

Project Carter II

Second Phase

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Acronym	Definition
ADR	American Depositary Receipt
ADTV	Average Daily Trading Volume
CHI-A	Chilectra Americas
CLP\$ / \$	Chilean Pesos
D	Company Debt
DCF	Discounted Cash Flow
NFD	Net Financial Debt
Dx	Energy Distribution
E	Equity
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
EGM	Extraordinary General Meeting
EMBI	Emerging Markets Bonds Index
ENI-A1	Enersis Americas stand alone
ENI-A2	Enersis Americas consolidated
EOC-A	Endesa Americas
FFO	Fund from Operations
g	Growth Rate
Gx	Energy Generation
IPSA	Blue-Chip Stock Price Index

Acronym	Definition
JEA	Extraordinary Shareholders' Meeting
Kd	Cost of debt
Ke	Rate of return required by the shareholder on account of Company risk
Km	Kilometers
LatAm	Latin America
Mn	Millions
MW	Mega Watts
NOPAT	Net Operating Profit After Tax
OPA	Tender Offer
OPR	Operation between related parties
R\$	Brazilian Real
SOTP	Sum-of-the-parts
SVS	Securities and Insurance Superintendence
T	Income tax rate
Tx	Energy Transmission
USD / US\$	United State Dollars
EV	Enterprise Value
TV	Terminal Value
WACC	Weighted Average Cost of Capital

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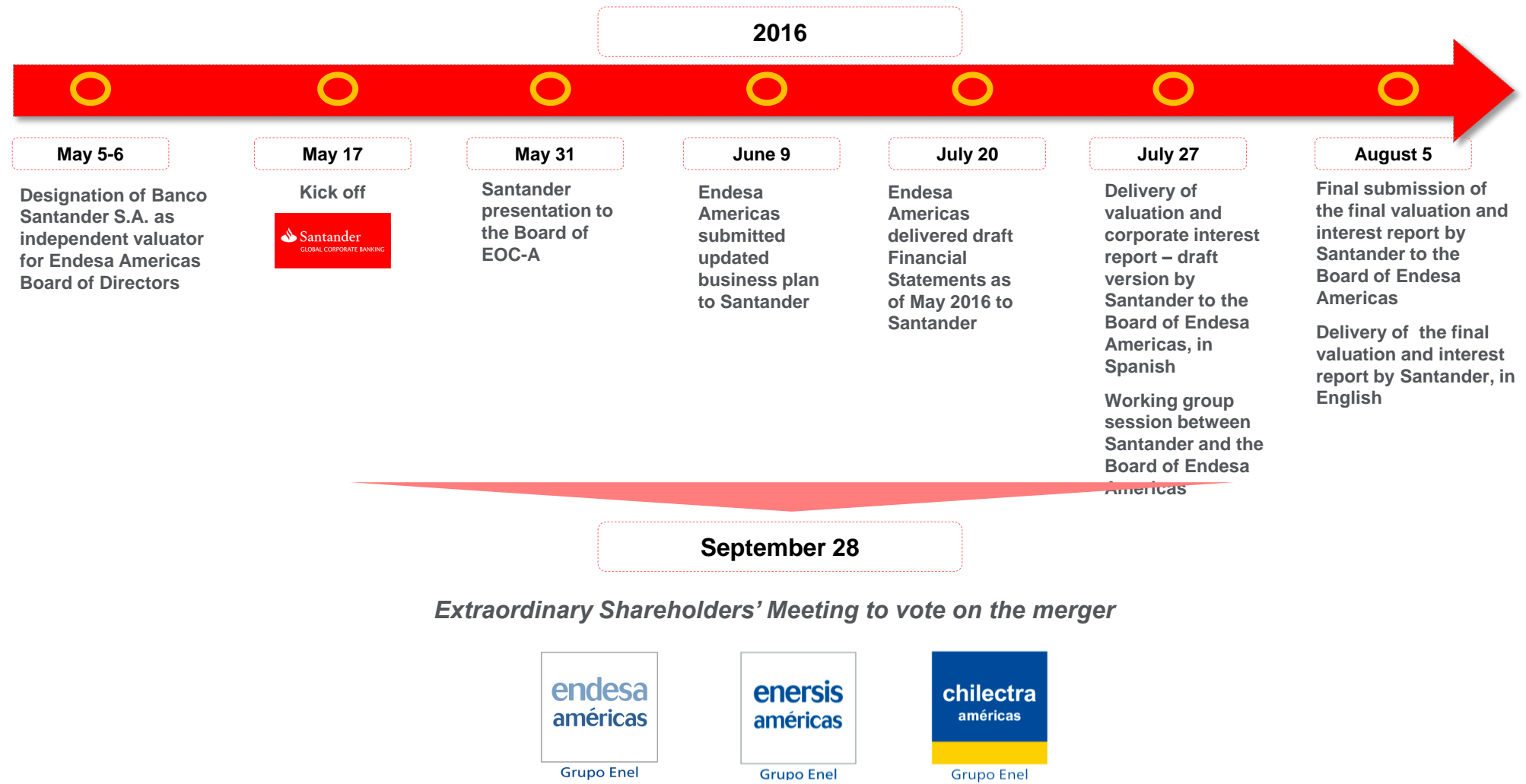
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Restructuring at Enersis level

- On April 28th, 2015, Enersis S.A., by means of a material event notice sent to the Chilean Securities and Insurance Superintendence (“SVS”), advised the market on an internal analysis conducted with a view to carrying out a corporate restructuring process. This process would have the following objectives:
 1. Streamlining the company’s corporate structure
 2. Generation of value for group companies
 3. Generation of value for group shareholders
- Restructuring would be conducted by separating the activities of the Group in Chile from the remaining LatAm activities. This process would be carried out in two neatly differentiated stages:
 1. Division of Enersis, Endesa Chile and Chilectra in two companies:
 - I. Enersis Chile, Endesa Chile and Chilectra Chile: Grouping the activities of the Group in Chile
 - II. Enersis Americas, Endesa Americas and Chilectra Americas: Grouping the activities of the Group outside Chile
 2. Merger of Enersis Americas, Endesa Americas and Chilectra Americas
- All the resulting companies would be located in Chile and their equities would be listed in the markets where Enersis equities are presently listed.
- None of the above operations would require additional funds contributions by the current shareholders

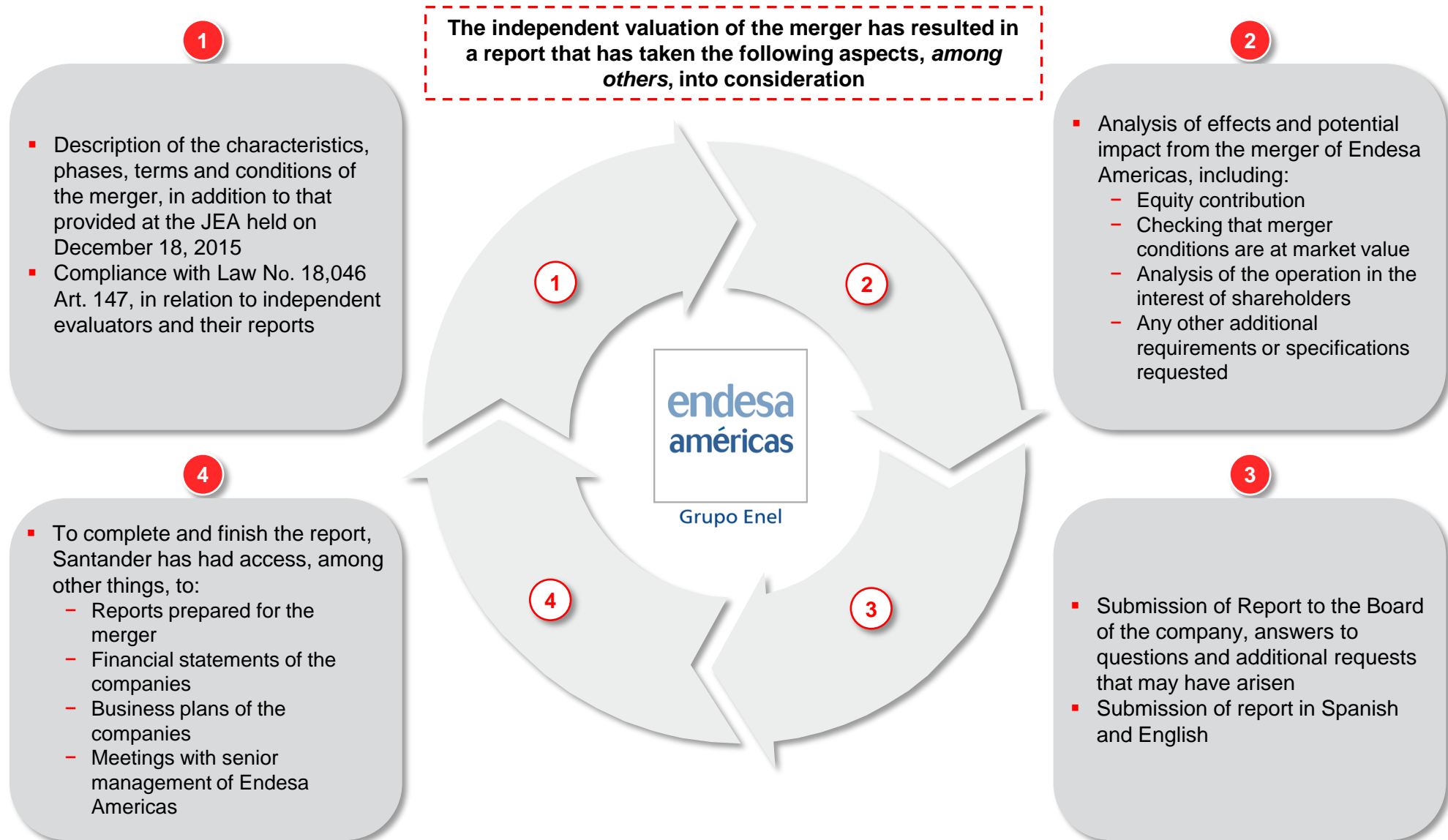
Phase II corporate restructuring milestones (independent valuation)



Source: RFP Endesa Americas and company

Introduction

Focus of work conducted by Santander



Potential terms and conditions of the merger by Endesa Americas

Withdrawal right

- Withdrawal right to be potentially exercised by the shareholders of Enersis Americas, Endesa Americas and Chilectra Americas as a result of the merger, not to exceed 10.00%, 10.00% and 0.91% respectively
- Withdrawal right in Enersis Americas not resulting in any shareholder exceeding the maximum 65% equity ownership limit in Enersis Americas post Merger

Shares exchange equation

- Shares exchange proposed for the merger
 - 2.8 shares in Enersis Americas = 1 share in Endesa Americas
 - 4.0 shares in Enersis Americas = 1 share in Chilectra Americas

Tender offer (OPA)

- The Board of Enersis Americas announced it intended to submit a tender offer (OPA) for all the shares and ADRs issued by Endesa Americas not held by Enersis Americas, at a price of CLP 285 per share
- The OPA to be contingent upon approval of the merger by the shareholders of Enersis Americas, Endesa Americas and Chilectra Americas, and fulfillment of the first Withdrawal Right condition

Tax cost compensation

- Solely and exclusively if the merger resolutions are not adopted before December 31, 2017, the CEO of ENI-A will negotiate the terms of a compensation undertaking with Endesa Chile whereby the net tax costs borne by Endesa Chile as a result of its spinoff will be compensated by the tax benefits that Enersis Americas could obtain

Enel controlling shareholder

- The controlling shareholder of Enel S.p.A. said that:
 - It considers the notional exchange ratio announced for the merger favorable to the interests of all shareholders, and that it would consequently vote in favor of the Merger at the relevant extraordinary shareholders' meeting
 - If the Merger is approved, for a period of at least 5 years after the shareholders' meeting that approves the same, it agreed not to conduct or propose any other corporate restructuring process affecting Enersis Americas

Information accessed by Santander

- Main information included in the *Virtual Data Room*:
 - Information at October 2015 – Phase I of Carter II Project
 - Information at June 2016 – Phase II of Carter II Project
 - Management Presentations and macro scenario
 - Flows and Projections- updated Business Plans approved by the board of each company
 - Tax – Information on tax benefits of the merger
 - PxQ – Detailed Business Plan projections with a calculation of operational margin of each applicable company
 - Regulatory Models – Projections for Ampla and Coelce
 - Others – Adjustments, Corporate Organizational Chart of ENI-A, EOC-A and CHI-A, recommendations for calculations of relevance for the industry
 - Potential distribution of dividends to the shareholders of Chilectra Americas for an amount of CLP\$ 120.000.000.000, which, according to what has been informed by the administration of said society, will be subject to consideration by the shareholders of Chilectra Americas at the Extraordinary Shareholders' Meeting which will discuss the merger
- Face-to-face meetings with the company team, to better understand the business in the various different countries and clarify differences
- Public information on ENI-A, EOC-A and CHI-A found both in the Securities and Insurance Superintendence as well as on the webpages of the relevant companies

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Strategic rationale for Carter II and potential merger of Americas vehicles

Corporate streamlining

- Improved equity story with greater asset visibility, which could stimulate investors' interest on these shares
- Investors' prospects for investing in different vehicles (Chile vs. LatAm; stable cash flows vs. more volatile cash flows)
- Enhanced efficiency and reduced conflict of interests in decision-making and strategic implementation
- More specific focus by management at the geographical and business levels (including regulatory and/or market changes)

Synergies

- Cutback in holding costs: Merger would cut management costs in 3 different holdings
- Improved capital structure in post-merger ENI thanks to greater leverage capacity (present cash in ENI-A) and regulated flows (Dx and Tx). This cash may be used for growth and/or be distributed to the shareholder and/or for the purchase of minority interests
- Less cash flow leakage

Potential decrease in holding discount on post-merger ENI-A

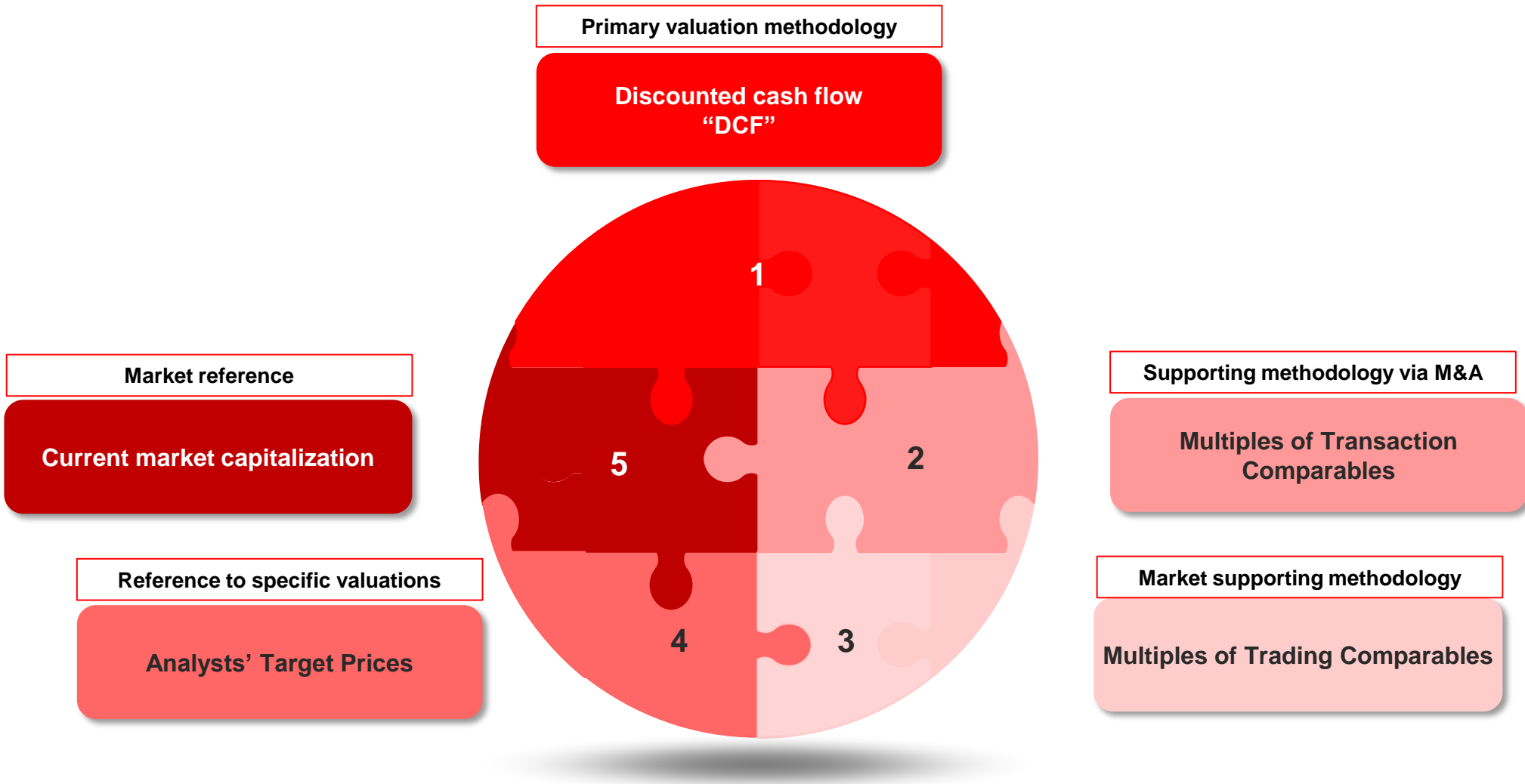
- Simplification of inter-company cascade (elimination of EOC-A and CHI-A) should reduce the holding discount on ENI-A owing to lower subordination with regard to operational assets
- Reduced interest held by controlling shareholder to increase participation by minority interests in making the company's strategic and management decisions
- Streamlined corporate structure to increasingly facilitate investors' analysis of the company

Greater liquidity in a single merged vehicle

- Assuming withdrawal rights are not significantly exercised, liquidity at the merged entity could be enhanced through addition of free float at ENI-A, EOC-A, in addition to the value of CHI-A
- Potential increase in value due to lower holding discount could bring ENI-A closer to its comparables in terms of trading multiples
- Potential improved coverage by Research analysts

Potential implications of merger approval or rejection

	Merger REJECTED	Merger APPROVED
Synergies	<ul style="list-style-type: none"> Higher administration costs for all three vehicles Less exposure to growth in distribution sector Negative impact on equity price due to lower synergies More rigid decision-making structure 	<ul style="list-style-type: none"> Synergies already included in companies' business plans Single management team and one single board Quicker decision making process
Liquidity	<ul style="list-style-type: none"> Reduced liquidity due to lower free float and market cap Potential exclusion from some stock market or investment indexes More limited coverage by Research analysts 	<ul style="list-style-type: none"> Post-merger ENI-A would again become one of the highest traded shares in IPSA Potential weight increase in stock market or investment indexes Potential coverage by the largest Research houses
Holding discount	<ul style="list-style-type: none"> No relevant changes since the failure of synergies to materialize would affect the market value and fair value of equities in similar measure 	<ul style="list-style-type: none"> Potential reduction to holding discount at the post-merger ENI-A level due to less subordination of operational assets, thanks to streamlined corporate structure and lower administration costs
Withdrawal right and tender offer	<ul style="list-style-type: none"> Potential effect of withdrawal right could already be built into the share price 	<ul style="list-style-type: none"> Allows for the exit of minority shareholders wishing to lower their exposure to the sector or companies Potential use of cash due to exercise of withdrawal rights could limit the use of funds for M&As /purchase of downstream minority interests
Others	<ul style="list-style-type: none"> New advisory costs Cash flow leakage is not reduced Could spark competition between ENI-A and EOC-A as far as investments by the controlling shareholder are concerned 	<ul style="list-style-type: none"> Elimination of future restructuring costs Only investment vehicle in LatAm (ex Chile and EGP) for the Enel group and ensuing benefits for minority interests Inability, in the eyes of investors, to gain separate positions in generation and distribution



Discounted cash flow methodology (“DCF”)

Cash flow calculation and valuation of Equity

(+) Revenues

(-) Costs

(-) General expenses

= EBITDA

(-) Tax

(+) Amortization tax shield

(-) Capex

(+/-) Variation in Working Capital

Free cash flow (FCF)

(x) Discount factor of WACC

Discounted Free Cash Flow (DFCF)

(Σ DFCF) + (terminal value)

= Enterprise Value

(-) (Net financial debt + Other liabilities)

= Equity value

Summary of methodologies for calculating the terminal value

Perpetuity
FCF

$$\text{Gordon Shapiro TV}_{t=0} = \frac{\frac{\text{FFO}_{n+1}}{\text{WACC} - g}}{(1+\text{WACC})^n}$$

Perpetuity
Target
RONIC

$$\text{Terminal Value}_t = \frac{\text{NOPAT}_{t-1} \left[1 - \frac{g}{\text{RONIC}} \right]}{\text{WACC} - g}$$












Annuity
Cash Flow

$$\text{Annuity TV}_{t=0} = \frac{\frac{\text{FFO}_{n+1}}{\text{WACC} - g} * \left[1 - \left(\frac{1 + g}{1 + \text{WACC}} \right)^n \right]}{(1+\text{WACC})^n}$$

Refund of
unamortized
assets

$$\text{Refund value}_{t=0} = M * \frac{\left(\frac{1 + i_{LC}}{1 + i_{US}} \right)^{n-2020}}{(1 + \text{WACC})^{n-2016}}$$

Valuation methodologies on terminal value for each company

	Perpetuity FCF	Perpetuity target RONIC	Annuity FCF	Others
Gx	<div></div>		<div><div>El Chocón</div></div>	<div><div>Concession until 2027 + residual value on fixed assets</div><div>Fortaleza</div><div>Contracts until 2023 + capacity payments until 2031</div><div>emgesa</div><div>Projections until 2024 + perpetuity</div></div>
Dx		<div><div>coelce</div><div>Sudene fiscal benefit until 2016 extended for 10 años. Afterwards, 34% tax rate</div></div>		
Tx	<div><div>TESA</div><div>CTM</div></div>			<div><div>Cien</div><div>Concession expire in 2020 and 2022 + residual value on fixed assets</div></div>
Others	<div><div>Generalima</div><div>Com&Serv</div><div>Holdings</div><div>Caboblanco</div><div>Cemsa</div></div>			

DCF Valuation Methodology






3 resulting values: a mid case (MID) and 2 cases (LOW and HIGH) resulting from sensitivity to WACC (+/- 0.50%)

DCF- NO CONTROL:
Does not consider potential value of control

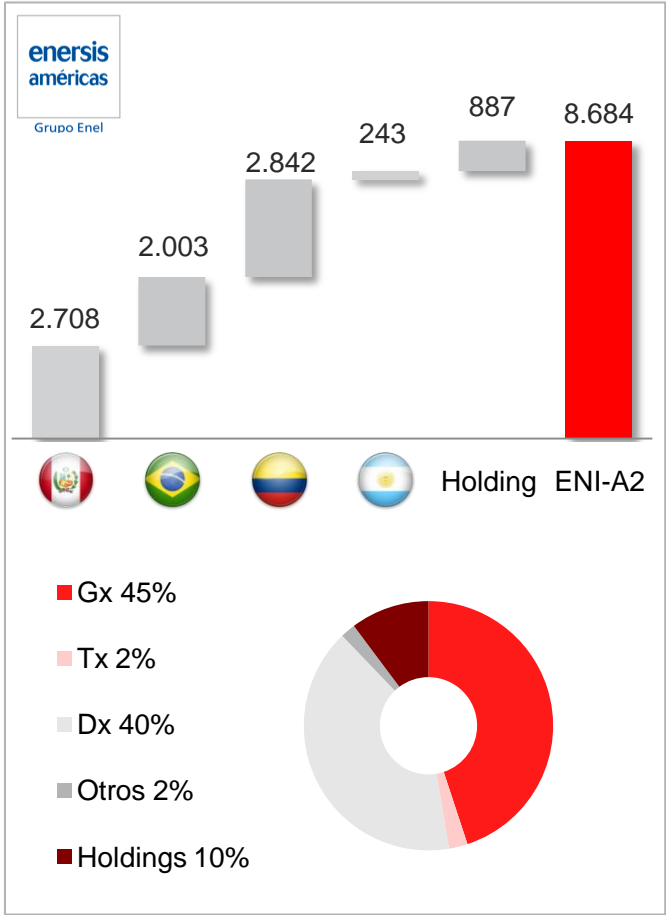
- All interests are valued neutrally without considering the difference in the equity weight of ENI-A, EOC-A, CHI-A
- MID case considered for merger exchange purposes

