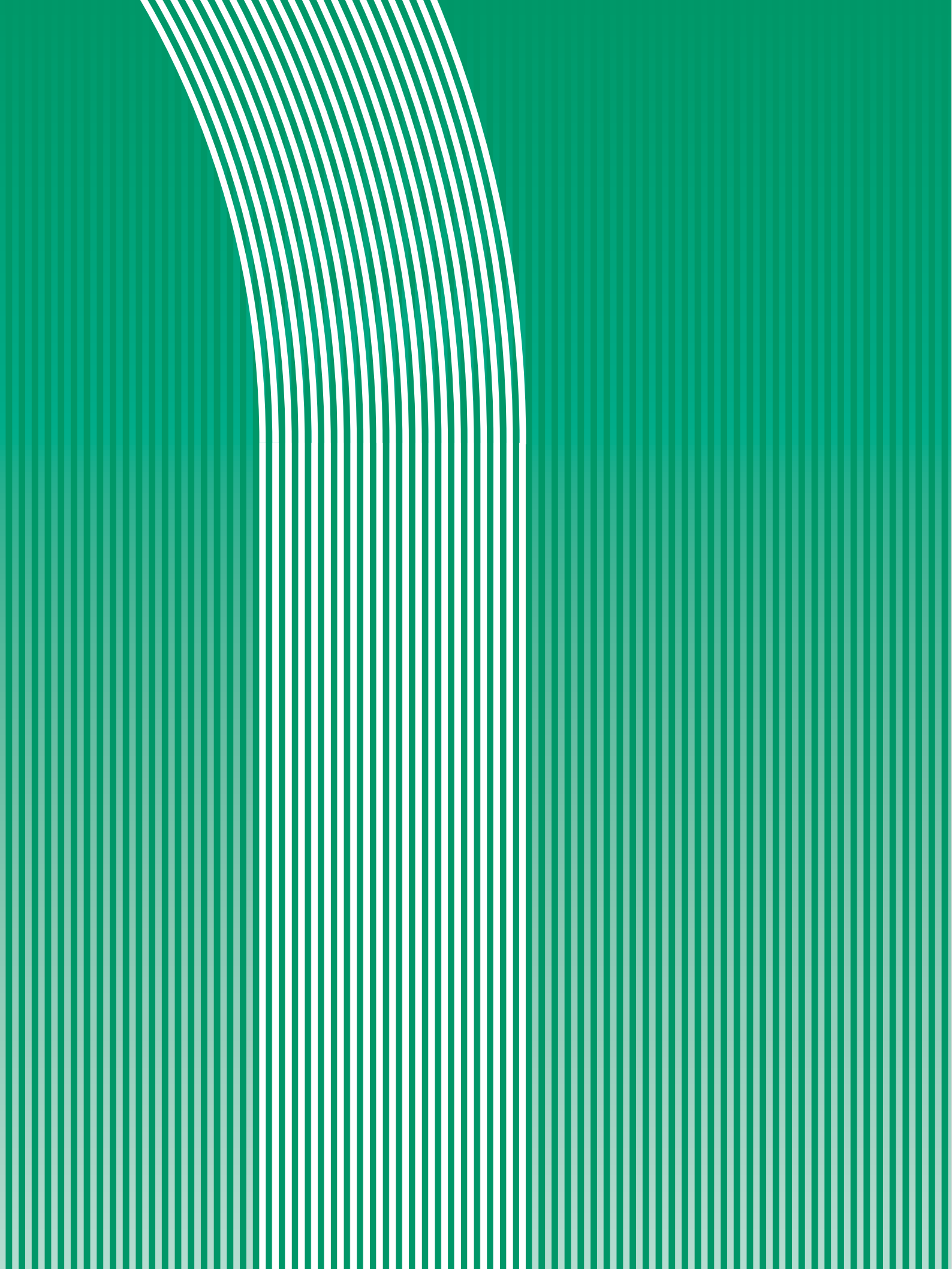
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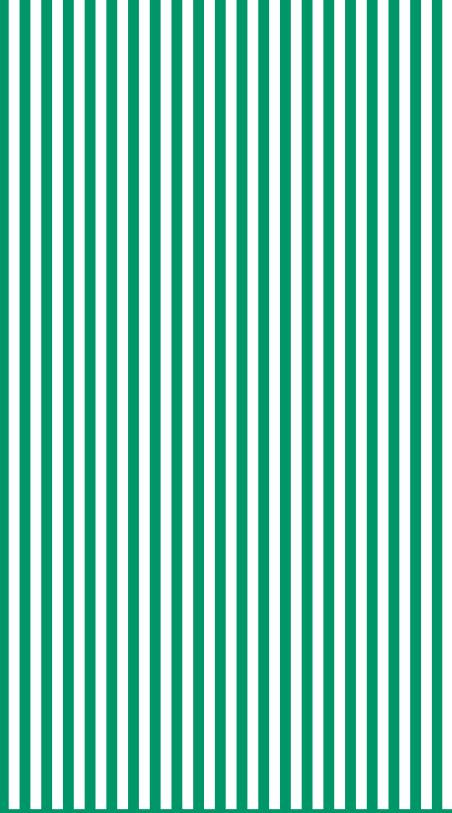
Notes:

1. There are no acts or agreements signed by Enel Américas with its subsidiaries or associated companies that could significantly influence its operations and results.

2. Regarding business relations, future relations planned with subsidiaries or associated companies fall within the company's corporate purpose, especially continuing to provide its subsidiaries and associated companies with the necessary financial resources for their businesses' development and, additionally, to provide its subsidiaries with management, financial advisory, business, technical, legal, audit services and, in general, services of any kind deemed necessary for their best performance, notwithstanding which, it is not foreseen that any of these connections would significantly influence the company's operations and results.







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Statement of
Responsibility



Statement of Responsibility

The Directors of Enel Américas S.A. and the Chief Executive Officer, signatories of this statement, are responsible under oath of the veracity of the information provided in this Annual Report, in compliance with the General Norm N°30, issued by the Financial Market Commission.



CHAIRMAN
Borja Acha Besga
DNI: 05263174-S



DIRECTOR
José Antonio Vargas Lleras
CI: 79.312.642



DIRECTOR
Hernán Somerville Senn
Rut: 4.132.185-7



DIRECTOR
Patricio Gómez Sabaini
Pasaporte: 16941675N



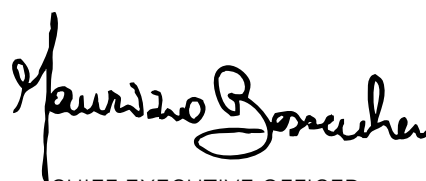
DIRECTOR
Livio Gallo
DNI: AV 0246369



DIRECTOR
Domingo Cruzat Amunátegui
Rut: 6.989.304-K



DIRECTOR
Enrico Viale
DNI: AU 2580379



CHIEF EXECUTIVE OFFICER
Maurizio Bezzeccheri
Rut: 26.490.357-2





Management and Senior Executives

CHAIRMAN

Francisco de Borja Acha Besga
Phone (56) 2 2263 4631

DIRECTOR

José Antonio Vargas Lleras
Phone (56) 2 2353 4631

DIRECTOR

Enrico Viale
Phone (56) 2 2353 4631

DIRECTOR

Livio Gallo
Phone (56) 2 2353 4631

DIRECTOR

Hernán Somerville Senn
Phone (56) 2 2353 4631

DIRECTOR

Domingo Cruzat Amunátegui
Phone (56) 2 2353 4631

DIRECTOR

Patricio Gómez Sabaini
Phone (56) 2 2353 4631

CHIEF EXECUTIVE OFFICER

Maurizio Bezzeccheri
Phone (56) 2 2263 9130

COMMUNICATIONS OFFICER

José Miranda Montecinos
Phone (56) 2 2675 2746

INTERNAL AUDIT OFFICER

Raffaele Cutrignelli
Phone (56) 2 2353 4647

CHIEF FINANCIAL OFFICER

Aurelio Bustilho de Oliveira
Phone (56) 2 22353 4510

PLANNING AND CONTROL OFFICER

Bruno Stella
Phone (56) 2 2353 4510

GENERAL COUNSEL AND CORPORATE GOVERNANCE

Domingo Valdés Prieto
Phone (56) 2 2630 9227

Investors and Shareholders Relations

INVESTORS RELATIONS MANAGER

Rafael De La Haza Casarrubio
Phone (56) 2 2353 4682

CITIBANK NY

Teresa Loureiro-Stein
Phone (1-212) 816 6814