DFC - CONTROL:
Considers potential value of control

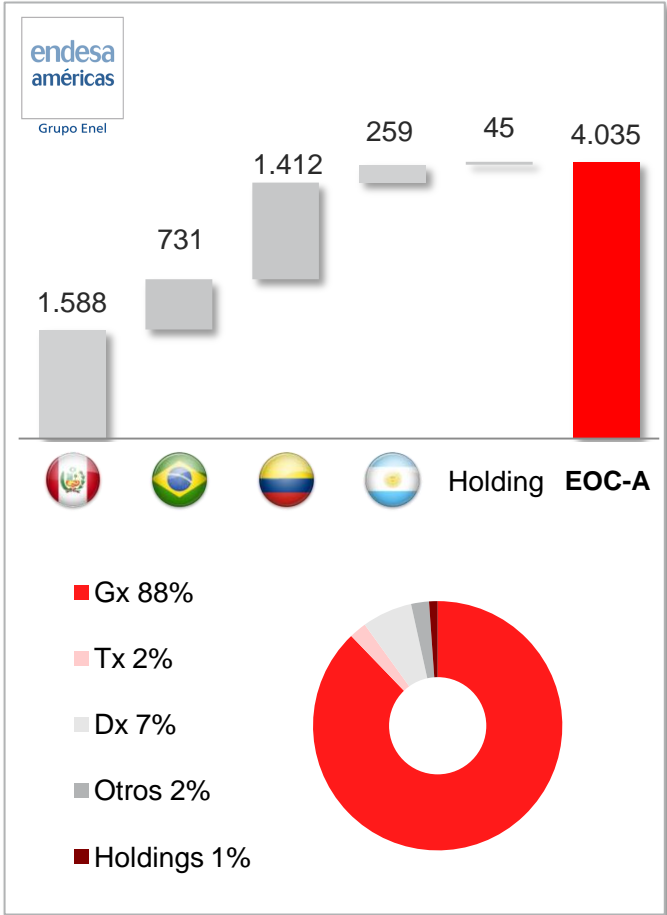
Company	LOW case	MID case	HIGH case
<div></div>	Minority interest or need to have to EOC-A/CHI-A control	Relevant minority interest but with the need to have to EOC-A/CHI-A control	Majority or sufficient interest to control without needing EOC-A/CHI-A
<div></div>	Minority interest or need to have to ENI-A/CHI-A control	Relevant minority interest but with the need to have to ENI-A/CHI-A participate in control	Majority or sufficient interest to control without needing ENI-A/CHI-A
<div></div>	Minority interest not key to control at the ENI-A level	Minority interest allowing ENI-A to achieve control or at least 50% + 1 share	N/A

Discounted cash flow (US\$ Mn)

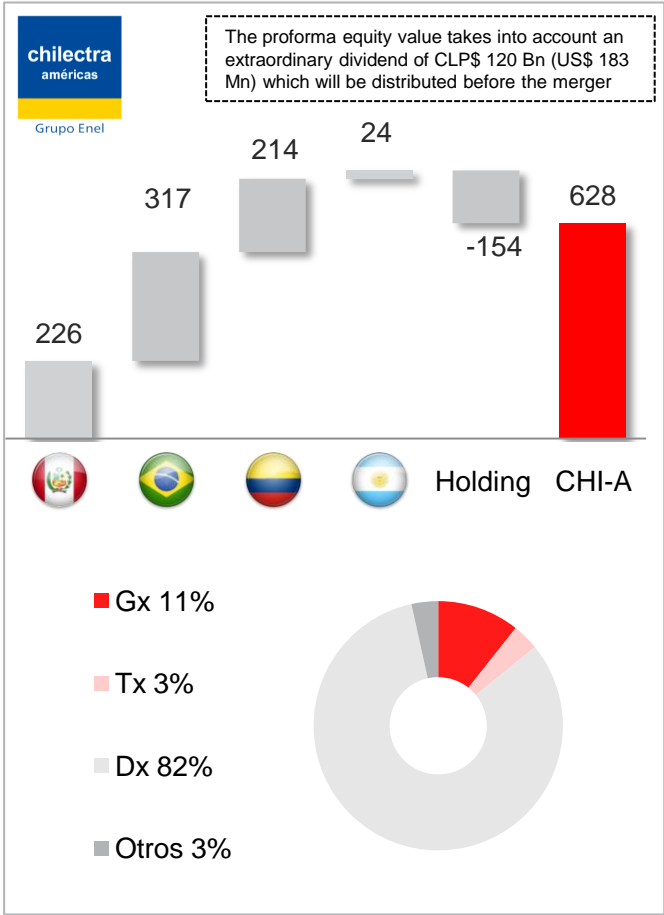
ENI-A2



EOC-A



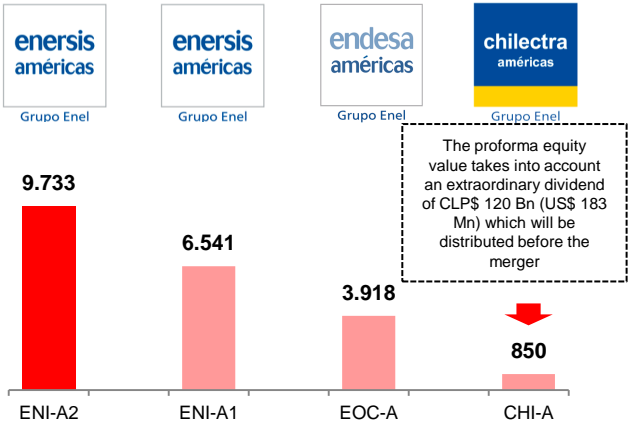
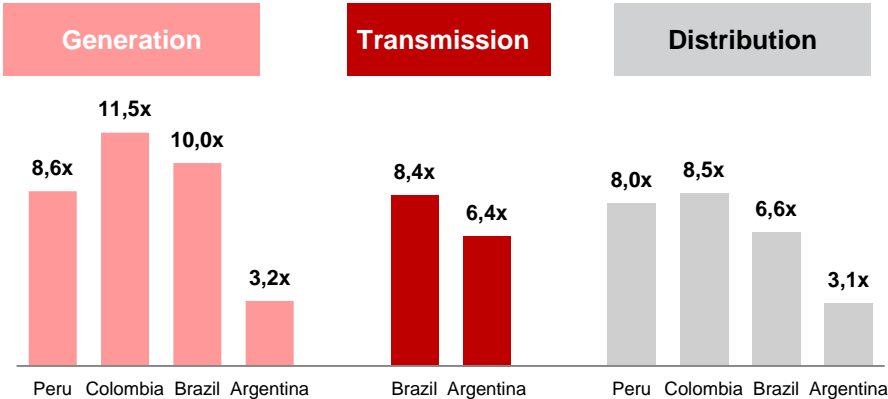
CHI-A



Valuation methodologies outcomes

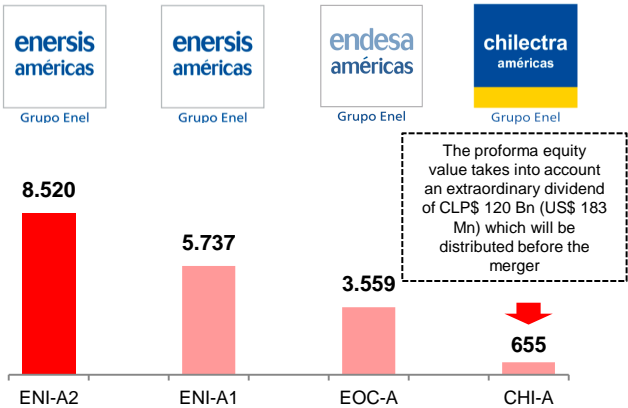
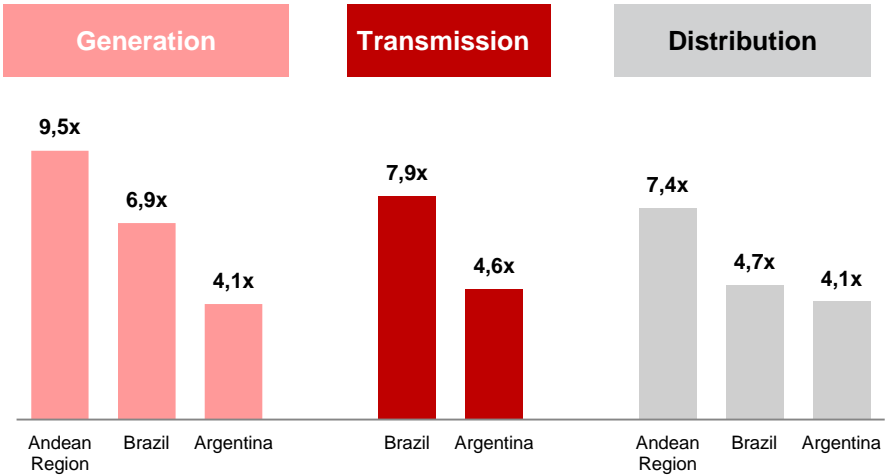
Multiples of Transaction Comparables (EV / EBITDA16E)

US\$ Mn



Multiples of Trading Comparables (EV / EBITDA16E)

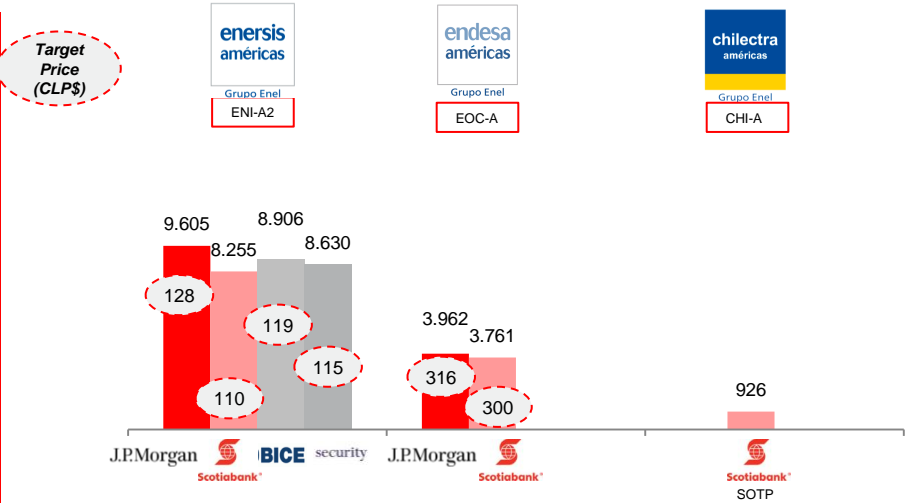
US\$ Mn



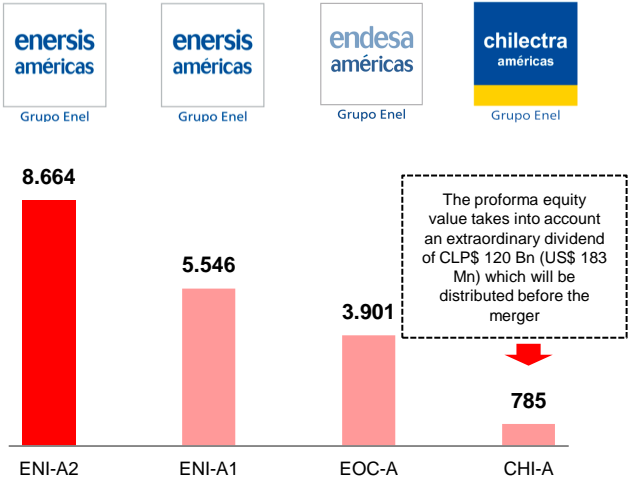
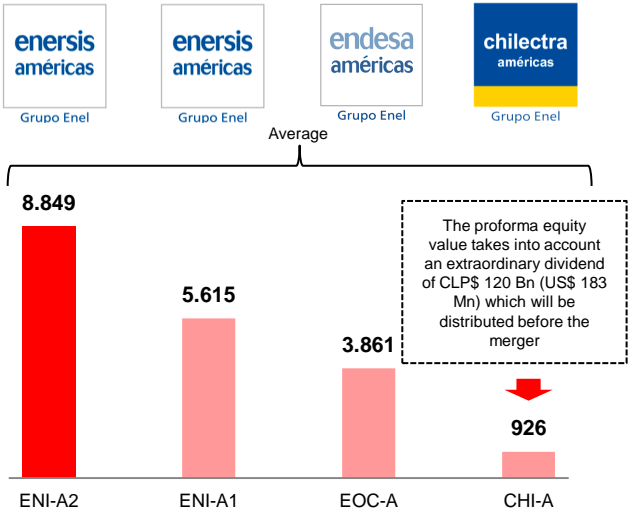
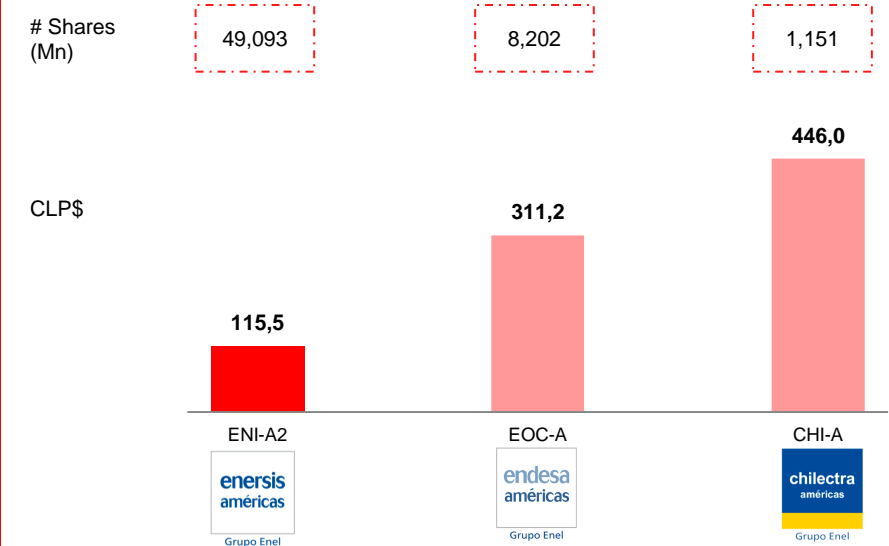
Source: Bloomberg as of 18th of July, 2016 and public information of transactions

Valuation methodologies outcomes

Analyst Target Prices
US\$ Mn



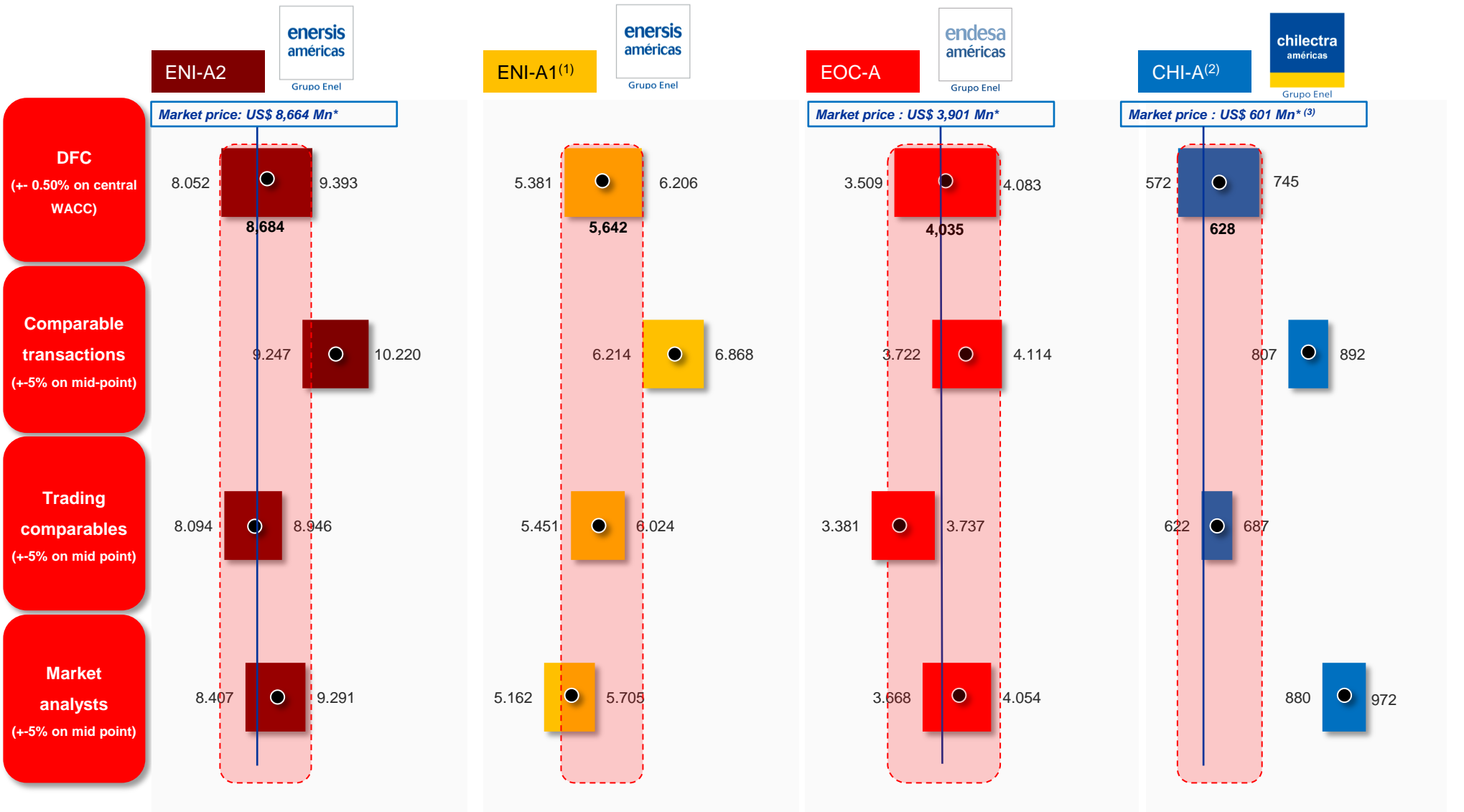
Market Capitalization
US\$ Mn



Source: Santiago stock-exchange 20/07/2016

Executive summary

Valuation methodologies outcomes - US\$ Mn



1) Implied values
 2) Highly illiquid / irrelevant trading volumes
 3) Market price considers that Chilectra would distribute an extraordinary dividend of CLP\$ 120Bn (US\$ 183 Mn)
 * Values as of July 20th 2016

Executive summary

Holding discount

The **holding discount**, defined as the % difference between NAV⁽¹⁾ and the stock market value of a company, in Santander's opinion, would be mostly accounted for by the following factors:

- **Corporate organizational chart cascade effect**
- **Complex corporate structure**, through cross-holdings between companies
- **Distance of consolidating vehicles** from Opcos
- **Access to investors**, at the listed Holdco or listed Opco level
- **Different liquidities** between Holdcos and Opcos
- **Presence of expenses at the Holdco level in addition** to Opco expenses

Recognition of holding discount at the first stage of Carter II

	Chile	Américas
Tyndall	ENI CH 31% EOC CH 16%	-
Deutsche Bank	-	-
BofA ML	ENI CH 17%	-
IM Trust	-	EOC-A 22% CHI-A 22%
Colin Baker (PwC)	-	-
Rafael Malla (Deloitte)	-	-
Mario Torres (KPMG)	-	-





Conclusions and choice of methodology

- In the specific case of the potential holding discount for ENI-A and EOC-A, Santander is of the opinion that its quantification could lead to calculation method errors. This is due mostly to the following:
 - Discounts arising from the difference between the fair equity value calculated by Santander ("DCF") and the market value of ENI-A y EOC-A, are very similar (**ENI-A ~ -5% vs EOC-A ~ -7%** on average since they began trading)
 - Although from the current corporate structure one could surmise greater subordination by ENI-A in relation to EOC-A, one must consider that ENI-A has significant direct holdings in operational assets and not only through EOC-A and/or CHI-A. This should reduce or substantially eliminate an additional holding discount at ENI-A compared to EOC-A
 - The comparable holding cases analyzed evidence discount variations that range from 11% to 42% compared to the equity value of the companies consolidated therein
- **Moreover, one should bear in mind the holding costs of the 3 Americas vehicles since they are included in DCF valuations and assume a higher adjustment at the holding level at ENI-A compared to the two other entities involved in the merger**

(1) NAV: "Net Asset Value", i.e. the summation of market values of the underlying assets minus their net financial debt

Executive summary

Outcome of merger

US\$ Mn	Methodology	Equity value (US\$m)			Share exchange	Merged ENI-A (% stake)			
		 Grupo Enel ENI-A2	 Grupo Enel EOC-A	 Grupo Enel CHI-A	 Grupo Enel EOC-A	Controller	ENI-A Minorities	EOC-A Minorities	% ENI-A
Market trading value	Trading values at current date	8,760	4,033	618	2.8	51.2%	33.2%	15.5%	84.4%
	Stock Price (CLP\$) 20/07/2016 ⁽¹⁾	116.7	321.7	351.4					
Case 1 - DCF no control	Discounted free cash flow values – Does not distinguish between controlling and non-controlling stakes	8,773	3,908	670	2.7	51.4%	33.4%	15.1%	84.8%
	Stock Price (CLP\$)	116.9	311.7	381.1					
Case 2 – DCF control	Discounted free cash flow values – Does distinguish between controlling and non-controlling stakes	8,780	4,167	645	2.8	50.9%	33.1%	16.0%	84.0%
	Stock Price (CLP\$)	117.0	332.4	366.5					
Average – other methodologies	Weighted average trading comparable multiples, comparable transactions multiples and target prices	9,130	3,912	827	2.6	51.7%	33.6%	14.6%	85.4%
	Stock Price (CLP\$)	121.7	312.0	470.2					
Shareholder Proposed Exchange	Shareholder meeting proposed exchange	8,780	4,239	863	2.8	50.8%	33.0%	16.2%	83.7%

Note: values include the agreed tax benefit for the merger. For CHI-A, values take into account an extraordinary dividend of CLP\$ 120 Bn (US\$ 183 Mn) which will be distributed before the merger

1) In the case that the agreed tax benefit for the merger and the extraordinary dividend for CHI-A are not considered, the stock prices would be: ENI-A2 = \$ 115.5; EOC-A = \$ 311.2; CHI-A = \$446.0

Conclusions and considerations on the corporate interest of the operation

- This independent valuation has been prepared by Banco Santander Chile S.A. (“Santander”), at the express request of the Board of Endesa Americas S.A. (“Endesa”)
- In preparing the independent valuation of the operations comprising the Merger, we used Discounted Cash Flow (DCF) as well as methods and market benchmarks that support DCF (multiples of comparable transactions, multiples of traded variables, market value, review of research analyst documentation and analyses of independent valuation reports)
- Santander is of the opinion that the Merger is a sensitive process for shareholders in the various companies involved, in particular for shareholders with minority interests. Consequently, we must address economic, market, regulatory and strategic aspects to attain an exchange of shares between the parties involved, at a fair value. For Santander, this value is equivalent to:
 - **2.6 – 2.8** shares in Enersis Americas = 1 share in Endesa Americas (minority interests in EOC-A between 14.6%-16.0%)
- Assuming the above is complied with, the Merger will be positive and therefore contribute to the interest of Endesa Americas and the shareholders involved, taking into account the following:
 - Withdrawal right to be potentially exercised by the shareholders of Enersis Americas, Endesa Americas and Chilectra Americas as a result of the Merger, not to exceed 10.00%, 10.00% and 0.91% respectively
 - The Board of Enersis Americas announced it intended to submit a tender offer (OPA) for all the shares and ADRs issued by Endesa Americas not held by Enersis Americas, at a price of CLP 285 per share. The OPA to be contingent upon approval of the Merger by the shareholders of Enersis Americas, Endesa Americas and Chilectra Americas, and fulfillment of the first Withdrawal Right condition
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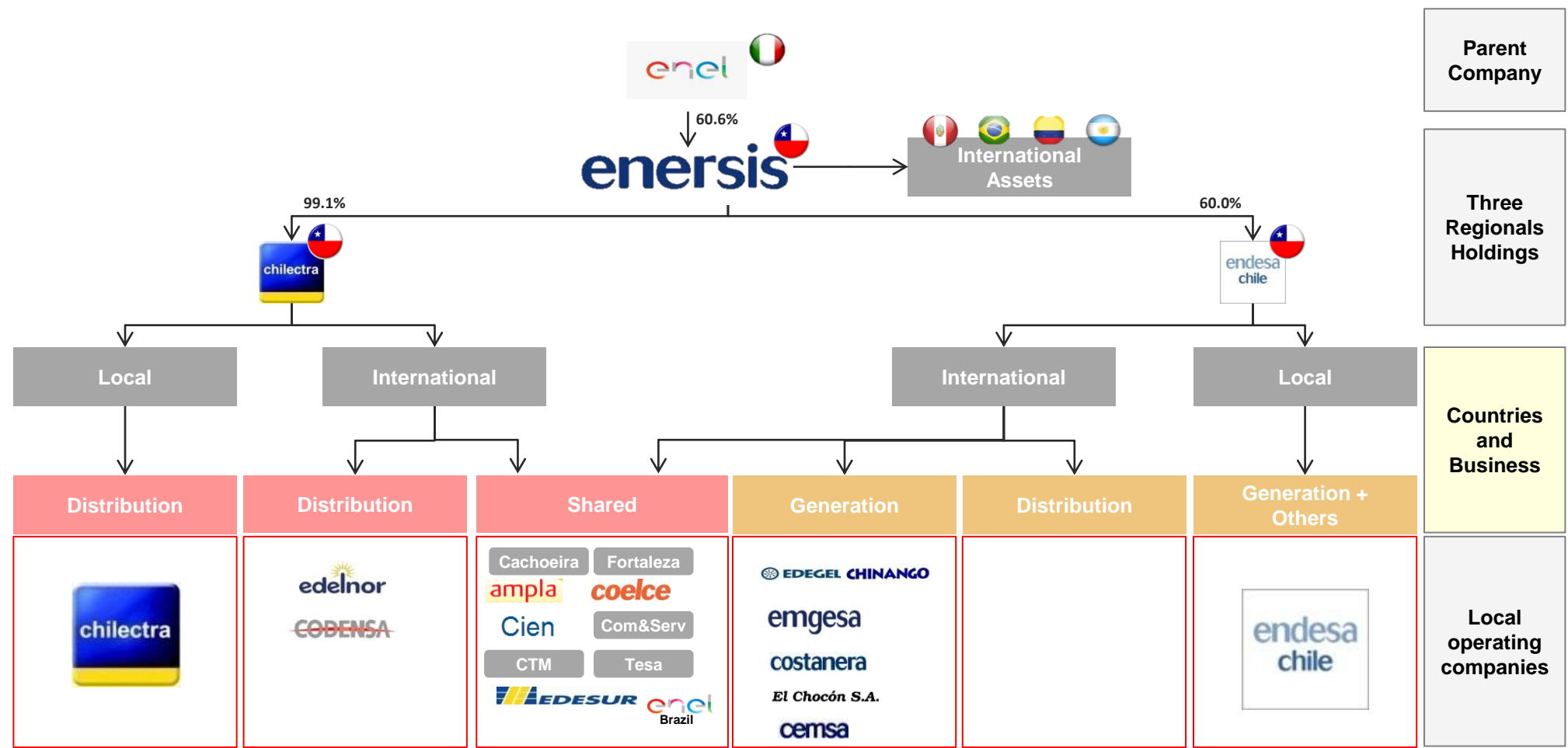
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Analysis of Enersis corporate restructuring process

Restructuring at Enersis level: situation post Carter I before LatAm restructuring

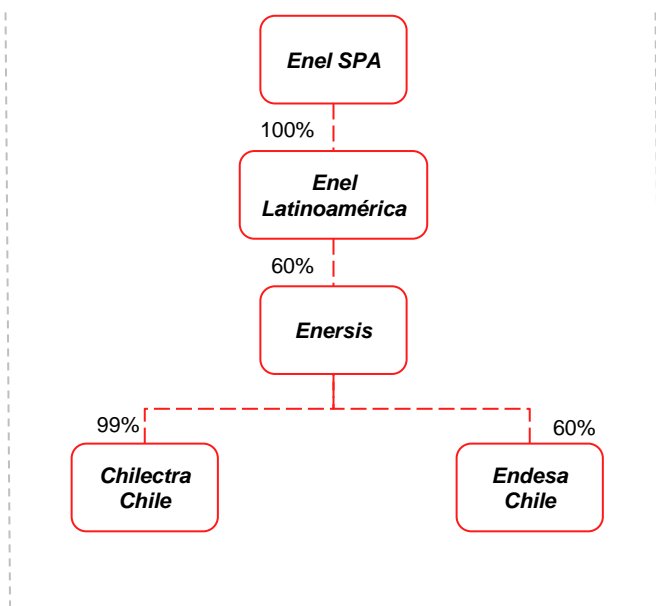


Source: Company presentations
* Cemsá is a trading company
1) Includes: Los Molles, Rapel-Sauzal, Laja, Ralco-Pangue, Tarapaca, D. Almagro-Tal Tal, Huasco, San Isidro, Bocamina, TG Quintero, Canela, Ojos de Agua

Analysis of Enersis corporate restructuring process

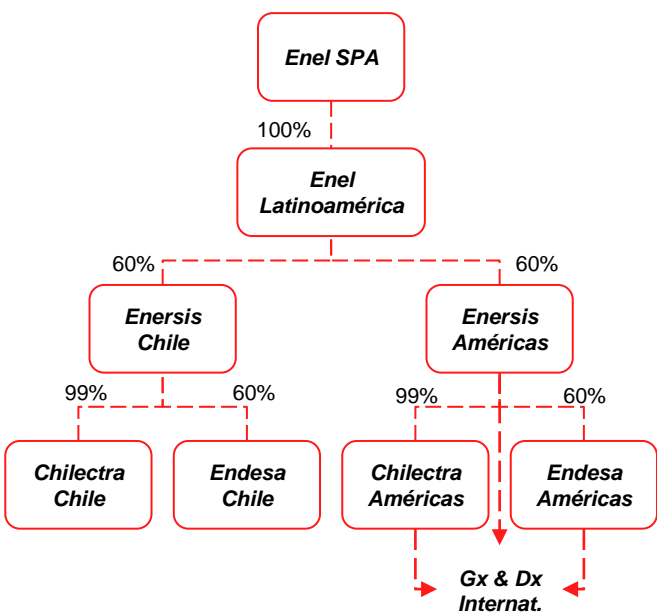
Restructuring at Enersis Level: phases of Carter II project

Initial situation



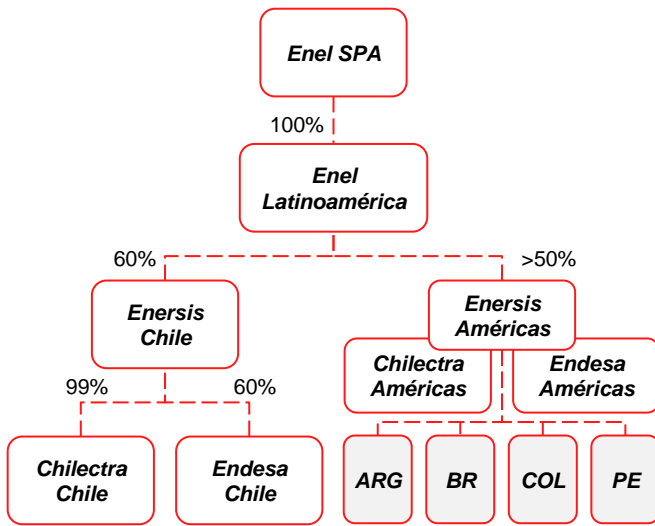
- Spin-off at Endesa Chile and Chilectra level into four different entities grouping the Chilean and international assets separately:
 1. Endesa Chile: generation assets in Chile
 2. Chilectra Chile: distribution business in Chile
 3. Endesa Americas: assets outside Chile of the old Endesa Chile
 4. Chilectra Americas: holdings in distribution businesses outside Chile

Phase I



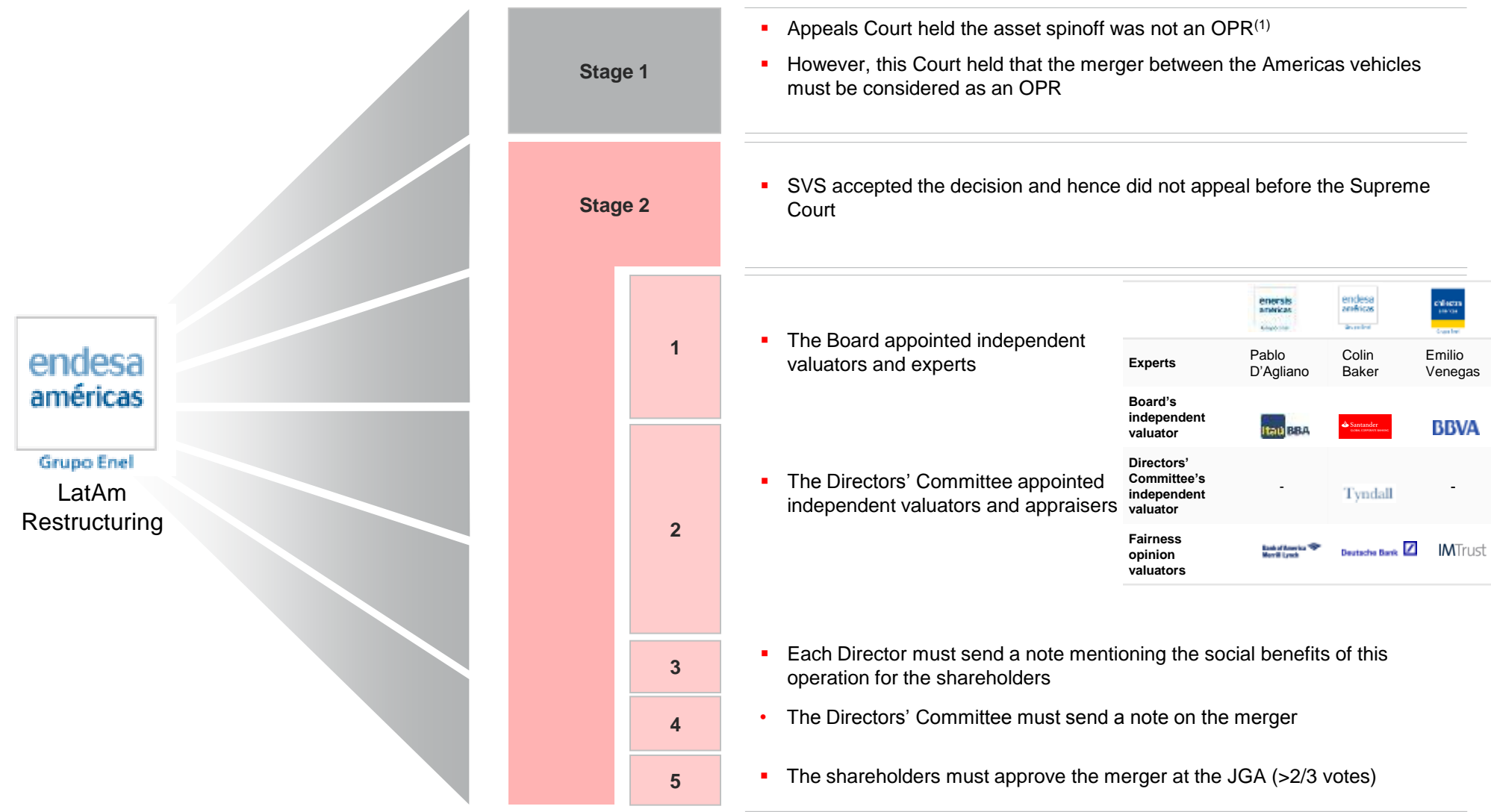
- De-merger at the Enersis level and creation of two new entities:
 1. Enersis Chile: consolidates 99.1% of Chilectra Chile and 60% of Endesa Chile
 2. Enersis Americas: consolidates all international assets of the old Enersis Chile, more than 60% of Endesa Americas and 99.1% of Chilectra Americas

Phase II



- Merger of Chilectra Americas and Endesa Americas with Enersis Americas

Description of the two restructuring stages



(1) Operation between Related Parties

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- vi) WACC




8. Holding discount and liquidity

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Regulatory matters




Regulations of the generation business in LatAm

	Peru 	Brazil 	Colombia 
Long-term auctions	Auctions for 15, 20 and 30 years	Auctions for 15, 20 and 30 years	Open contracts
Payments based on capacity	<ul style="list-style-type: none"> Revenues based on recognition during peak demand Recognition of dual-generation for gas turbines 	<ul style="list-style-type: none"> Revenues based on recognition during peak demand 	<ul style="list-style-type: none"> Auctions for a minimum of 20 years Recognition of dual-generation for gas turbines
Guaranteed frequency of <i>pass through</i> recalculation	12.0% Determined by law	11.4% Calculated in each revision	13.9% Calculated in each revision
Rates set utilizing objective criteria	Each 3-12 months	Each 3-12 months	Monthly
Markets with audited or driven costs	Spot market with audited costs	Spot market with audited costs	Spot market with driven costs

Source: Enersis presentation

Regulatory matters

Regulations of the distribution business in LatAm

	Peru 	Brazil 	Colombia 
Concession term	Indefinite	30 years	Indefinite
Stable regulatory framework	1 st 1997 # of revisions: 4	1 st 2003 # of revisions: 3	1 st 1997 # revisions: 3
Real pre-tax profit margin	12.0% Determined by law	11.4% Calculated in each revision	13.9% Calculated in each revision
Rates set utilizing objective criteria	New replacement value over the real network	New replacement value over the real network	New replacement value over the real network
Tariff revisions	Edelnor: 2013 and 2017	Coelce: 2015 and 2019 Ampla: 2014 and 2019	Codensa: 2014
Conflict Resolutions	<ul style="list-style-type: none"> Regulator solves conflicts and imposes sanctions 	<ul style="list-style-type: none"> Chamber of Commerce solves conflicts between agents Getulio Vargas Foundation is in charge of arbitration Regulator solves disputes between regulated and clients and imposes sanctions 	<ul style="list-style-type: none"> Regulator solves conflicts and imposes sanctions Regulator imposes sanctions: SSPD +CREG

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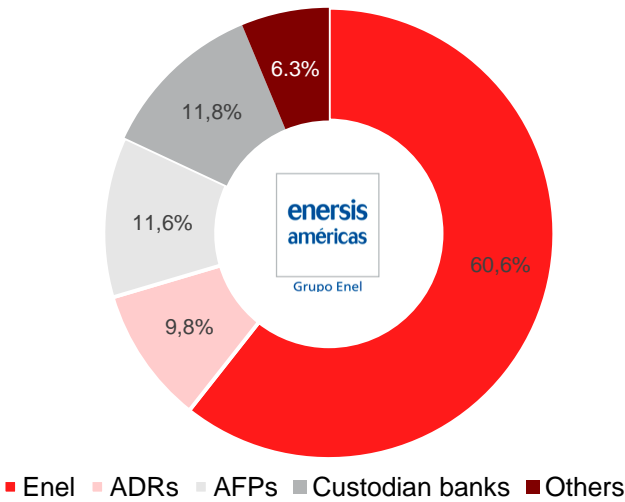
8. Holding discount and liquidity

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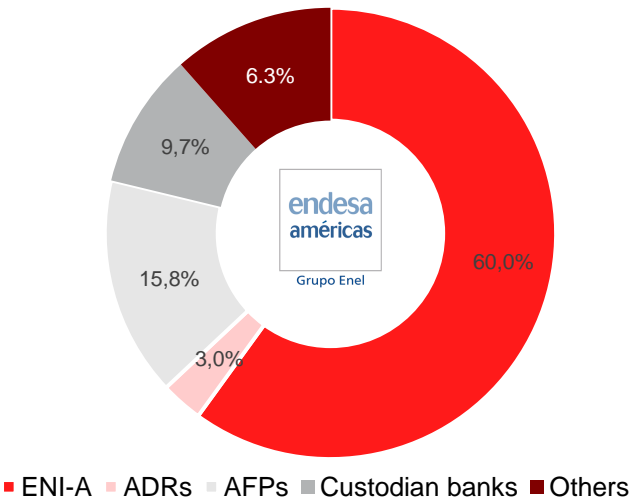
10. Appendix

Shareholder details

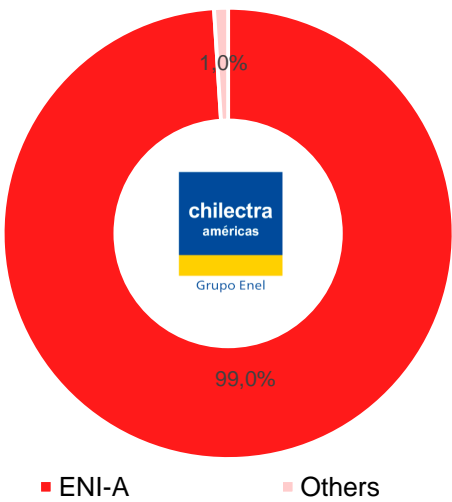
Energis Americas





Endesa Americas



Chilectra Americas

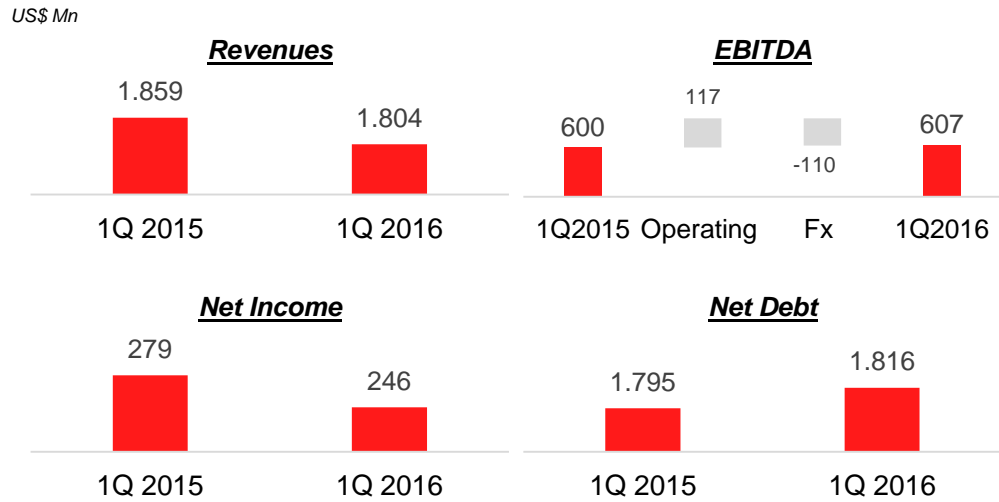


Company	Description
	<ul style="list-style-type: none">Enel is a world leader in the electricity and gas industries, present in over 30 countries and with a clear focus on Europe and Latin AmericaThe company has net installed capacity of app. 90 gigawatts (GW) and a distribution network stretching over more than 1.9 million kilometersThe company's market cap is EUR 39 Bn
	<ul style="list-style-type: none">Pension fund managers (AFPs) are stock companies exclusively dedicated to the management of a pension fund, as well as the payment of retirement, disability and death benefits to their affiliates, as provided in the law governing the pension savings system in Chile

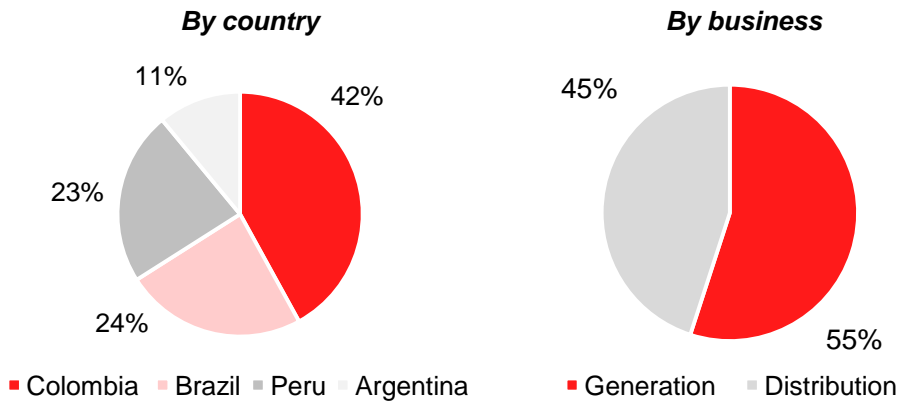
Source: Company as of May 2016

Enersis Americas

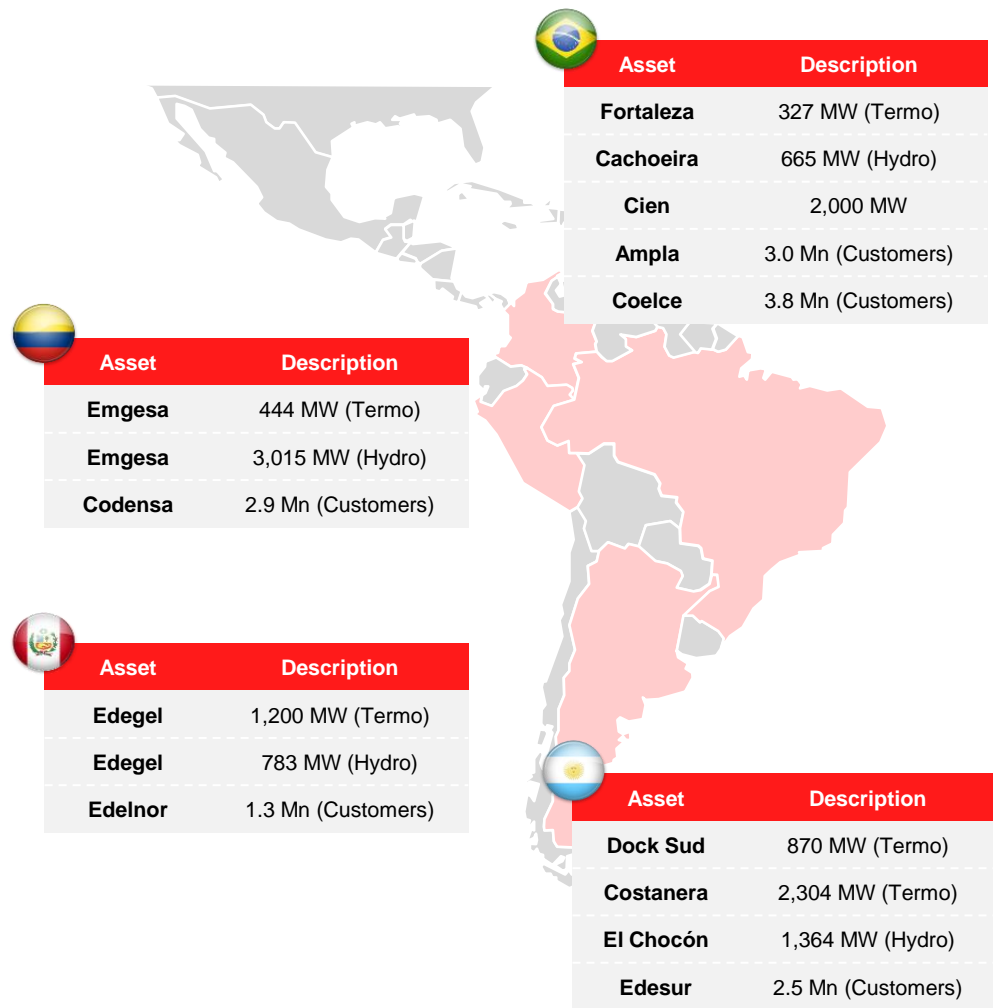
Key financial figures



EBITDA breakdown 1Q2016



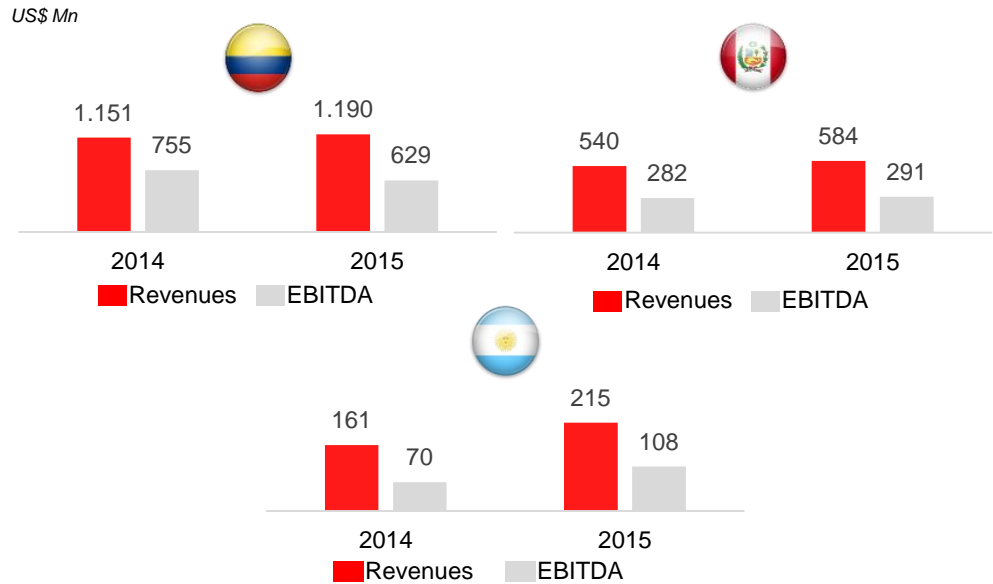
Geographic presence



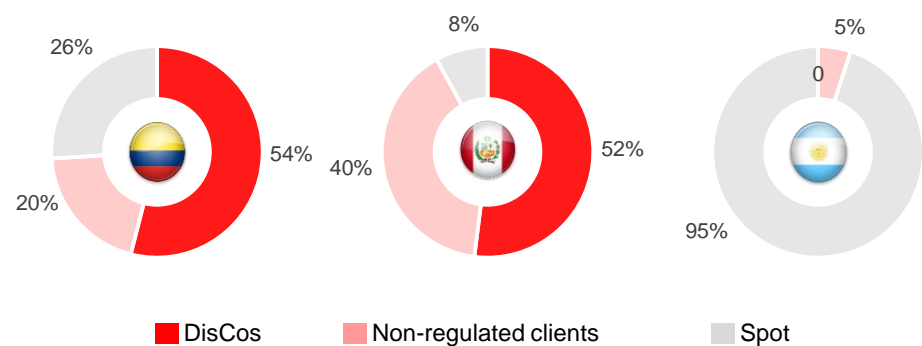
Source: Corporate information

Endesa Américas

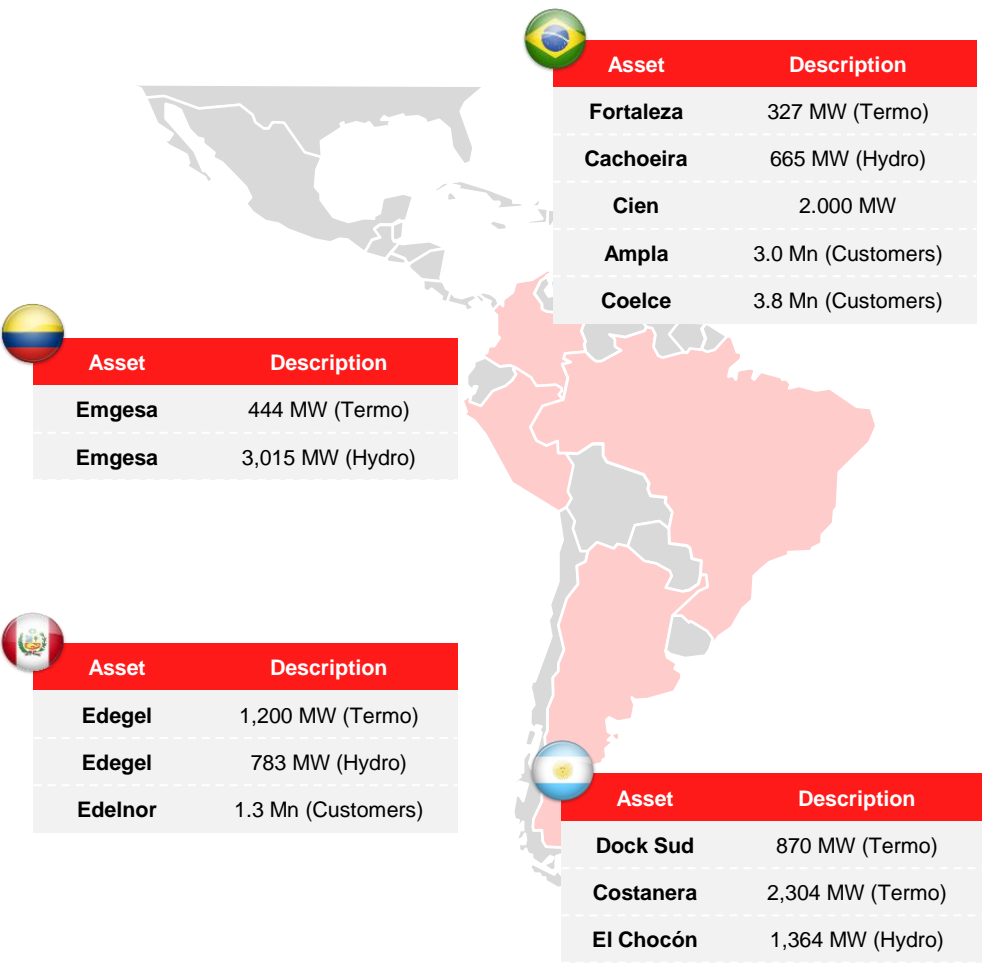
Key financial figures



Energy sales by client type



Geographic presence



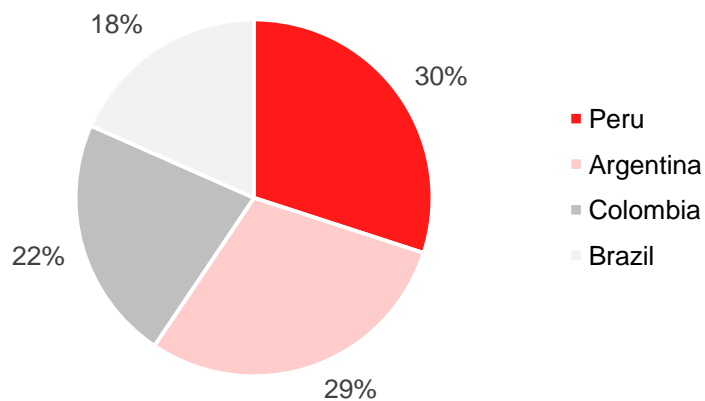
Fuente: Corporate information. 2015 results presentation
1) Total debt for Endesa Chile as of end 2015

Chilectra Américas

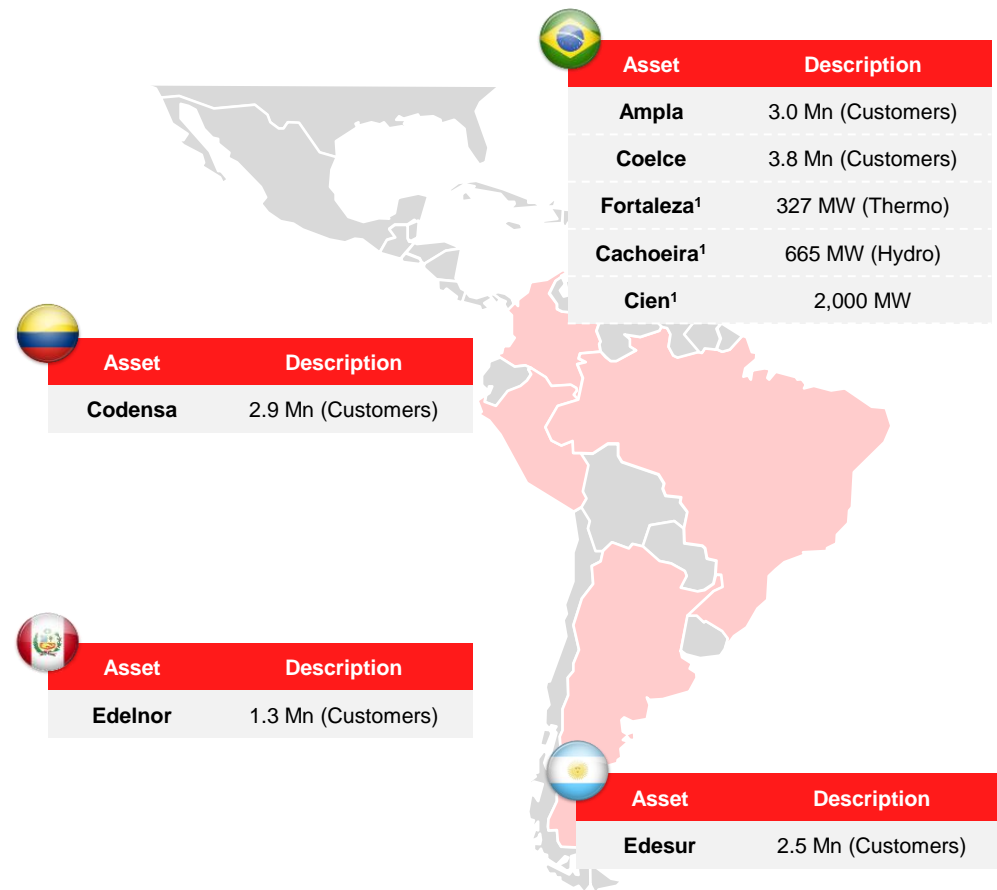
Key Financials

- Between March 1-31, 2016, Chilectra Americas sustained losses attributable to the controlling company in the equivalent of CLP \$ 9.4 billion
- These results are mostly accounted for by the losses sustained in Argentina of ~\$18 million, partly offset by positive results generated in Brazil, Peru and Colombia
- At March 31st, the company recorded no financial indebtedness

Breakdown of Electricity Sales by Country






Geographic presence



Source: Financial Statements at end 2015
1) Through an equity interest in Enel Brazil

Description of the companies

Americas vehicles ownership structure

	Peru 					Brazil 					Colombia 					Argentina 				
	Nota (1)	ENI-A2	ENI-A1	EOC-A	CHI-A		ENI-A2	ENI-A1	EOC-A	CHI-A		ENI-A2	ENI-A1	EOC-A	CHI-A		ENI-A2	ENI-A1	EOC-A	CHI-A
Gx	Edegel	58.6%	21.1%	62.5%		Endesa Brasil	84.4%	50.9%	37.1%	11.3%	Emgesa	37.7%	21.6%	26.9%		Costanera	45.4%	75.7%		
	Chinango	46.9%	16.9%	50.0%		Cachoeira	84.2%	50.8%	37.0%	11.2%						Dock Sud	40.2%	40.2%		
	Piura	96.5%	96.5%			Fortaleza	84.4%	51.0%	37.1%	11.3%						El Chocon	39.2%	65.4%		
Tx						Cien	84.4%	50.9%	37.1%	11.3%						TESA	84.4%	50.9%	37.1%	11.3%
																	CTM	84.4%	50.9%	37.1%
Dx	Edelnor	75.5%	60.1%	15.6%		Coelce	64.9%	45.2%	21.9%	6.6%	Codensa ⁽²⁾	47.8%	38.6%		9.2%	Edesur	71.6%	37.6%	0.5%	34.1%
						Ampla	92.0%	45.3%	17.4%	36.7%										
Others	Generalima	100%	100%			Com e Serv	84.4%	50.9%	37.1%	11.3%						Cemsa	82.0%	55.0%	45.0%	
	Caboblanco	100%	100%																	






















Nota 1):

- ENI-A2: Enersis Américas consolidated, taking into account stakes in Endesa Américas (EOC-A), ~60% and Chilectra Américas (CHI-A), ~ 99,1%
- ENI-A1: Enersis Américas stand alone *not* taking into account stakes in Endesa Américas (EOC-A), ~60% y Chilectra Américas (CHI-A), ~ 99,1%









2) Considers merger with ECC

Description of the companies

Description of the companies comprising the restructuring perimeter - Generation







Company	Territorial Presence	Brief Description	Installed Capacity (MW)
	 	<ul style="list-style-type: none"> Edegel S.A.A. is a privately-held electric distribution company Total actual capacity of 1,686 MW (including its subsidiary Chinango with 195MW), of which 784 MW are hydro and 902 MW are thermal Edegel is part of the Peruvian National Power Grid 	1,686
	 	<ul style="list-style-type: none"> Chinango S.A.C. is a Peruvian utility mostly engaged in electricity generation and distribution Total actual capacity of 195 MW hydro generation, distributed in two stations, Yanango (43 MW) and Chimay (152 MW) 	195
	 	<ul style="list-style-type: none"> Empresa Eléctrica de Piura S.A. (Eepsa), is active in electricity generation, transmission, distribution and trading It runs the Eléctrica Malacas 2 and 3; power stations a thermal power generation complex with total installed capacity of 298 MW 	298
	 	<ul style="list-style-type: none"> Endesa Brasil S.A operates as a holding company and is present in energy distribution, generation, transmission and trading The company is present in four states, where it serves close to 5.4 million customers and participates in electricity generation through subsidiaries Cachoeira and Fortaleza (987 MW combined) 	987
	 	<ul style="list-style-type: none"> Cachoeira Dourada SA is a hydro power station located on the Paranaíba River, in the city of Cachoeira Dourada, state of Goiás It runs ten units with a combined 665 MW installed capacity 	665
	 	<ul style="list-style-type: none"> Located in the municipality of Caucaia, 50 km from the capital of the state of Ceará. Endesa Fortaleza is a combined-cycle thermal power station with 322 MW installed capacity The station is NG-fired, with capacity to generate one third of the electricity needs of Ceará, with a population of app. 8.2 million 	322
	 	<ul style="list-style-type: none"> The largest electricity generator in Colombia, located in the outskirts of the city of Bogota. It comprises 13 power stations with capacity totaling 3,059 MW, including El Guavio (1,213 MW), the country's largest hydro power station. Of these 13 facilities, 11 are hydro and two are thermal 	3,059

Description of the companies comprising the restructuring perimeter - Generation

Company	Territorial Presence	Brief Description	Installed Capacity (MW)
	 	<ul style="list-style-type: none">▪ The Costanera station is located in Buenos Aires and comprises six thermal generation facilities with capacity of 1,138 MW, which can run on either natural gas or fuel oil▪ It also runs two CC stations with capacity of app. 859 MW and 327 MW respectively	2,324
	 	<ul style="list-style-type: none">▪ Central Dock Sud S.A., is an electricity generation and trading company located in Dock Sud, in the Province of Buenos Aires▪ It runs one CC NG-fired power station with net capacity of 870 MW, outfitted with four gas turbines and one steam turbine	870
<i>El Chocón</i>	 	<ul style="list-style-type: none">▪ Hidroeléctrica El Chocón S.A. is a hydro generation company straddling the provinces of Neuquén and Río Negro▪ This hydro complex has an aggregate installed capacity of 1,328 MW and comprises the stations of El Chocón, with 1,200 MW installed capacity (pondage hydro station) and Arroyito, with installed capacity of 128 MW	1,328

Source: Financial reports by the companies, corporate presentations and websites
















Description of the companies comprising the restructuring perimeter - Transmission

Company	Territorial Presence		Brief Description	Transmission Lines (Km)
Cien			<ul style="list-style-type: none">Compañía de Interconexión Energética S.A. (CIEN) is a Brazilian energy transmission company. Its complex comprises two frequency conversion stations, Garabi I and Garabi II, (which convert, in both directions, the frequencies used in Brazil -60 Hertz- and Argentina -50 Hertz) and transmission lines	1,000
Tesa			<ul style="list-style-type: none">On the Argentine side, they are managed by two subsidiaries: Compañía de Transmisión del Mercosur S.A. (CTM) and Transportadora de Energía S.A. (TESA), both of which are wholly-owned by CIEN	
CTM			<ul style="list-style-type: none">The interconnection grid consists of two transmission lines covering a total distance of 1,000 kilometers, and the Garabí conversion facility.	

Source: Financial reports by the companies, corporate presentations and websites

Description of the companies

Description of the companies comprising the restructuring perimeter - Distribution

Company	Territorial Presence	Brief Description	Customers (# million)
	 	<ul style="list-style-type: none"> Edelnor is the electrical utility concessionaire for the north of the Metro Lima region and the Constitutional Province of Callao, Province of Huará, Province of Huaral, Province of Barranca and Province of Oyón Edelnor sells electricity to 1.3 million customers Of the total, 94.5% are residential, 3.3% are commercial, 0.1% are industrial, and 2.1% are other customers 	1,3
	 	<ul style="list-style-type: none"> Coelce is the electrical distribution utility for the State of Ceará, in northeastern Brazil, covering a concession area of 149,000 km², serving a population of over 8 million people Coelce sells electricity to 3.8 million customers Of the total, 77.7% are residential, 6.4% are commercial, and the remaining 15.9% serve other customers, most notably rural 	3,8
	 	<ul style="list-style-type: none"> Ampla is an energy distribution company present in 73.3% of the territory of the State of Rio de Janeiro, serving a population of over 8 million people Ampla sells electricity to 3 million customers Of the total, 90.5% are residential, 6.1% are commercial, and 3.4% are other users 	3,0
	 	<ul style="list-style-type: none"> Codensa distributes and sells electricity in Bogotá and in 103 municipalities in different political subdivisions across the country Codensa sells electricity to 2.9 million customers Of the total, 88.8% are residential, 9.5% are commercial, 1.6% are industrial, and 0.2% are other customers. 	2,9
	 	<ul style="list-style-type: none"> Edesur's principal line of business is electricity distribution and trading in the southern zone of Buenos Aires Edesur sells electricity to 2.5 million customers Of the total, 87.6% are residential customers, 11.1% are commercial, 1.0% are industrial, and 0.3% are other users 	2,5

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- vi) WACC

8. Holding discount and liquidity

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Valuation of equity interests involved in the merger

Valuation methodologies used

1. Discounted cash flow “DCF”:

- Business Plan provided by EOC-A
- Specifically, we note different calculation methodologies for terminal value:
 - Perpetuity according to Gordon Shapiro method
 - Perpetuity according to “Key Value Driver” method (RONIC vs WACC)
 - Refund of book value of assets at the end of the concession
 - Annuity until the end of the concession

2. Comparable transactions multiples:

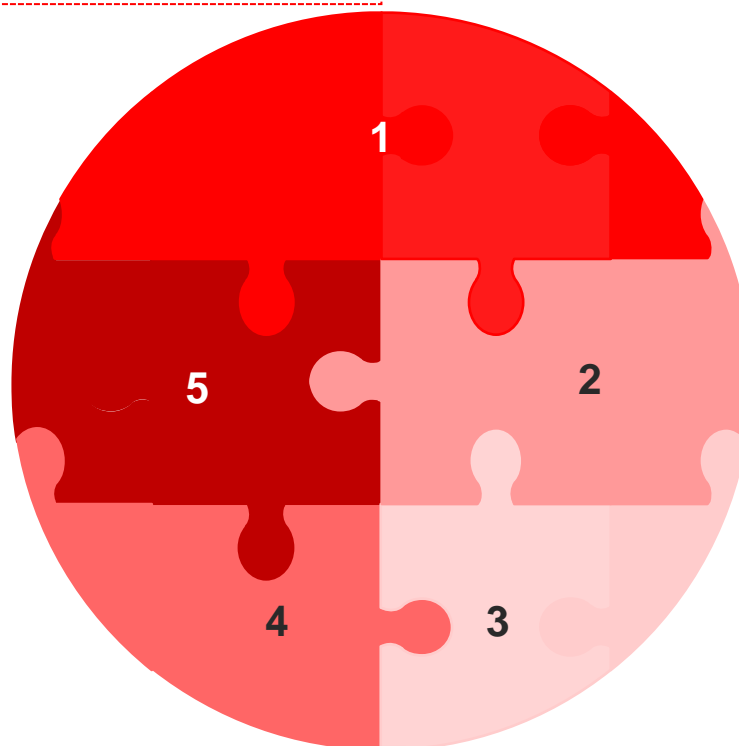
- These multiples may or may not include a control premium, depending on whether the acquisition resulted in the entry of a controlling shareholder
- The most significant transactions in the various different businesses have been selected (Gx, Tx and Dx) in the markets under analysis

5. Current market value:

- Account has been taken of the values traded in terms of market cap (and enterprise value) starting with the first quote for the Americas vehicles

4. Analysts’ target prices:

- Considered target prices of analysts providing coverage for ENI-A and EOC-A. Since CHI-A has no analysts’ coverage, account has been taken of the implied SOTP value in the Scotiabank report














3. Comparable trading multiples:

- These multiples do not have an implied control premium
- For **Gx**, the following methodology was used:
 - ✓ **Peru and Colombia:** mean of comparable trading in the Andean region (including Chile)
 - ✓ **Brazil and Argentina:** multiples of locally-traded companies
- For **Dx**, the following methodology was used:
 - ✓ **Peru and Colombia:** mean of multiples of Edelnor and Luz del Sur
 - ✓ **Brazil:** locally-traded companies
 - ✓ **Argentina:** locally-traded companies
- For **Tx** the following methodology was used:
 - ✓ **Peru and Colombia:** N/A
 - ✓ **Brazil:** locally-traded companies
 - ✓ **Argentina:** locally-traded companies

Valuation of equity interests involved in the merger

Valuation methodologies on terminal value for each company

	Perpetuity FCF	Perpetuity target RONIC	Annuity FCF	Others
Gx	<div></div>		<div><div>El Chocón</div></div>	<div><div>Concession until 2027 + residual value on fixed assets</div><div>Fortaleza</div><div>Contracts until 2023 + capacity payments until 2031</div><div>emgesa</div><div>Projections until 2024 + perpetuity</div></div>
Dx		<div><div>coelce</div><div>Sudene fiscal benefit until 2016 extended for 10 años. Afterwards, 34% tax rate</div></div>		
Tx	<div><div>TESA</div><div>CTM</div></div>			<div><div>Cien</div><div>Concession expire in 2020 and 2022 + residual value on fixed assets</div></div>
Others	<div><div>Generalima</div><div>Caboblanco</div><div>Com&Serv</div><div>Cemsa</div><div>Holdings</div></div>			

Source: Methodology agreed between the Company and Santander

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i) Discounted cash flow

Deleveraged Discounted Cash Flow

- Using the DCF method, a company is valued based on its intrinsic medium-term growth perspectives, not being significantly affected by short-term market decision or events
- The DCF method calculates the enterprise value ("EV") as the present value of "funds from operations" ("FFO") after discounting the weighted-average cost of capital ("WACC")
- The present value of FFO after a certain number of periods (n) is known as Terminal Value ("TV")
- The above may be summarized using the following formula:

$$EV = \left(\sum_{t=1}^n \frac{FFO_t}{(1+WACC)^t} + \frac{TV}{(1+WACC)^n} \right)$$

Terminal Value

Method 1.1: FCL - Gordon Shapiro Perpetuity

- The Gordon Shapiro method to calculate the terminal value of a company is a variation of the discounted FFO model
- The most significant assumption in this method is to assume growth of flows at a constant rate (g) to perpetuity
- Consequently, this method is only advisable for mature companies, with relatively low, stable and constant growth over the years

$$FFO_t = EBITDA_t - Taxes_t - CAPEX_t - \Delta WK_t$$

$$\text{Gordon Shapiro } VT_{t=0} = \frac{\frac{FFO_{n+1}}{WACC - g}}{(1+WACC)^n}$$

Method 1.2: Cash Flow Annuity

- This is an extension of the Gordon Shapiro Method, here the most significant difference is that the projection is not to perpetuity, but rather to a limited number of years (p)

$$\text{Annuity } TV_{t=0} = \frac{\frac{FFO_{n+1}}{WACC - g} * \left[1 - \left(\frac{1+g}{1+WACC} \right)^p \right]}{(1+WACC)^n}$$

i) Discounted cash flow

Terminal Value

Method 2: Target RONIC Perpetuity - Key Value Driver

- A correct estimate of Terminal Value is of the essence for an accurate valuation, since TV generally represents a large percentage of enterprise value
- The target RONIC perpetuity method ("KVD" or "Key Value Driver") has been applied in this valuation exercise to the Distribution business because of its Capex-intensive nature in order to meet regulatory demands

$$\text{Terminal Value}_t = \frac{\text{NOPAT}_{t-1} \left(1 - \frac{g}{\text{RONIC}} \right)}{\text{WACC} - g}$$

- NOPAT_{t-1} is operating Margin after Taxes during the first year after the projections for a given period
- g indicates NOPAT perpetuity growth (after the projection period). For valuation purposes, we have considered 2.2% in US dollars for all companies
- RONIC is the expected rate of return on marginal capital invested
- In other words, RONIC may be said to measure the return generated when a company converts its capital into Capex to generate additional income

Method 3: Refund of assets at book value

- This method combines with the previous ones, in which, in the case of concessions, the value of fixed assets not yet amortized is refunded
- For this valuation exercise, the companies that receive a refund for these assets are Cachoeira (generation company) and Cien (transmission line)
- In the case of Cachoeira, the estimated refund will be R\$ 300 million
- In the case of Cien, there are two refunds because one of the two concessions expires in 2020 and the other in 2022
 - Residual value for 2020: R\$ 335 million
 - Residual value for 2022: R\$ 320 million
- Since residual value is refunded at the end of the concession, its present value was calculated using the following formula:

$$\text{Refund Value}_{t=0} = M * \frac{\left(\frac{1 + i_{Lc}}{1 + i_{US}} \right)^{n-2020}}{(1 + \text{WACC})^{n-2016}}$$

- M = Refundable amount in US dollars
- i_{Lc} = Local currency inflation
- i_{US} = USD inflation
- n = final year of concession

i) Discounted cash flow methodology

DCF Valuation Methodology






3 resulting values: a mid case (MID) and 2 cases (LOW and HIGH) resulting from sensitivity to WACC (+/- 0.50%)

DCF- NO CONTROL:
Does not consider potential value of control

- All interests are valued neutrally without considering the difference in the equity weight of ENI-A, EOC-A, CHI-A
- MID case considered for merger exchange purposes

DFC - CONTROL:
Considers potential value of control

Company	LOW case	MID case	HIGH case
	Minority interest or need to have to EOC-A/CHI-A control	Relevant minority interest but with the need to have to EOC-A/CHI-A control	Majority or sufficient interest to control without needing EOC-A/CHI-A
	Minority interest or need to have to ENI-A/CHI-A control	Relevant minority interest but with the need to have to ENI-A/CHI-A participate in control	Majority or sufficient interest to control without needing ENI-A/CHI-A
	Minority interest not key to control at the ENI-A level	Minority interest allowing ENI-A to achieve control or at least 50% + 1 share	N/A

Valuation of equity interests involved in the merger


i) Discounted cash flows: summary of ENI-A valuation



Holdings				
Company	Stake	LOW	MID	HIGH
ENI-A	100.0%	1,020	1,013	1,004
EOC-A	60.0%	27	27	26
CHI-A	99.1%	-151	-153	-154

US\$ Mn

Peru




	Company	Stake	LOW	MID	HIGH
Gx	Edegel	58.6%	1,087	1,173	1,273
	Chinango	46.9%	184	199	217
	Piura	96.5%	139	154	172
Tx					
Dx	Edelnor	75.5%	1,097	1,210	1,342
Oth.	Generalima	100.0%	-79	-79	-80
	Caboblanco	100.0%	4	4	4

Brazil



	Company	Stake	LOW	MID	HIGH
	Endesa Brasil	84,4%	26	13	-2
	Cachoeira	84,2%	363	370	378
	Fortaleza	84,4%	235	240	245
	Cien	84,4%	235	240	244
	Coelce	64,9%	579	622	669
	Ampla	92,0%	205	281	364
	Com e Serv	84,4%	202	218	236

Colombia



	Company	Stake	LOW	MID	HIGH
	Emgesa	37.7%	1,632	1,795	1,983
	Codensa	47.8%	1,015	1,106	1,210

Argentina



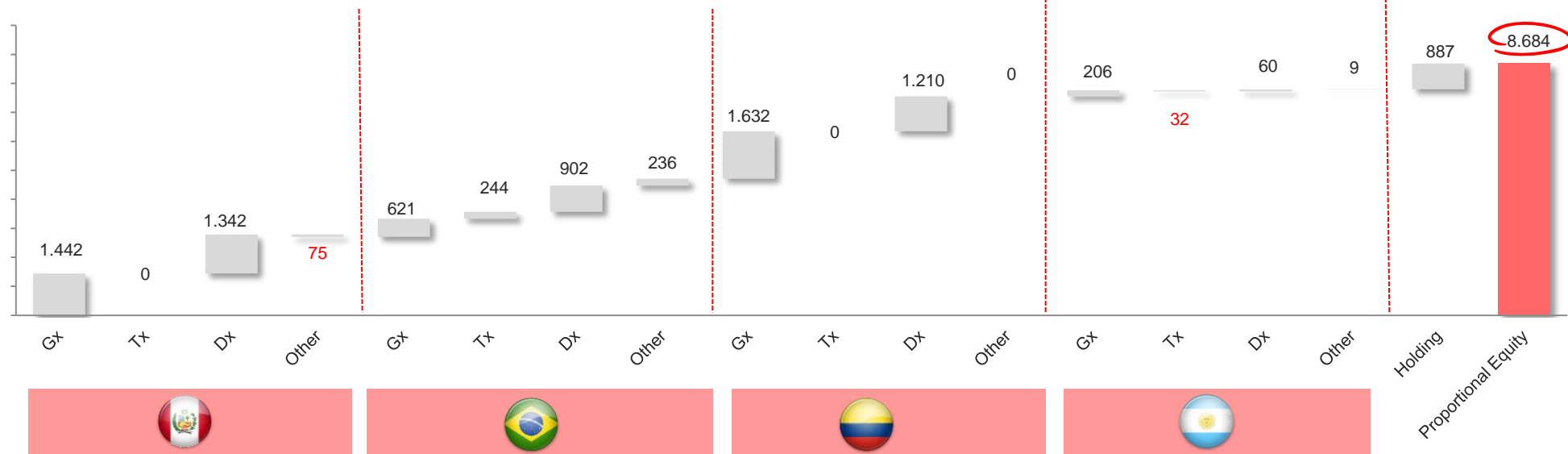
	Company	Stake	LOW	MID	HIGH
	Costanera	45.4%	27	28	30
	Dock Sud	40.2%	51	52	54
	El Chocon	39.2%	125	128	131
	TESA	84.4%	-16	-16	-16
	CTM	84.4%	-16	-16	-16
	Edesur	71.6%	50	60	71
	Cemsa	82.0%	8	8	9

Control case

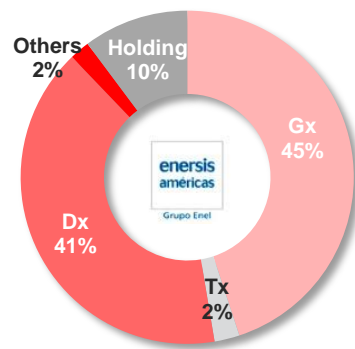
Valuation of equity interests involved in the merger

i) Discounted cash flows: summary of ENI-A valuation

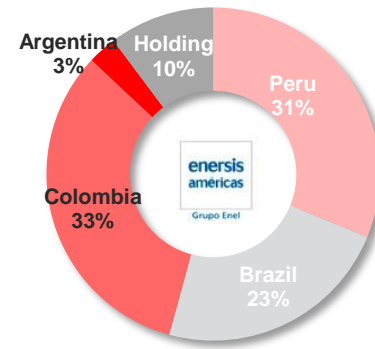
US\$ Mn



% Proportional Equity per Business



% Proportional Equity per Geography



Valuation of equity interests involved in the merger

i) Discounted cash flows: summary of EOC-A valuation



Holdings				
Company	Stake	LOW	MID	HIGH
EOC-A	100.0%	46	45	44

US\$ Mn

Peru

Brazil

Colombia

Argentina

	Company	Stake	LOW	MID	HIGH
Gx	Edegel	62.5%	1,158	1,250	1,357
	Chinango	50.0%	196	212	231
Tx					
Dx					
Oth.					

	Company	Stake	LOW	MID	HIGH
Gx	Endesa Brasil	37.1%	12	6	-1
	Cachoeira	37.0%	160	163	166
	Fortaleza	37.1%	104	106	108
	Cien	37.1%	104	105	107
Dx	Coelce	21.9%	195	210	225
	Ampla	17.4%	39	53	69
Oth.	Com e Serv	37.1%	89	96	104

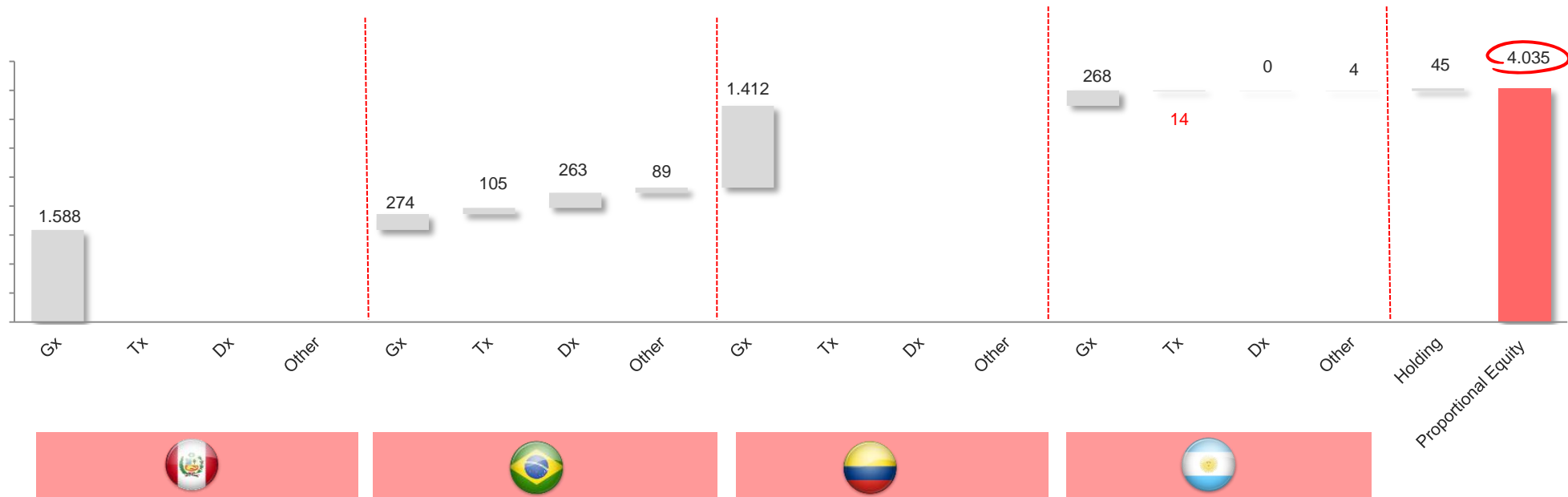
	Company	Stake	LOW	MID	HIGH
Gx	Emgesa	26.9%	1,163	1,279	1,412
Tx					
Dx					
Oth.					

	Company	Stake	LOW	MID	HIGH
Gx	Costanera	75.7%	45	47	50
	El Chocon	65.4%	209	214	219
Tx	TESA	37.1%	-7	-7	-7
	CTM	37.1%	-7	-7	-7
Dx	Edesur	0.5%	0	0	0
Oth.	Cemsa	45.0%	4	5	5

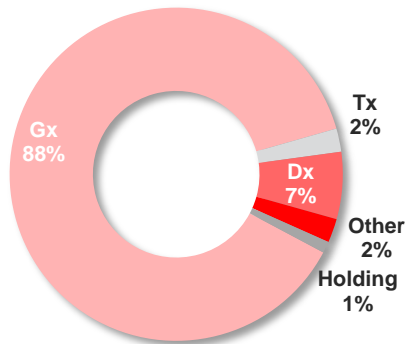
Valuation of equity interests involved in the merger

i) Discounted cash flows: summary of EOC-A valuation

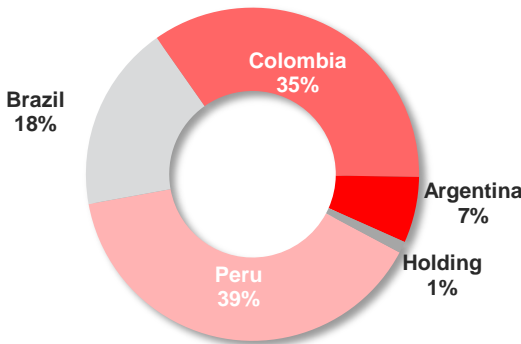
US\$ Mn



% Proportional Equity per Business



% Proportional Equity per Geography



Valuation of equity interests involved in the merger

i) Discounted cash flows: summary of CHI-A valuation

chilectra

américas


Grupo Enel

Holdings


Company	Stake	LOW	MID	HIGH
CHI-A	100.0%	-153	-154	-155

US\$ Mn


Peru




Brazil



Colombia



Argentina

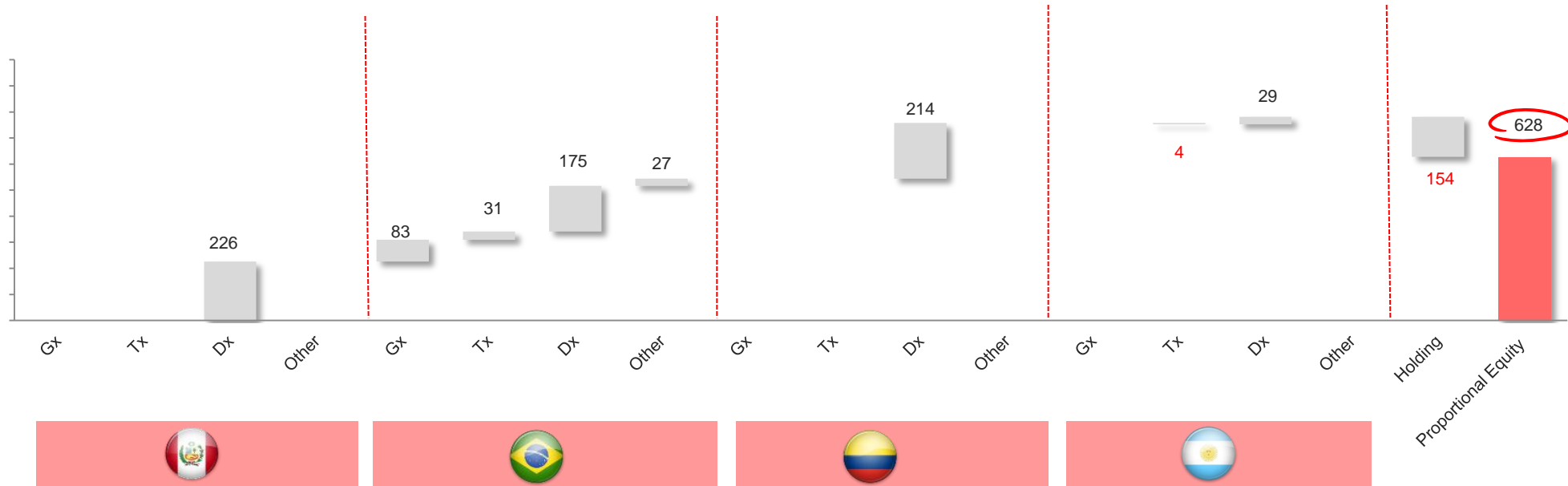


Company	Stake	LOW	MID	HIGH

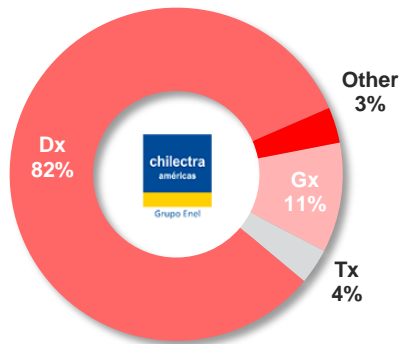
Valuation of equity interests involved in the merger

i) Discounted cash flows: summary of CHI-A valuation

US\$ Mn



% Proportional Equity per Business



% Proportional Equity per Geography



Valuation of equity interests involved in the merger

i) Discounted cash flows: **CONTROL** Case (summary)





US\$ Mn

Values at 100%											ENI-A2		ENI-A1		EOC-A		CHI-A	
Company	Business	ENI-A2	ENI-A1	EOC-A	CHI-A	Equity LOW	Equity MID	Equity HIGH	DFN	EBITDA	% Equity	EV/EBITDA	% Equity	EV/EBITDA	% Equity	EV/EBITDA	% Equity	EV/EBITDA
Edegel	Gx	58.6%	21.1%	62.5%		1,855	2,001	2,172	158	271	1,087	7.4x	273	5.4x	1,357	8.6x	-	n.a.
Chinango	Gx	46.9%	16.9%	50.0%		392	425	463	31	39	184	10.8x	45	7.6x	231	12.6x	-	n.a.
Piura	Gx	96.5%	96.5%			144	160	178	44	49	172	4.5x	172	4.5x	-	n.a.	-	n.a.
Edelnor	Dx	75.5%	60.1%		15.6%	1,453	1,602	1,776	413	214	1,342	10.3x	1,117	10.6x	-	n.a.	226	8.7x
Generalima	Otros	100.0%	100.0%			- 79	- 79	- 80	42	- 0	- 80	n.a.	- 80	n.a.	-	n.a.	-	n.a.
Caboblanco	Other	100.0%	100.0%			4	4	4	- 8	- 0	4	n.a.	4	n.a.	-	n.a.	-	n.a.
Resto	Other																	
Peru	Σ					3,770	4,113	4,513	679	572	2,708	8.3x	1,531	7.9x	1,588	9.0x	226	8.7x
Endesa Brasil	Gx	84.4%	50.9%	37.1%	11.3%	31	16	2	- 294	- 34	2	8.7x	- 9	9.2x	6	8.2x	4	7.8x
Cachoeira	Gx	84.2%	50.8%	37.0%	11.2%	431	440	449	- 35	87	378	4.8x	232	4.8x	163	4.7x	48	4.6x
Fortaleza	Gx	84.4%	51.0%	37.1%	11.3%	279	285	290	1	67	245	4.3x	150	4.4x	106	4.2x	31	4.2x
Cien	Tx	84.4%	50.9%	37.1%	11.3%	279	284	289	16	64	244	4.7x	149	4.8x	105	4.7x	31	4.6x
Coelece	Dx	64.9%	45.2%	21.9%	6.6%	893	958	1,031	323	235	622	5.5x	433	5.5x	210	5.5x	64	5.5x
Ampla	Dx	92.0%	45.3%	17.4%	36.7%	223	305	395	1,037	226	281	5.9x	138	5.9x	53	5.9x	112	5.9x
Com e Serv	Other	84.4%	50.9%	37.1%	11.3%	240	258	280	2	11	236	26.3x	156	28.7x	89	22.6x	27	22.6x
Resto	Other																	
Brazil	Σ					2,375	2,546	2,732	1,050	656	2,003	5.5x	1,250	5.5x	731	5.3x	317	5.7x
Emgesa	Gx	37.7%	21.6%	26.9%		4,328	4,758	5,256	1,688	629	1,632	9.6x	785	8.5x	1,412	11.0x	-	n.a.
Codensa	Dx	47.8%	38.6%		9.2%	2,123	2,314	2,532	630	434	1,210	7.3x	998	7.4x	-	n.a.	214	6.8x
Resto	Other																	
Colombia	Σ					6,451	7,072	7,788	2,318	1,063	2,842	8.5x	1,784	7.9x	1,412	11.0x	214	6.8x
Costanera	Gx	45.4%		75.7%		60	63	66	62	50	27	2.5x	(3)	n.a.	50	2.6x	-	n.a.
Dock Sud	Gx	40.2%	40.2%			127	130	134	28	45	54	3.6x	54	3.6x	-	n.a.	-	n.a.
El Chocón	Gx	39.2%		65.4%		320	327	334	44	40	125	9.1x	(6)	n.a.	219	9.5x	-	n.a.
TESA	Tx	84.4%	50.9%	37.1%	11.3%	- 19	- 19	- 19	26	2	- 16	4.5x	(9)	4.7x	- 7	4.2x	- 2	4.2x
CTM	Tx	84.4%	50.9%	37.1%	11.3%	- 20	- 19	- 19	25	1	- 16	4.4x	(10)	4.6x	- 7	4.2x	- 2	4.2x
Edesur	Dx	71.6%	37.6%	0.5%	34.1%	70	84	99	168	196	60	1.3x	32	1.3x	0	1.2x	29	1.3x
Cemsa	Other	82.0%	55.0%	45.0%		10	10	11	- 1	1	9	7.3x	6	7.6x	4	6.6x	-	n.a.
Resto	Other																	
Argentina	Σ					547	576	606	353	334	243	2.3x	64	1.7x	259	5.3x	24	1.3x
ENI Americas	Holding	100.0%	100.0%			1,020	1,013	1,004	- 1,176	- 16	1,013	10.0x	1,013	10.0x	-	n.a.	-	n.a.
Endesa Americas	Holding	60.0%		100.0%		46	45	44	- 62	- 2	27	7.1x	-	n.a.	45	7.1x	-	n.a.
Chilectra Americas	Holding	99.1%			100.0%	- 153	- 154	- 155	138	- 2	- 153	9.8x	-	n.a.	-	n.a.	- 154	9.8x
Holdings	Σ					913	904	892	- 1,101	- 20	887	9.8x	1,013	10.0x	45	7.1x	- 154	9.8x
Total	Σ					14,057	15,210	16,532	3,300	2,605	8,684	6.6x	5,642	6.5x	4,035	8.2x	628	5.1x

Valuation of equity interests involved in the merger

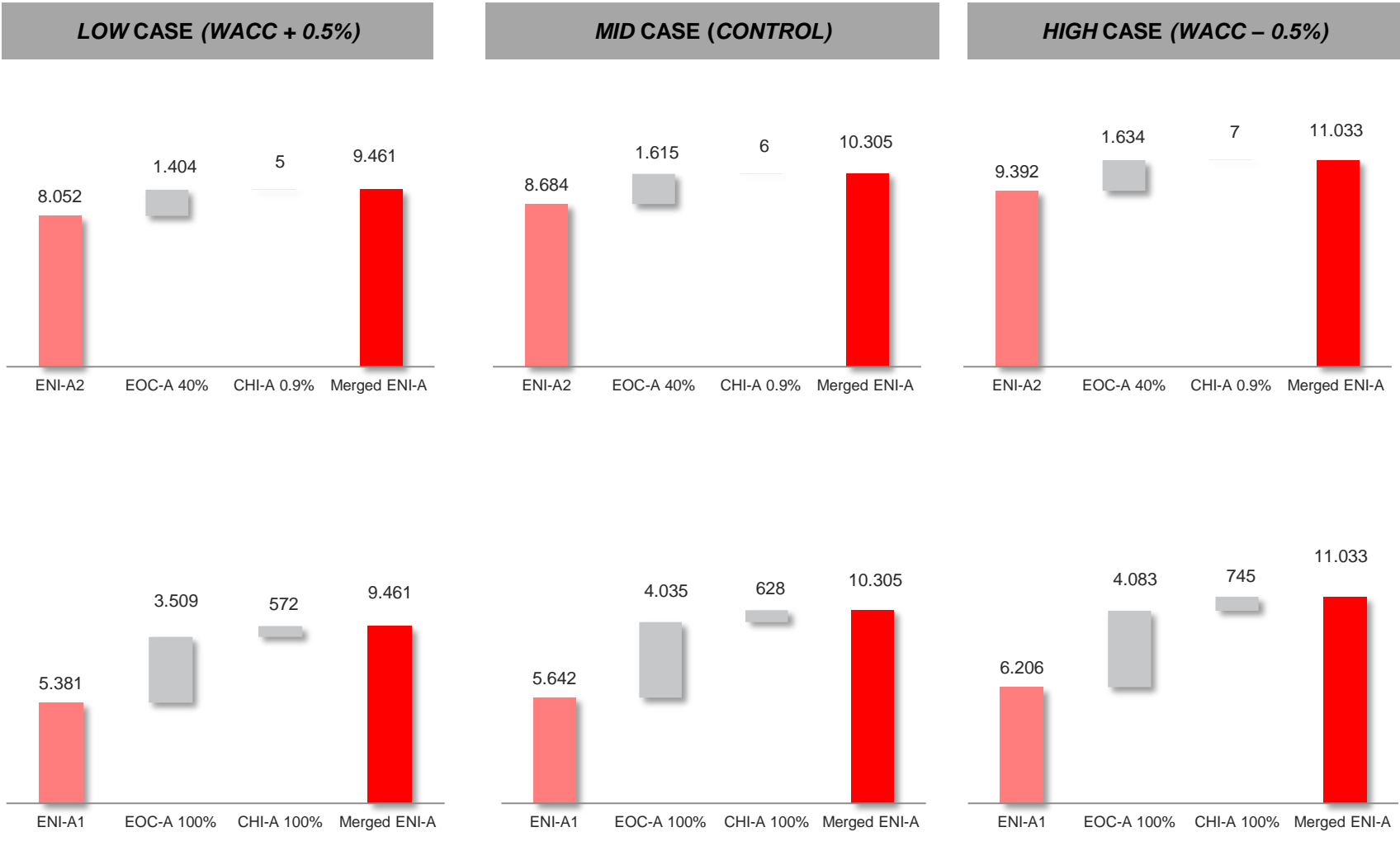
i) Discounted cash flows: **NO-CONTROL** Case (summary)

US\$ Mn

						Values at 100%			 ENI-A2		 ENI-A1		 EOC-A		 CHI-A	
Company	Business	ENI-A2	ENI-A1	EOC-A	CHI-A	Equity	DFN	EBITDA	% Equity	EV/EBITDA	% Equity	EV/EBITDA	% Equity	EV/EBITDA	% Equity	EV/EBITDA
Edegel	Gx	58.6%	21.1%	62.5%		2,001	158	271	1,173	8.0x	423	8.0x	1,250	8.0x	-	n.a.
Chinango	Gx	46.9%	16.9%	50.0%		425	31	39	199	11.6x	72	11.6x	212	11.6x	-	n.a.
Piura	Gx	96.5%	96.5%			160	44	49	154	4.2x	154	4.2x	-	n.a.	-	n.a.
Edelnor	Dx	75.5%	60.1%		15.6%	1,602	413	214	1,210	9.4x	963	9.4x	-	n.a.	250	9.4x
Generalima	Other	100.0%	100.0%		-	79	42	0	79	n.a.	79	n.a.	-	n.a.	-	n.a.
Caboblanco	Other	100.0%	100.0%			4	8	0	4	n.a.	4	n.a.	-	n.a.	-	n.a.
Peru	Σ					4,113	679	572	2,661	8.2x	1,537	7.9x	1,462	8.4x	250	9.4x
Endesa Brasil	Gx	84.4%	50.9%	37.1%	11.3%	16	294	34	13	8.2x	8	8.2x	6	8.2x	2	8.2x
Cachoeira	Gx	84.2%	50.8%	37.0%	11.2%	440	35	87	370	4.7x	223	4.7x	163	4.7x	49	4.7x
Fortaleza	Gx	84.4%	51.0%	37.1%	11.3%	285	1	67	240	4.2x	145	4.2x	106	4.2x	32	4.2x
Cien	Tx	84.4%	50.9%	37.1%	11.3%	284	16	64	240	4.7x	145	4.7x	105	4.7x	32	4.7x
Coelce	Dx	64.9%	45.2%	21.9%	6.6%	958	323	235	622	5.5x	433	5.5x	210	5.5x	64	5.5x
Ampla	Dx	92.0%	45.3%	17.4%	36.7%	305	1,037	226	281	5.9x	138	5.9x	53	5.9x	112	5.9x
Com e Serv	Other	84.4%	50.9%	37.1%	11.3%	258	2	11	218	24.3x	132	24.3x	96	24.3x	29	24.3x
Brazil	Σ					2,546	1,050	656	1,983	5.5x	1,224	5.5x	738	5.4x	320	5.7x
Emgesa	Gx	37.7%	21.6%	26.9%		4,758	1,688	629	1,795	10.3x	1,028	10.3x	1,279	10.3x	-	n.a.
Codensa	Dx	47.8%	38.6%		9.2%	2,314	630	434	1,106	6.8x	894	6.8x	-	n.a.	214	6.8x
Colombia	Σ					7,072	2,318	1,063	2,901	8.6x	1,922	8.3x	1,279	10.3x	214	6.8x
Costanera	Gx	45.4%		75.7%		63	62	50	28	2.5x	-	n.a.	47	2.5x	-	n.a.
Dock Sud	Gx	40.2%	40.2%			130	28	45	52	3.5x	52	3.5x	-	n.a.	-	n.a.
El Chocon	Gx	39.2%		65.4%		327	44	40	128	9.3x	-	n.a.	214	9.3x	-	n.a.
TESA	Tx	84.4%	50.9%	37.1%	11.3%	19	26	2	16	4.3x	10	4.3x	7	4.3x	2	4.3x
CTM	Tx	84.4%	50.9%	37.1%	11.3%	19	25	1	16	4.3x	10	4.3x	7	4.3x	2	4.3x
Edesur	Dx	71.6%	37.6%	0.5%	34.1%	84	168	196	60	1.3x	32	1.3x	0	1.3x	29	1.3x
Cemsa	Other	82.0%	55.0%	45.0%		10	1	1	8	6.9x	6	6.9x	5	6.9x	-	n.a.
Argentina	Σ					576	353	334	245	2.3x	70	1.8x	252	5.2x	24	1.3x
ENI Americas	Holding	100.0%	100.0%			1,013	1,176	16	1,013	10.0x	1,013	10.0x	-	n.a.	-	n.a.
Endesa Americas	Holding	60.0%		100.0%		45	62	2	27	7.1x	-	n.a.	45	7.1x	-	n.a.
Chilectra Americas	Holding	99.1%			100.0%	154	138	2	153	9.8x	-	n.a.	-	n.a.	154	9.8x
Holdings	Σ					904	1,101	20	887	9.8x	1,013	10.0x	45	7.1x	154	9.8x
Total	Σ					15,210	3,300	2,605	8,677	6.6x	5,766	6.6x	3,776	7.7x	653	5.2x

Valuation of equity interests involved in the merger

i) Discounted cash flows: summary of valuation under this methodology – **CONTROL** Case



1. Glossary

2. Introduction

3. Executive ummary

4. Analysis of Enersis corporate restructuring process

5. Regulatory matters

6. Description of the companies

7. Valuation of equity interests involved in the merger

- i) Discounted cash flow
- ii) Multiples of transaction comparables
- iii) Multiples of trading comparables
- iv) Analysts' target prices and SOTP
- v) Trading history of ENI-A, EOC-A and CHI-A vs. LatAm Comparables
- vi) WACC

8. Holding discount and liquidity

9. Merger results

10. Appendix

ii) Multiples of transaction comparables

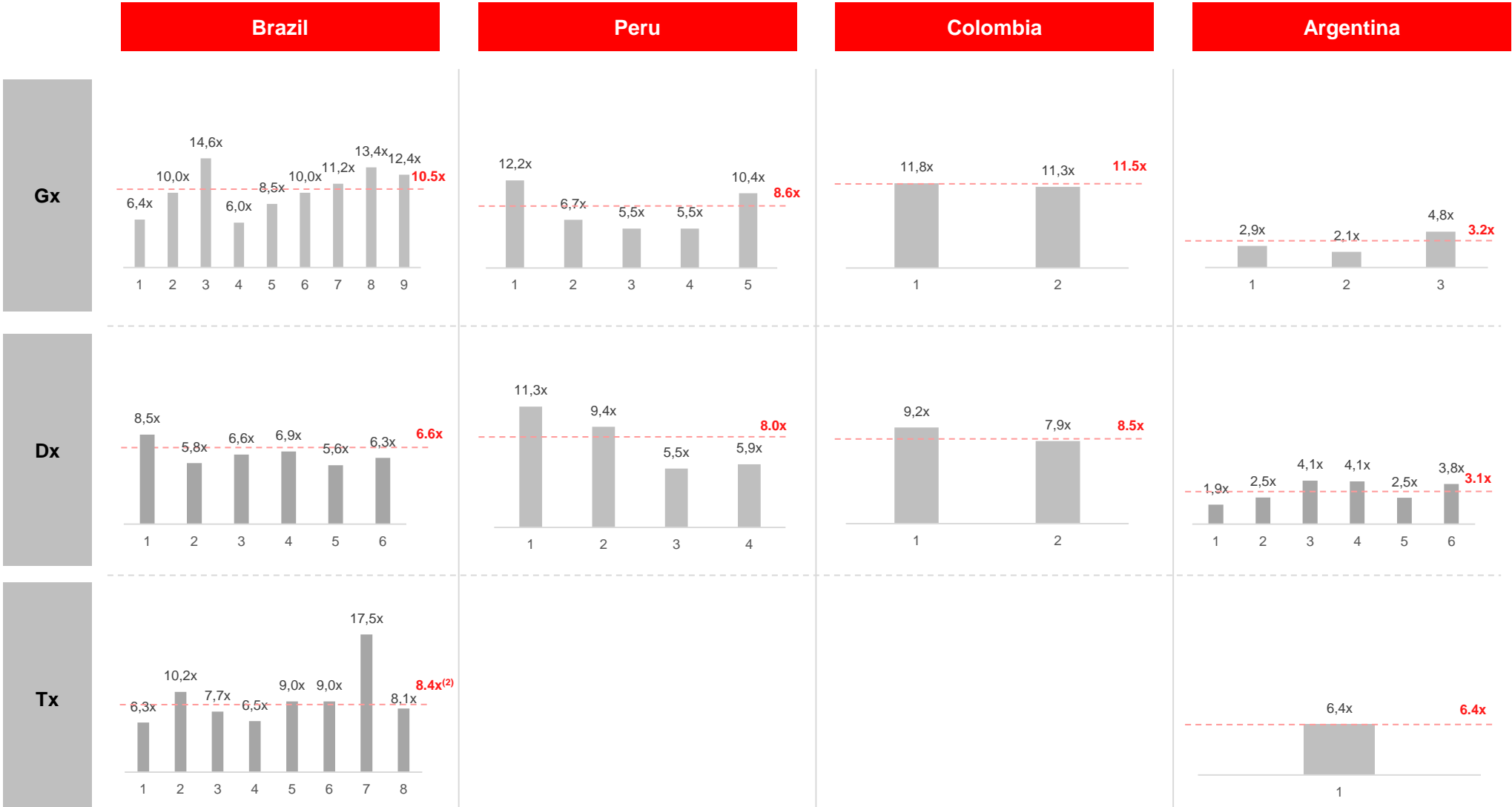
The methodology of comparable transaction multiples is based on a sample of transactions of operationally-related companies in the same sector as ENI-A, EOC-A and CHI-A. This analysis is intended to do the following:

- For the ratios that could be used in the comparable transactions methodology, in order to define a range of values, we considered the EV/EBITDA multiple as being the most significant. The EV/EBITDA multiple compares enterprise value to the company's capacity to generate gross earnings (EBITDA). Therefore, it could be considered as a proxy for the payback ratio of the amount paid for the acquisition
- To execute this methodology, we considered EBITDA for 2016E at ENI-A, EOC-A and CHI-A, included in the company's business plan
- We considered the average of the EV/EBTDA multiple of recent transactions, to which we applied a variation of $\pm 5\%$, to obtain a range of values
- Some of the transactions analyzed include acquisitions in which a majority interest was purchased, which is why a control premium may exist. For this reason, this method is used for the most part in cases in which there is a change of control



Valuation of equity interests involved in the merger

ii) Multiples of transaction comparables⁽¹⁾







Note: Numbers correspond to transactions with details in the annex
1) Details in the annex
2) Adjusted median not including maximum multiple

Valuation of equity interests involved in the merger

ii) Multiples of transaction comparables

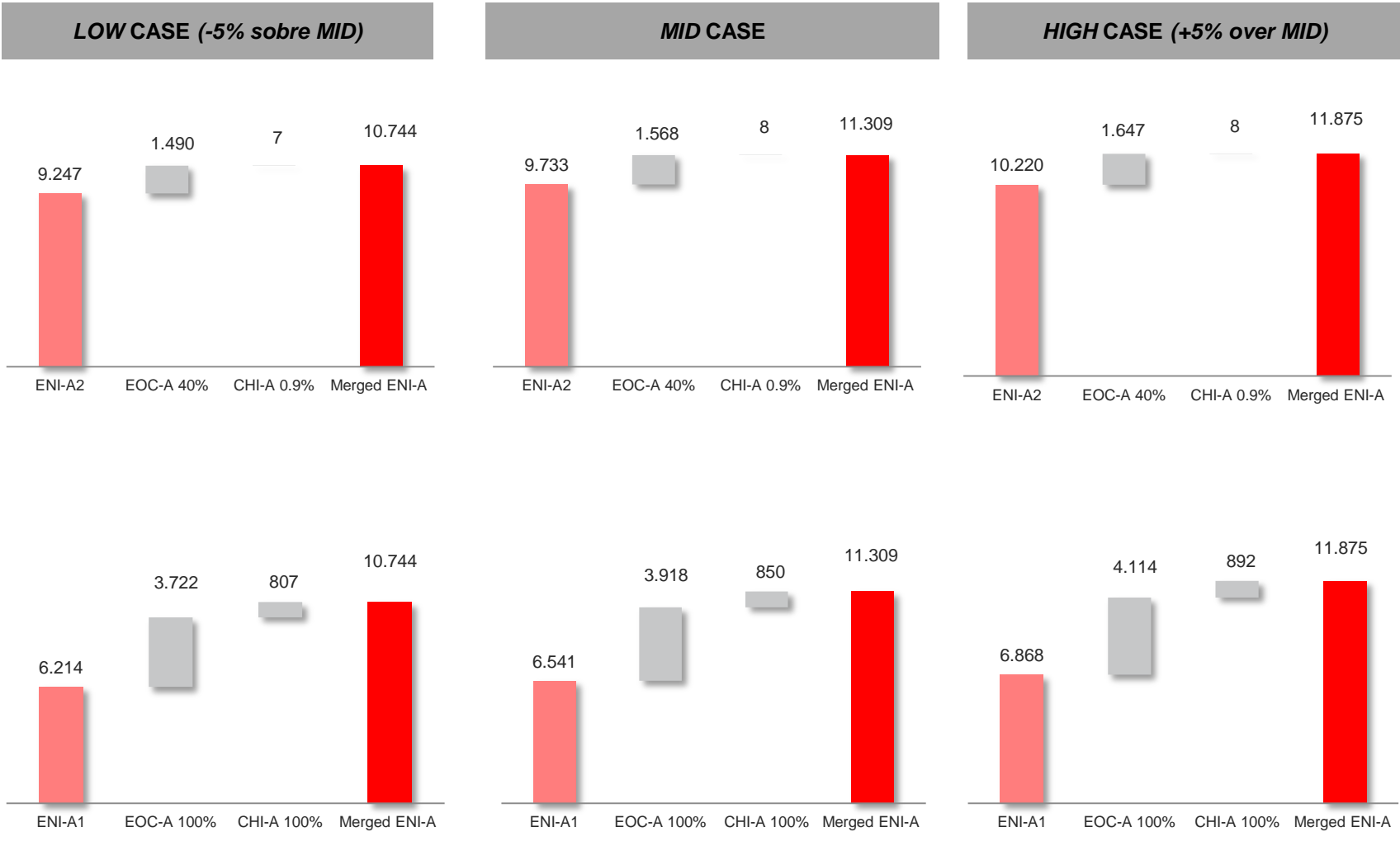
US\$ Mn

						Values at 100%			 ENI-A2		 ENI-A1		 EOC-A		 CHI-A	
Company	Business	ENI-A2	ENI-A1	EOC-A	CHI-A	Equity	DFN	EBITDA	% Equity	EV / EBITDA	% Equity	EV / EBITDA	% Equity	EV / EBITDA	% Equity	EV / EBITDA
Edegel	Gx	58.6%	21.1%	62.5%		2,171	158	271	1,272	8.6x	459	8.6x	1,356	8.6x	-	8.6x
Chinango	Gx	46.9%	16.9%	50.0%		306	31	39	143	8.6x	52	8.6x	153	8.6x	-	8.6x
Piura	Gx	96.5%	96.5%			377	44	49	364	8.6x	364	8.6x	-	8.6x	-	8.6x
Edelnor	Dx	75.5%	60.1%		15.6%	1,295	413	214	978	8.0x	778	8.0x	-	8.0x	202	8.0x
Generalima	Other	100.0%	100.0%			- 44	42	- 0	- 44	8.6x	- 44	8.6x	-	8.6x	-	8.6x
Caboblanco	Other	100.0%	100.0%			8	- 8	- 0	8	8.6x	8	8.6x	-	8.6x	-	8.6x
Peru	Σ					4,113	679	572	2,722	8.3x	1,617	8.3x	1,509	8.6x	202	8.0x
Endesa Brasil	Gx	84.4%	50.9%	37.1%	11.3%	- 45	- 294	- 34	- 38	10.0x	- 23	10.0x	- 17	10.0x	- 5	10.0x
Cachoeira	Gx	84.2%	50.8%	37.0%	11.2%	470	- 35	87	395	5.0x	239	5.0x	174	5.0x	53	5.0x
Fortaleza	Gx	84.4%	51.0%	37.1%	11.3%	336	1	67	283	5.0x	171	5.0x	125	5.0x	38	5.0x
Cien	Tx	84.4%	50.9%	37.1%	11.3%	255	16	64	215	4.2x	130	4.2x	95	4.2x	29	4.2x
Coelce	Dx	64.9%	45.2%	21.9%	6.6%	1,228	323	235	796	6.6x	555	6.6x	268	6.6x	81	6.6x
Ampla	Dx	92.0%	45.3%	17.4%	36.7%	454	1,037	226	417	6.6x	205	6.6x	79	6.6x	166	6.6x
Com e Serv	Other	84.4%	50.9%	37.1%	11.3%	105	2	11	89	10.0x	53	10.0x	39	10.0x	12	10.0x
Brazil	Σ					2,801	1,050	656	2,158	5.8x	1,330	5.8x	763	5.5x	374	6.2x
Emgesa	Gx	37.7%	21.6%	26.9%		5,541	1,688	629	2,090	11.5x	1,197	11.5x	1,489	11.5x	-	11.5x
Codensa	Dx	47.8%	38.6%		9.2%	3,062	630	434	1,463	8.5x	1,183	8.5x	-	8.5x	283	8.5x
Colombia	Σ					8,602	2,318	1,063	3,553	10.1x	2,380	9.8x	1,489	11.5x	283	8.5x
Costanera	Gx	45.4%		75.7%		96	62	50	44	3.2x	-	3.2x	73	3.2x	-	3.2x
Dock Sud	Gx	40.2%	40.2%			115	28	45	46	3.2x	46	3.2x	-	3.2x	-	3.2x
El Chocon	Gx	39.2%		65.4%		84	44	40	33	3.2x	-	3.2x	55	3.2x	-	3.2x
TESA	Tx	84.4%	50.9%	37.1%	11.3%	- 16	26	2	- 13	6.4x	- 8	6.4x	- 6	6.4x	- 2	6.4x
CTM	Tx	84.4%	50.9%	37.1%	11.3%	- 17	25	1	- 14	6.4x	- 8	6.4x	- 6	6.4x	- 2	6.4x
Edesur	Dx	71.6%	37.6%	0.5%	34.1%	439	168	196	314	3.1x	165	3.1x	2	3.1x	149	3.1x
Cemsa	Other	82.0%	55.0%	45.0%	0.0%	5	- 1	1	4	3.2x	3	3.2x	2	3.2x	-	3.2x
Argentina	Σ					707	353	334	414	3.2x	198	3.2x	120	3.3x	146	3.1x
ENI Americas	Holding	100.0%	100.0%			1,016	- 1,176	- 16	1,016	9.8x	1,016	9.8x	-	9.8x	-	9.8x
Endesa Americas	Holding	60.0%		100.0%		38	- 62	- 2	23	9.8x	-	9.8x	38	9.8x	-	9.8x
Chilectra Americas	Holding	99.1%			100.0%	- 154	138	- 2	- 153	9.8x	-	9.8x	-	9.8x	- 154	9.8x
Holdings	Σ					900	- 1,101	- 20	887	9.8x	1,016	9.8x	38	9.8x	- 154	9.8x
Total	Σ					17,124	3,300	2,605	9,733	7.3x	6,541	7.4x	3,918	8.0x	850	5.9x

Note: Cachoeira, Fortaleza and Cien multiples have been reduced to half due to a shorter lifetime with respect to the financial projections used for the DCF.

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ii) Multiples of transaction comparables: valuation summary under this methodology



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Valuation of equity interests involved in the merger

iii) Multiples of trading comparables

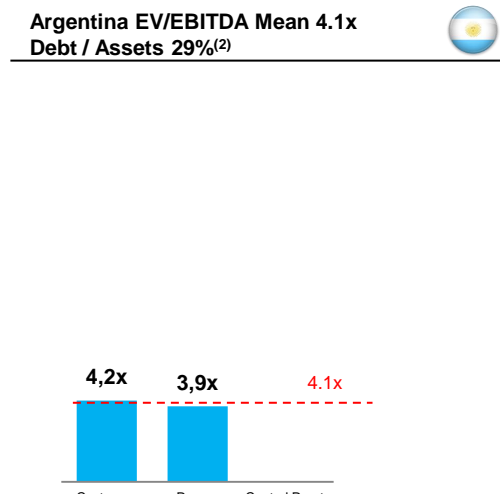
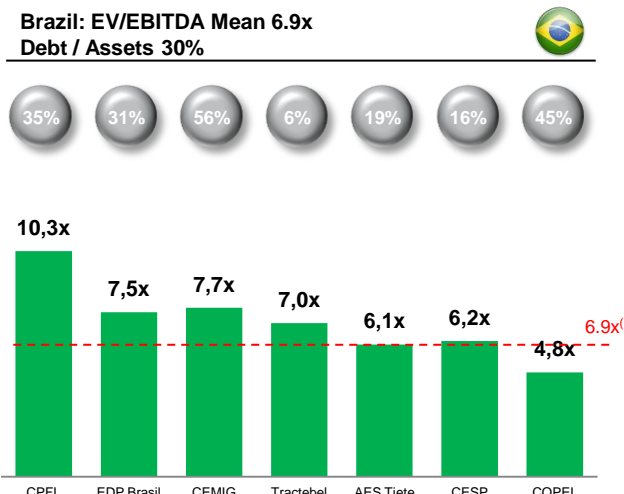
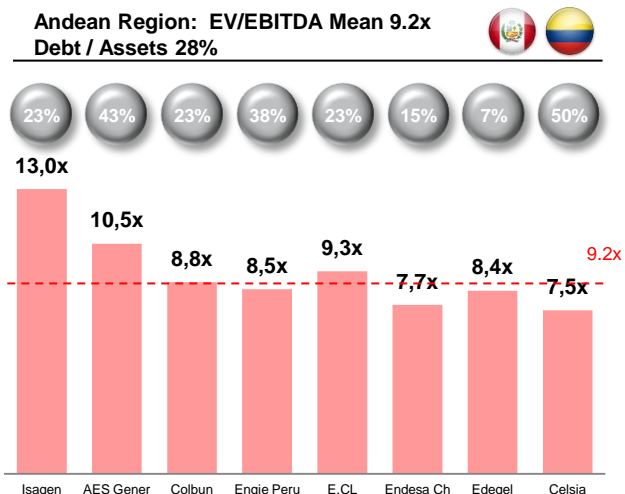
- The trading multiples method is based on an analysis of the market price for the equities and their corresponding multiples on a sample of companies that must be similar to the companies under valuation
- This method is based on the general assumption that the price of the equity in the stock market represents the best proxy for the financial value of a company. In fact, in an efficient speculator-free market, the market price for an equity should reflect investors' expectations regarding growth of future results of a company, its degree of associated risk and its volatility
- To apply this method, a series of ratios or multiples on comparable listed companies is generated, including the price (numerator) and a given parameter such as earnings or other financial data (denominator). The average/mean of the ratios obtained is applied consistently to the variables determined for the companies under valuation, so as to obtain a notional value of how the market could value the company
- The reference multiple used in the valuation of ENI-A, EOC-A and CHI-A is EV/EBITDA

	Peru	Colombia	Brazil	Argentina
Gx	<div><div> Grupo Enel</div><div></div><div> Generando Futuro</div><div> ENERGÍA PRODUCTIVA</div><div> PRIMER ESPECIAL GDF SVEZ</div><div> energía variable</div><div></div><div></div></div>	<div> Eletrobras</div> <div> Pura Energía</div> <div> Tractebel Energia</div> <div> CPFL ENERGIA</div> <div> A Melhor Energia do Brasil.</div> <div> emae</div> <div> edp</div> <div> CESP</div> <div> Uma Empresa AES Brasil</div>	<div> Pampa Energía</div> <div> endesa costanera</div> <div> Central Puerto</div>	
Tx		<div> ISA CTEEP</div> <div> Alupar</div>	<div> TGS</div> <div> Transener</div>	
Dx	<div> LUZ DEL SUR</div> <div> edelnor</div>	<div> Light</div> <div> equatorial ENERGIA</div> <div> coelce</div>	<div> Edenor</div> <div> EDESUR</div>	

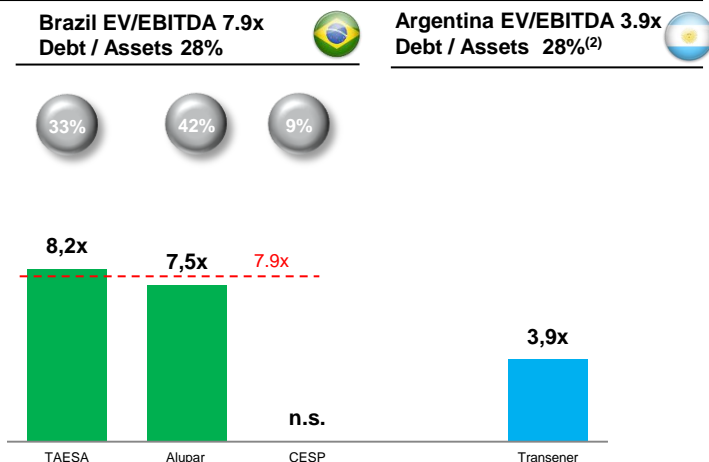
Valuation of equity interests involved in the merger

iii) Multiples of trading comparables: EV/EBITDA multiples

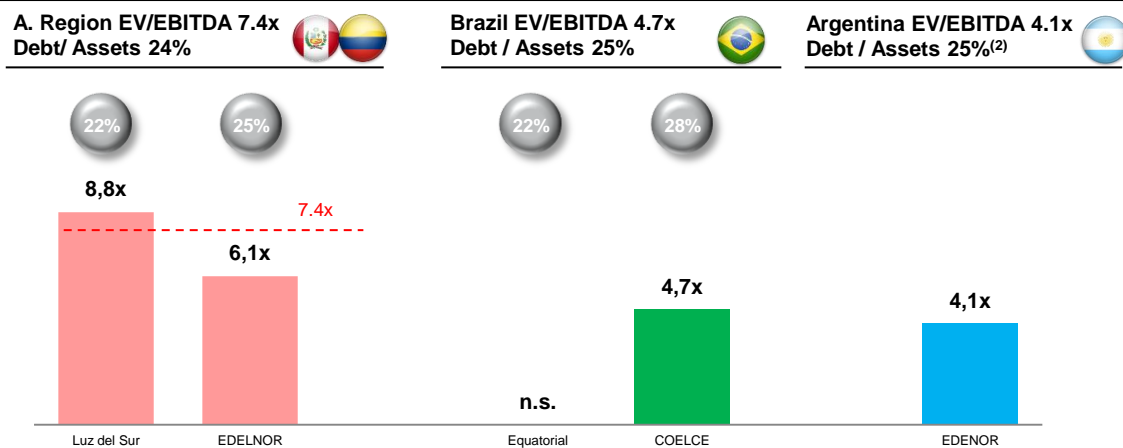
Generation Business



Transmission Business



Distribution Business







Debt/Assets

1) Values max (10.3x) and min (4.8x) excluded from mean
2) Debt / Assets for Argentina: mean of other countries is assumed in order to simulate a long-term

Valuation of equity interests involved in the merger

iii) Multiples of trading comparables

US\$ Mn






















									 ENI-A2		 ENI-A1		 EOC-A		 CHI-A	
Company	Business	ENI-A2	ENI-A1	EOC-A	CHI-A	Equity	DFN	EBITDA	% Equity	EV / EBITDA	% Equity	EV / EBITDA	% Equity	EV / EBITDA	% Equity	EV / EBITDA
Edegel	Gx	58.6%	21.1%	62.5%		2,406	158	271	1,410	9.5x	509	9.5x	1,503	9.5x	-	9.5x
Chinango	Gx	46.9%	16.9%	50.0%		339	31	39	159	9.5x	57	9.5x	170	9.5x	-	9.5x
Piura	Gx	96.5%	96.5%			420	44	49	405	9.5x	405	9.5x	-	9.5x	-	9.5x
Edelnor	Dx	75.5%	60.1%		15.6%	1,173	413	214	886	7.4x	705	7.4x	-	7.4x	183	7.4x
Generalima	Other	100.0%	100.0%			- 44	42	- 0	- 44	9.5x	- 44	9.5x	-	9.5x	-	9.5x
Caboblanco	Other	100.0%	100.0%			8	- 8	- 0	8	9.5x	8	9.5x	-	9.5x	-	9.5x
Peru	Σ					4,302	679	572	2,825	8.6x	1,640	8.4x	1,672	9.5x	183	7.4x
Endesa Brasil	Gx	84.4%	50.9%	37.1%	11.3%	60	- 294	- 34	50	6.9x	30	6.9x	22	6.9x	7	6.9x
Cachoeira	Gx	84.2%	50.8%	37.0%	11.2%	336	- 35	87	283	3.5x	171	3.5x	124	3.5x	38	3.5x
Fortaleza	Gx	84.4%	51.0%	37.1%	11.3%	232	1	67	196	3.5x	118	3.5x	86	3.5x	26	3.5x
Cien	Tx	84.4%	50.9%	37.1%	11.3%	237	16	64	200	3.9x	121	3.9x	88	3.9x	27	3.9x
Coelce	Dx	64.9%	45.2%	21.9%	6.6%	787	323	235	511	4.7x	356	4.7x	172	4.7x	52	4.7x
Ampla	Dx	92.0%	45.3%	17.4%	36.7%	30	1,037	226	28	4.7x	14	4.7x	5	4.7x	11	4.7x
Com e Serv	Other	84.4%	50.9%	37.1%	11.3%	72	2	11	61	6.9x	37	6.9x	27	6.9x	8	6.9x
Brazil	Σ					1,754	1,050	656	1,328	4.2x	846	4.2x	525	4.1x	169	4.4x
Emgesa	Gx	37.7%	21.6%	26.9%		4,263	1,688	629	1,608	9.5x	921	9.5x	1,145	9.5x	-	9.5x
Codensa	Dx	47.8%	38.6%		9.2%	2,597	630	434	1,241	7.4x	1,004	7.4x	-	7.4x	240	7.4x
Colombia	Σ					6,860	2,318	1,063	2,849	8.5x	1,924	8.3x	1,145	9.5x	240	7.4x
Costanera	Gx	45.4%		75.7%		139	62	50	63	4.1x	-	4.1x	105	4.1x	-	4.1x
Dock Sud	Gx	40.2%	40.2%			154	28	45	62	4.1x	62	4.1x	-	4.1x	-	4.1x
El Chocon	Gx	39.2%	0.0%	65.4%	0.0%	118	44	40	46	4.1x	0	4.1x	77	4.1x	-	4.1x
TESA	Tx	84.4%	50.9%	37.1%	11.3%	- 19	26	2	- 16	4.6x	- 9	4.6x	- 7	4.6x	- 2	4.6x
CTM	Tx	84.4%	50.9%	37.1%	11.3%	- 19	25	1	- 16	4.6x	- 10	4.6x	- 7	4.6x	- 2	4.6x
Edesur	Dx	71.6%	37.6%	0.5%	34.1%	644	168	196	461	4.1x	242	4.1x	3	4.1x	219	4.1x
Cemsa	Other	82.0%	55.0%	45.0%		6	- 1	1	5	4.1x	4	4.1x	3	4.1x	-	4.1x
Argentina	Σ					1,024	353	334	606	4.1x	288	4.1x	175	4.1x	215	4.1x
ENI Americas	Holding	100.0%	100.0%			1,038	- 1,176	- 16	1,038	8.5x	1,038	8.5x	-	8.5x	-	8.5x
Endesa Americas	Holding	60.0%		100.0%		41	- 62	- 2	25	8.5x	-	8.5x	41	8.5x	-	8.5x
Chilectra Américas	Holding	99.1%			100.0%	- 152	138	- 2	- 150	8.5x	-	8.5x	-	8.5x	- 152	8.5x
Holdings	Σ					928	- 1,101	- 20	913	8.5x	1,038	8.5x	41	8.5x	- 152	8.5x
Total	Σ					14,869	3,300	2,605	8,520	6.5x	5,737	6.6x	3,559	7.3x	655	5.2x

Fuente: Bloomberg July 18th, 2016

Note: multiples of Cachoeira, Fortaleza and Cien have been halved due to the shorter useful life of these assets, compared to the financial projections used in the DCF






















Valuation of equity interests involved in the merger

iii) Multiples of trading comparables - Generation

Company	Territorial Presence	Brief Description	Installed Capacity (MW)
	 	<ul style="list-style-type: none"> Peruvian electrical generation company Runs 2 thermal and 7 hydro power stations Controlled by Grupo Enel 	1,800
	 	<ul style="list-style-type: none"> Colombian energy generation and trading company Runs 1 thermal and 5 hydro power stations Owned by Canada's Brookfield equity fund 	2,212
	 	<ul style="list-style-type: none"> Colombian company focused on energy generation and distribution Runs 2 thermal and 3 hydro power stations Controlled by Grupo Argos 	1,777
	 	<ul style="list-style-type: none"> Mostly in the energy generation and distribution business With operations in Chile, Brazil, Argentina, Peru and Colombia Runs 16 thermal and 11 hydro power stations, and 3 NCRE plants Controlled by Grupo Enel 	14,785
	 	<ul style="list-style-type: none"> Chilean electricity generation company Runs 10 thermal and 2 hydro power stations and 1 NCRE plant Operates in Argentina and Colombia through its subsidiaries Controlled by AES Corp 	5,081
	 	<ul style="list-style-type: none"> Chilean electricity generation company Runs 5 thermal and 15 hydro power stations and transmission lines Controlled by Grupo Matte 	2,962
	 	<ul style="list-style-type: none"> Mostly in the energy generation and distribution business Runs 11 thermal and 3 hydro power stations, transmission lines and a gas pipeline Controlled by French group GDF Suez 	2,018

Source: Financial reports by the companies, corporate presentations and websites

iii) Multiples of trading comparables - Generation



















Company	Territorial Presence	Brief Description	Installed Capacity (MW)
	 	<ul style="list-style-type: none"> Peruvian company in the energy generation and distribution business Runs 4 thermal and 1 hydro power stations Controlled by French group Engie 	1,952
	 	<ul style="list-style-type: none"> Argentinian company in the energy generation, transmission and distribution businesses⁽¹⁾ Runs 4 thermal and 2 hydro power stations Controlled by executives Marcelo Mindlin, Damián Mindlin, Gustavo Mariani and Ricardo Torres 	2,217
	 	<ul style="list-style-type: none"> Argentine energy generation company Runs 3 thermal power stations Controlled by Grupo SADESA 	1,795
	 	<ul style="list-style-type: none"> Argentine energy generation company Runs 1 thermal power station Controlled by Grupo Enel 	1,138
	 	<ul style="list-style-type: none"> Brazilian energy generation company Runs 3 small thermal power stations, 9 hydro power stations, 7 wind farms, 3 biomass stations and 1 solar farm Controlled by French group Engie 	7,049
	 	<ul style="list-style-type: none"> Brazilian energy generation and water control company Runs 1 hydro power station and 3 small hydro power stations Controlled by the State of São Paulo 	952
	 	<ul style="list-style-type: none"> Brazilian energy generation company Runs 9 hydro power stations and 3 small hydro power stations Subsidiary of US-based AES Corporation 	2,658

Source: Financial reports by the companies, corporate presentations and websites













1) Transmission business under the Transener brand. Distribution business under the Edenor brand

Valuation of equity interests involved in the merger

iii) Multiples of trading comparables - Generation





















Company	Territorial Presence	Brief Description	Installed Capacity (MW)
	 	<ul style="list-style-type: none"> Brazilian company in the energy generation and transmission business It runs 45 hydro and 125 power stations, 8 wind farms and 2 thermonuclear stations. It has 61,000 km of transmission lines Controlled by the State of Brazil 	42,987
	 	<ul style="list-style-type: none"> Brazilian energy generation and distribution company It runs 48 small hydro, 6 hydro and 2 thermal power stations, 41 wind farms, 8 biomass plants and 1 solar farm. It distributes to 7.6 million customers 	3,162
	 	<ul style="list-style-type: none"> Brazilian energy generation and distribution company It runs 16 hydro and 1 thermal power stations Subsidiary of Energías de Portugal (EDP) 	3,809
	 	<ul style="list-style-type: none"> Brazilian energy generation, transmission and distribution company It runs 18 hydro and 1 thermal power stations and 1 wind farm. It distributes energy to 3.5 million households and has 2,302 km of transmission lines Controlled by the State of Paraná 	4,754
	 	<ul style="list-style-type: none"> Brazilian energy generation, transmission and distribution company It runs 84 hydro and 3 thermal power stations and 23 wind farms. It has 15,650 km of transmission lines and distributes to over 12 million customers In Chile, it operates a transmission line together with Alusa Controlled by the State of Minas Gerais 	7,800
	 	<ul style="list-style-type: none"> Brazilian generation company It runs 6 hydro power stations Controlled by the State of São Paulo 	6,649

iii) Multiples of trading comparables - Transmission

Company	Territorial Presence	Brief Description	Installed Capacity (MW)
	 	<ul style="list-style-type: none"> ▪ Brazilian energy transmission company ▪ 18,500 km of transmission lines in 16 Brazilian states ▪ Controlled by Colombian-based ISA 	18,500
	 	<ul style="list-style-type: none"> ▪ Brazilian energy generation and transmission company ▪ Runs transmission lines in Brazil and Chile ▪ It runs 4 hydro and 5 small hydro power stations and 1 wind farm in Brazil, Colombia and Peru, totaling 687 MW of installed capacity ▪ Controlled by Brazilian holding Guarupart 	5,723
	 	<ul style="list-style-type: none"> ▪ Argentine NG transmission production and trading company ▪ Largest NG supplier in Argentina, runs three gas pipelines for a total 7,935 km of pipeline ▪ Controlled by CIESA 	7,925
	 	<ul style="list-style-type: none"> ▪ Argentine energy transmission company ▪ 14,385 km of HV transmission lines in Argentina ▪ Controlled by Pampa Energía 	14,385

Valuation of equity interests involved in the merger

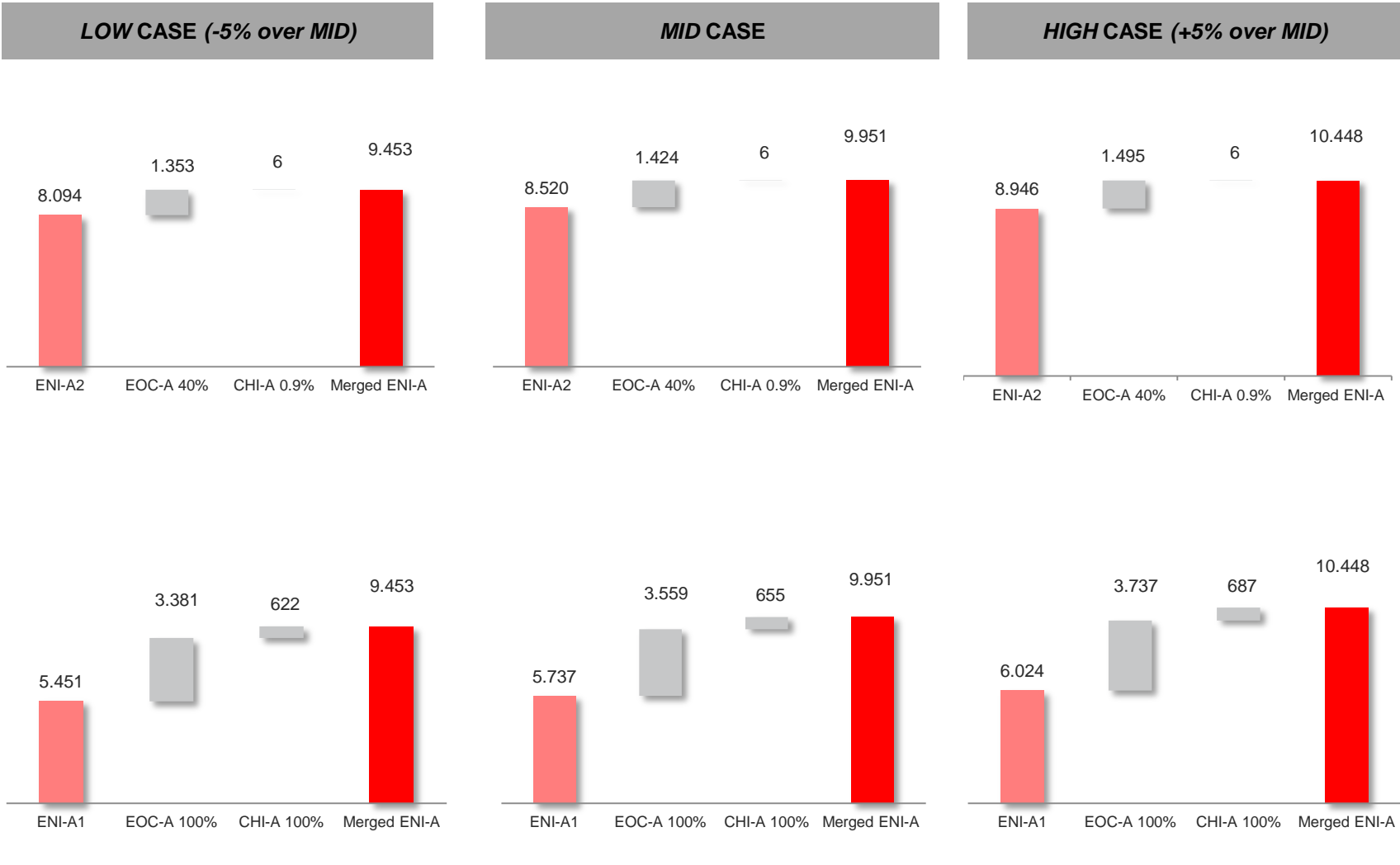
iii) Multiples of trading comparables - Distribution

Company	Territorial Presence	Brief Description	Customers (# million)
	 	<ul style="list-style-type: none"> Peruvian energy distribution company Distributes energy in 30 districts of the province of Lima Controlled by Semptra Energy International (US) 	1.1
	 	<ul style="list-style-type: none"> Peruvian energy distribution company, a subsidiary of Enersis Americas Distributes energy in 52 districts Controlled by Grupo Enel 	1.3
	 	<ul style="list-style-type: none"> Brazilian energy distribution and generation company Distributes energy in the State of Rio de Janeiro It runs two hydro power stations and two pumping stations Controlled by Brazilian generator CEMIG 	4.2
	 	<ul style="list-style-type: none"> Brazilian energy distribution holding Distributes to 4.5 million customers in the States of Maranhão (through CEMAR) and Pará (through CELPA) Main shareholders: Squadra Investimentos, Opportunity and GIC 	4.5
	 	<ul style="list-style-type: none"> Brazilian energy distribution company Distributes energy in the State of Ceará Controlled by Grupo Enel 	3.8
	 	<ul style="list-style-type: none"> Argentine energy distribution company Distributes energy in 21 municipalities of the province of Buenos Aires Controlled by Argentine generator Pampa Energía 	2.8
	 	<ul style="list-style-type: none"> Argentine energy distribution company Distributes energy in the province of Buenos Aires Controlled by Grupo Enel 	2.5

Source: Financial reports by the companies, corporate presentations and websites

Valuation of equity interests involved in the merger

iii) Multiples of trading comparables: valuation summary under this methodology



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- vi) WACC

8. Holding discount and liquidity

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iv) Analysts' target prices and SOTP

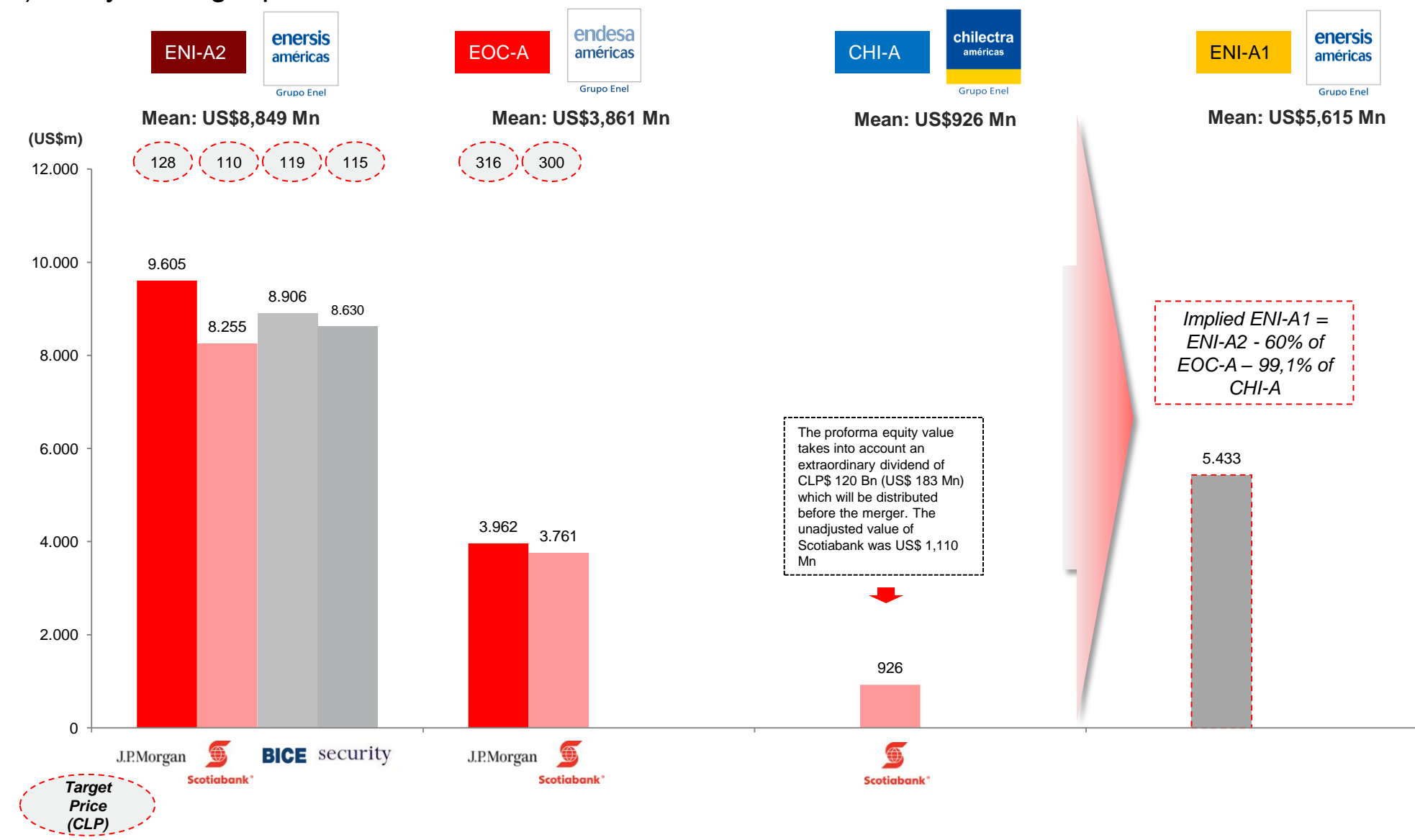
- Analysts (or “sell-side analysts”) try to prepare and subsequently advise investors on various viewpoints with regard to the value, risks and volatility of a given company, in order to provide advice to investors in their decision to buy, sell, short sell, hold or simply avoid a given equity in a company
- To collect the necessary information for an analysis, analysts often review reports and news on the companies being studied and other aspects of relevance for the industry. Moreover, they participate in management conferences
- Analysts prepare reports on the companies and industries being covered, in order to provide recommendations to investors (buy, sell or hold) and provide a price reference at which they value the equity (“target price”) with the relevant premium/discount vs. the current equity price. These reports may be accessed through various different sources. Moreover, stock brokerage firms often offer these reports to their clients free of charge
- The sum-of-the-parts method (“SOTP”) generates an indicative value for the company, adding the value of its segments, subsidiaries or assets individually to the total value of the company
- This methodology may be useful for the following groups:
 - Prospective buyers may want to use this methodology as a preliminary stage for corporate restructuring
 - Investors may be interested in using it because a business being traded for less than the sum of its parts could be “cheap”

Santander has used the following methodology to value the Americas vehicles:

- ENI-A2: average target prices by JPMorgan, Scotiabank, Banco Bice and Banco Security
- ENI-A1: implied value calculated by Santander
- EOC-A: average target prices by JPMorgan and Scotiabank
- CHI-A: SOTP obtained by Scotiabank research

Valuation of equity interests involved in the merger

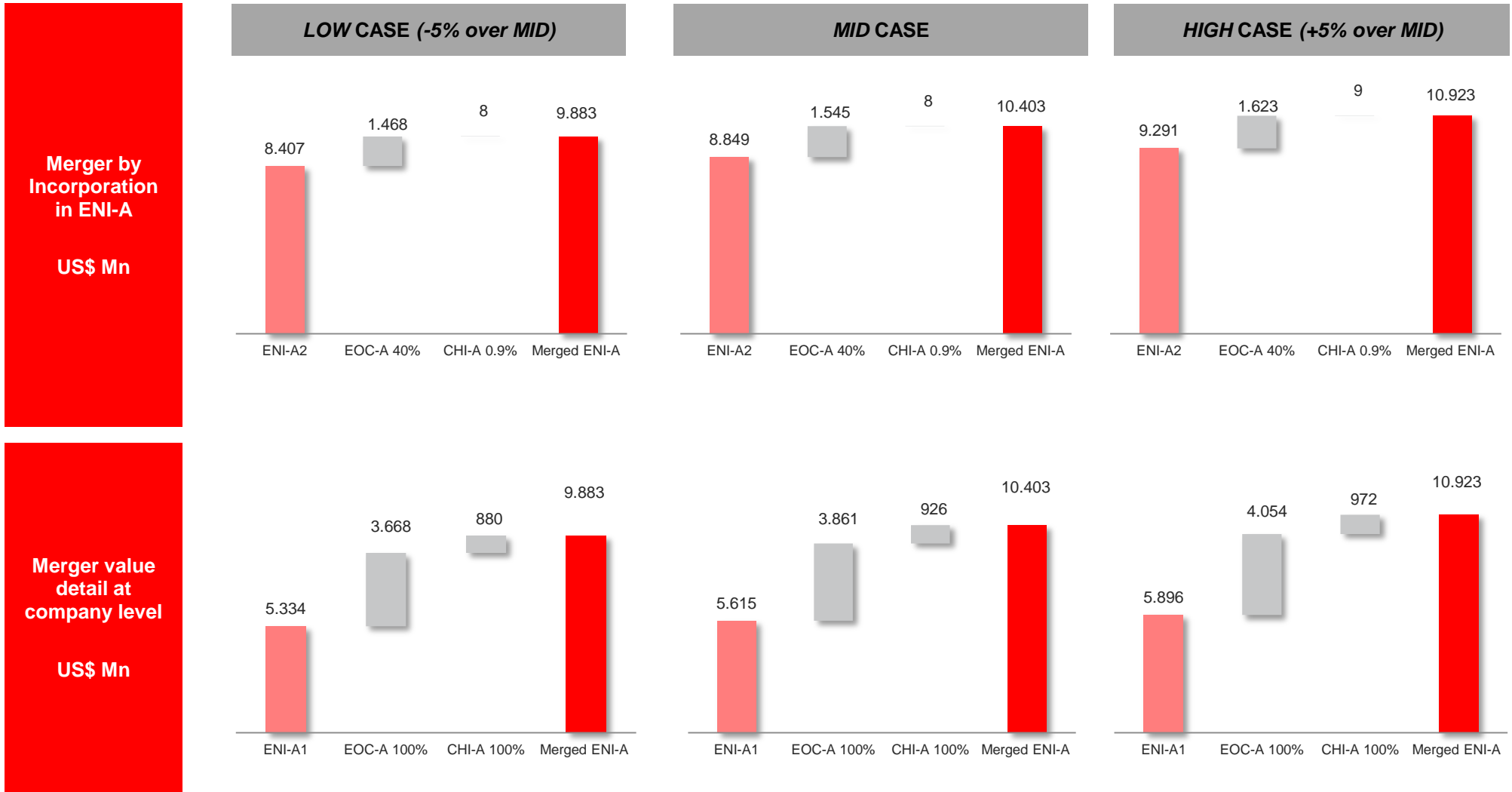
iv) Analysts' target prices and SOTP



Source: Bloomberg, July 18st, 2016

Valuation of equity interests involved in the merger

iv) Analysts' target prices and SOTP: valuation summary under this methodology



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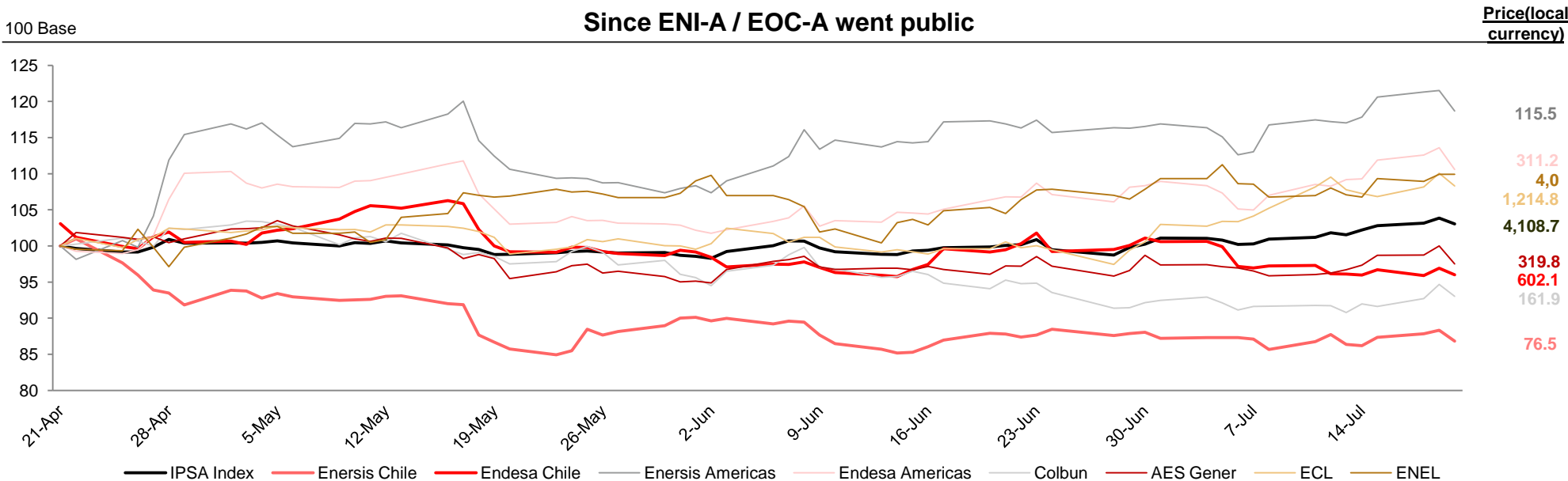
9. Merger Results

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Valuation of equity interests involved in the merger

v) Trading history of ENI-A, EOC-A and CHI-A

Share performance evolution



Historical Behavior - % Change

% Change	1 Week	1 Month	Since Apr-21-16
IPSA	1.8%	3.2%	4.3%
Enersis Chile	3.1%	2.4%	(12.2%)
Endesa Chile	(0.1%)	(3.2%)	(4.0%)
Enersis Americas	1.4%	1.2%	5.5%
Endesa Americas	1.3%	3.9%	5.2%
Colbun	2.5%	(1.1%)	(5.6%)
AES Gener	0.8%	1.5%	(0.7%)
ECL	0.5%	8.7%	7.0%
ENEL	2.7%	4.4%	3.0%
Mean	1.6%	2.3%	0.3%

Valuation of equity interests involved in the merger

v) Trading history of ENI-A, EOC-A and CHI-A vs. LatAm Comparables

Historical Share Price - % Change

% Change		1 Week	1 Month	3 Months	6 Months	1 Year	5 Years
Generation Mean		2.7%	5.5%	1.1%	13.7%	9.4%	63.0%
	ENDESA Chile	(0.1%)	(3.2%)	-	-	-	-
	ENDESA Americas	1.3%	3.9%	-	-	-	-
	ENERSIS Chile	3.1%	2.4%	-	-	-	-
	ENERSIS Americas	1.4%	1.2%	-	-	-	-
	Colbun	2.5%	(1.1%)	(7.9%)	0.3%	(13.5%)	24.4%
	E,CL	0.5%	8.7%	7.9%	26.3%	33.1%	(3.9%)
	AES Gener	0.8%	1.5%	(3.2%)	3.8%	(11.6%)	15.2%
Peru	Engie Perú	2.8%	1.7%	(3.4%)	14.0%	(1.7%)	-
	Edegel	2.8%	12.0%	11.5%	16.5%	(21.0%)	70.6%
	Isagen	8.7%	8.7%	8.8%	17.1%	61.5%	95.2%
	Celsia	(0.9%)	(1.4%)	(2.4%)	27.8%	(8.1%)	(17.4%)
Brazil	CPFL Energia	1.2%	12.7%	0.7%	35.5%	5.5%	(7.7%)
	Cemig	14.2%	22.1%	(21.4%)	8.8%	(44.9%)	(78.6%)
	Copel	11.5%	24.8%	1.4%	24.4%	(14.7%)	(22.2%)
	EDP Brasil	4.2%	9.5%	(0.5%)	9.4%	14.4%	(65.0%)
	CESP	(0.9%)	(3.2%)	(31.7%)	(9.6%)	(40.9%)	(63.8%)
	Tractebel	(2.5%)	0.1%	4.5%	16.0%	12.5%	43.6%
Argentina	AES Tiete	4.0%	1.4%	(4.4%)	4.4%	(18.6%)	(40.2%)
	Pampa	(4.4%)	(3.8%)	41.9%	30.5%	96.5%	550.0%
	Endesa Costanera	(1.4%)	16.9%	(1.4%)	(1.4%)	43.4%	35.5%
	Central Puerto	10.8%	18.2%	20.6%	22.9%	79.9%	511.3%
Transmission Mean		3.5%	3.3%	10.7%	23.7%	32.6%	189.6%
Brazil	CTEEP	2.3%	2.8%	25.1%	40.9%	53.9%	35.6%
	Alupar	7.8%	17.8%	15.9%	42.6%	(6.5%)	(14.1%)
	Taesa	2.5%	8.0%	(1.8%)	18.9%	(8.8%)	(41.4%)
Argentina	TGS	3.9%	(7.0%)	7.6%	19.2%	79.3%	537.8%
	Transener	1.0%	(4.8%)	6.9%	(3.2%)	45.2%	429.9%
Distribution Mean		10.3%	9.7%	20.3%	19.1%	14.7%	100.6%
Peru	Luz del Sur	(0.8%)	(3.5%)	16.7%	4.0%	(7.0%)	60.3%
	Edelnor Sede	(0.4%)	(3.6%)	17.7%	13.9%	(2.6%)	71.2%
Brazil	AES Eletropaulo	24.7%	21.9%	(0.2%)	5.5%	(51.2%)	(77.2%)
	Coelce	3.0%	8.1%	7.0%	18.4%	1.0%	25.3%
	Eletrobras	26.5%	36.5%	56.4%	66.0%	94.6%	(28.6%)
Argentina	Edenor	8.6%	(1.5%)	24.4%	6.9%	53.2%	552.7%




Source: Bloomberg, July 20, 2016

Valuation of equity interests involved in the merger

| p.80 |

v) Market valuation of ENI-A y EOC-A

Summary

(US\$m)		 Grupo Enel	 Grupo Enel	 Grupo Enel
Market Capitalization		8,854	3,972	785
Minority Interests	Book Value	2,221	1,173	-
	Market Value⁽¹⁾	3,592	2,480	-
Net Debt / (Cash)		2,199	1,503	(28)
Firm Value	Book Value	13,275	6,648	756
	Market Value	14,645	7,955	756
EBITDA	2016E	2,522	1,064	-
EV/EBITDA 2016E	Book Value	5.3x	6.2x	
	Market Value	5.8x	7.5x	
P/VL		1.6x	2.1x	1.1x

- Given the importance of minority interests in enterprise value, we note the range of values between the book and market values of minority interests
- To calculate the market value of minority interests, we have taken the current book value of minority interests and applied it the P/BV multiple of each entity
- CHI-A is listed on the Santiago Exchange but lacks trading presence

Source: Company Information, Equity Research, and Bloomberg, July 18th, 2016. Fx USD/CLP 654.2 closing at June 2016 in order to make it comparable with the DCF analysis.

1) Market value of minority interests from the P/VL ratio of each company.

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- vi) WACC

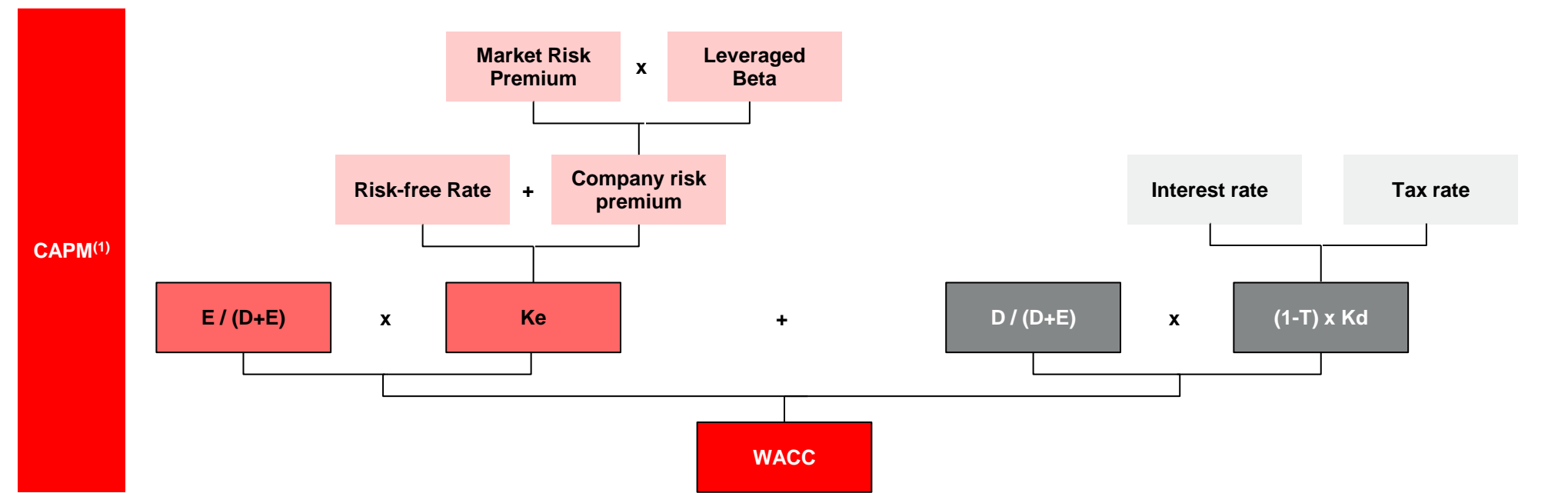
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Valuation of equity interests involved in the merger

vi) WACC







- **WACC** (Weighted average cost of capital) is the minimum rate of return that a company must attain with a given asset to meet the expectations of its creditors, shareholders and other capital providers
- The **D/(D+E)** ratio represents the financial structure of the valued company, calculated considering its optimal long-term structure. It is common market practice to use a “target financial structure” (e.g. the financial structure the company must have to maintain a financial position able to generate value for shareholders in the long term)
- **Kd** is the cost of debt, basically the interest rate at which the company is financed through funds borrower from third parties (e.g. banks, bondholders, etc.)
- **Ke** is the return demanded of company equities, basically the rate of return on the investments that the shareholders require in exchange for owning the equities and assuming the risk this entails

1) Capital Asset Pricing Model

Valuation of equity interests involved in the merger

vi) WACC for generation business

WACC generation business				
US T-Bond	1.69%	1.69%	1.69%	1.69%
Country Risk premium	2.04%	3.94%	2.79%	5.05%
Unlevered Beta	0.72	0.64	0.72	0.84
D/E	36%	42%	36%	38%
Levered Beta	0.91	0.82	0.89	1.05
Risk premium (MRP) ⁽¹⁾	7.0%	7.0%	7.0%	7.0%
Additional premium for Country Risk				3.00%
Equity rate (Ke)	10.1%	11.4%	10.7%	17.1%
US T-Bond + EMBI	3.7%	11.3%	4.5%	7.1%
Spread	200pbs	200pbs	200pbs	200pbs
Interest rate (Kd)	5.7%	13.3%	6.5%	9.1%
After tax interest rate (Kd *(1-t))	4.1%	8.8%	4.3%	5.9%
D/D+E	27%	30%	27%	28%
E/D+E	73%	70%	73%	72%
Tax rate	28%	34%	34%	35%
WACC (nominal US\$)	8.5%	10.6%	9.0%	14.0%

Ke

- Risk free: UST 10y bond (L3M avg.)
- Country Risk: JP Morgan EMBI (L3M avg.)
- Unlevered beta: average of territorial market comparables by geography
- % Debt: average of territorial market comparables by geography
- (Argentina: % leverage as average for Brazil , Peru and Colombia as LT proxy)
- Argentina is applied an additional 300 bps country risk due to future political-regulatory uncertainty

Kd

- Peru: UST *bond* + EMBI + 200 bps spread
- Brazil: CDI 2016 projection, 13.75% in BRL (Santander) converted into US\$ subtracting the BRL/US inflation spread + 200 bps spread
- Colombia: UST *bond* + EMBI + 200 bps *spread*
- Argentina: 2016 sovereign bond yield in US\$ + 200 bps spread





Comps



1) Ibbotson
Source: Bloomberg as of July 18th 2016

Valuation of equity interests involved in the merger

vi) WACC for distribution business

WACC distribution business				
US T-Bond	1.69%	1.69%	1.69%	1.69%
Country Risk premium	2.04%	3.94%	2.79%	5.05%
Unlevered Beta	0.56	0.49	0.56	0.83
D/E	31%	33%	31%	32%
Levered Beta	0.68	0.60	0.67	1.01
Risk premium (MRP) ⁽¹⁾	7.0%	7.0%	7.0%	7.0%
Additional premium for Country Risk				3.0%
Equity rate (Ke)	8.5%	9.9%	9.2%	16.8%
US T-Bond + EMBI	3.7%	11.3%	4.5%	7.1%
Spread	200pbs	200pbs	200pbs	200pbs
Interest rate (Kd)	5.7%	13.3%	6.5%	9.1%
After tax interest rate (Kd *(1-t))	4.1%	8.8%	4.3%	5.9%
D/D+E	24%	25%	24%	24%
E/D+E	76%	75%	76%	76%
Tax rate	28%	34%	34%	35%
WACC (nominal US\$)	7.5%	9.6%	8.0%	14.2%

Ke

- Risk free: UST 10y bond (L3M avg.)
- Country Risk: JP Morgan EMBI (L3M avg.)
- Unlevered beta: average of territorial market comparables by geography
- % Debt: average of territorial market comparables by geography
- (Argentina: % leverage as average for Brazil , Peru and Colombia as LT proxy)
- Argentina is applied an additional 300 bps country risk due to future political-regulatory uncertainty

Kd

- Peru: UST *bond* + EMBI + 200 bps spread
- Brazil: CDI 2016 projection, 13.75% in BRL (Santander) converted into US\$ subtracting the BRL/US inflation spread + 200 bps spread
- Colombia: UST *bond* + EMBI + 200 bps *spread*
- Argentina: 2016 sovereign bond yield in US\$ + 200 bps spread





Comps

1) Ibbotson
Source: Bloomberg as of July 18th 2016

Valuation of equity interests involved in the merger

vi) WACC for transmission business

WACC transmission business					
US T-Bond		1.69%		1.69%	
Country Risk premium		3.94%		5.05%	
Unlevered Beta		0.60		1.01	
D/E		39%		39%	
Levered Beta		0.75		1.26	
Risk premium (MRP) ⁽¹⁾		7.0%		7.0%	
Additional premium for Country Risk				3.0%	
Equity rate (Ke)		10.9%		18.6%	
US T-Bond + EMBI		11.3%		7.1%	
Spread		200pbs		200pbs	
Interest rate (Kd)		13.3%		9.1%	
After tax interest rate (Kd *(1-t))		8.8%		5.9%	
D/D+E		28%		28%	
E/D+E		72%		72%	
Tax rate		34%		35%	
WACC (nominal US\$)		10.3%		15.1%	





Ke



- Risk free: UST 10y bond (L3M avg.)
- Country Risk: JP Morgan EMBI (L3M avg.)
- Deleveraged beta: average of territorial market comparables by geography
- % Debt: average of territorial market comparables by geography
- (Argentina: % leverage as average for Brazil , Peru and Colombia as LT proxy)
- Argentina is applied an additional 300 bps country risk due to future political-regulatory uncertainty



Kd

- Peru: N/A
- Brazil: CDI 2016 projection, 13.75% in BRL (Santander) converted into US\$ subtracting the BRL/US inflation spread + 200 bps spread
- Colombia: N/A
- Argentina: 2016 sovereign bond yield in US\$ + 200 bps spread

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Holding discount and liquidity

Holding discount considerations

Holding discount definition

The **holding discount**, defined as the % difference between NAV⁽¹⁾ and the trading value of a company, in Santander's opinion, is due mostly to the following factors:

- **Waterfall effect of the corporate organizational chart**
- **Complex corporate structure**, through crossed company holdings
- **Distance from consolidating vehicles** of the OpCo's
- **Investor access**, at the level of listed holdings or else listed OpCo's
- **Different liquidities** between holdings and OpCo's
- **Additional expenses at the holding level** above and beyond the expenses incurred by the OpCo's

Comparables analysis

- In Chile, there are several cases of holdings trading at a discount compared to their OpCo's. For this report, we analyzed the following cases:
 - **Antarchile (42%)**: main holding of the Angelini family, with controlling interests in Empresas Copec, among others
 - **Quiñenco (31%)**: main holding of the Luksic family, with controlling and co-controlling interests in Banco de Chile, CCU, Enex, CSAV, SAAM, Invexans and Techpack, among others
 - **Almendral (28%)**: holding with controlling interests mostly in Entel
 - **IAM (11%)**: holding with a controlling interest in Aguas Andinas

(1) NAV: "Net Asset Value", i.e. the sum of the market values of underlying assets, minus net financial debt

Holding discount conclusions

Treatment of holding discount by Independent Valuers in phase I of Carter II

- The Independent Valuers for the first phase of the Carter II Project were not unanimous on how to treat this discount. Moreover, one must bear in mind that, at the pre-merger stage, the Americas vehicles did not exist yet or else had been recently created after the spin off. Any consideration on the holding discount related more to Enersis Chile and Endesa Chile
- To clarify the methodologies previously used by the independent valuers for the holding discount for phase I of Carter II, please find below a brief summary of each:
 - **Tyndall**: It applied a DCF value and market multiples. They estimate an aggregate holding discount of 16% for EOC Chile and 31% for ENI (applying market multiple values), but did not provide a discount for the Americas
 - **Deutsche Bank**: It did not value the holding discount specifically. It applied a DCF range based on whether there is control or not
 - **BofA Merrill Lynch**: 16.9% holding discount for ENI Chile, but none for the Americas
 - **IMTrust**: It assumed a 0% holding discount for EOC Chile and CHI Chile. EOC-A and CHI-A would carry an implied discount of 22%
 - **Colin Baker (PwC)**: It did not value the holding discount specifically. It applied a DCF value
 - **Rafael Malla (Deloitte)**: It did not value the holding discount specifically. It applied a DCF value
 - **Mario Torres (KPMG)**: It did not value the holding discount specifically. It applied a DCF value

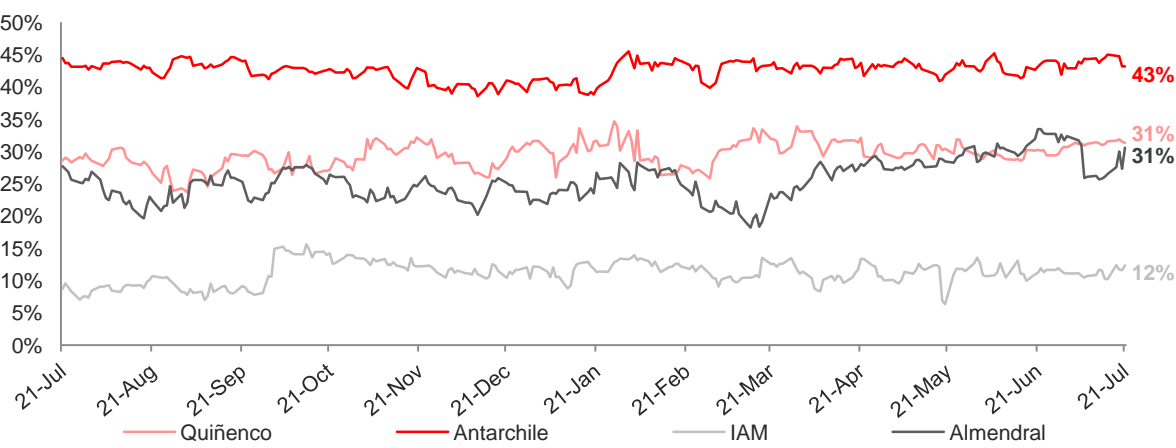
Conclusion and choice of methodology

- In the specific case of the potential holding discount for ENI-A and EOC-A, Santander is of the opinion that its quantification could lead to an error in the calculation methodology. This is due mostly to the following:
- The discounts arising from the difference between the fair equity value calculated by Santander ("DCF") and the trading value of ENI-A and EOC-A, are very similar (**ENI-A ~ -5% vs EOC-A ~ -7%** on average since they started trading)
- Although the current corporate structure could be indicative of greater subordination by ENI-A compared to EOC-A, one must take into account that ENI-A has significant direct holdings in operational assets and not only through EOC-A and/or CHI-A. This should reduce or virtually eliminate an additional holding discount for ENI-A compared to EOC-A
- The cases of comparable holdings analyzed show discounts ranging from 11% to 42% compared to the equity value of the companies that consolidate therein
- **It should be noted that, in addition, the holding costs of the 3 Americas vehicles have already been incorporated into the DCF valuations and these assume a higher holding-level adjustment for ENI-A compared to the two other entities involved in the merger**

Holding discount and liquidity

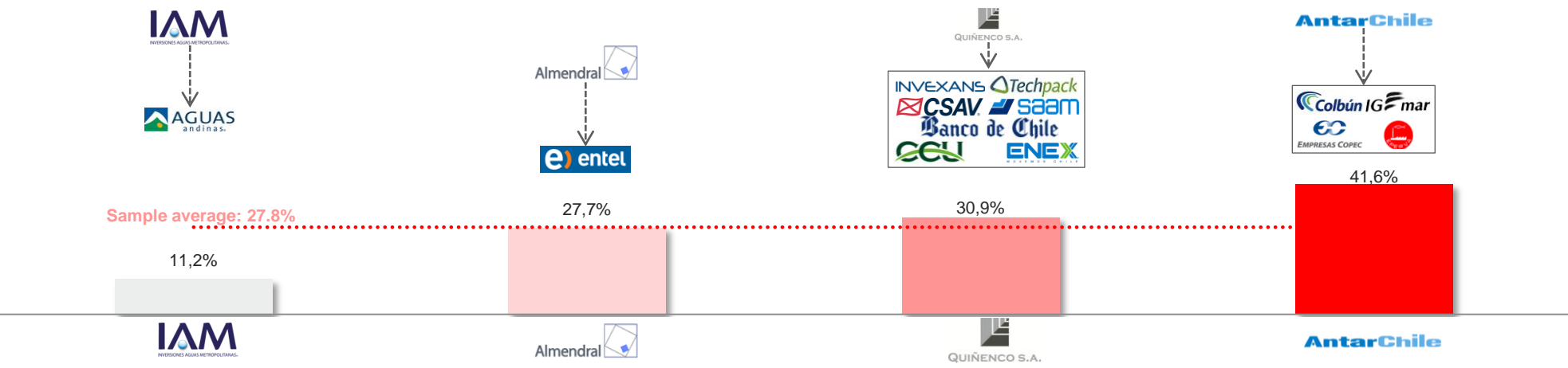
Holding discount analysis

Evolution of relevant holding discounts in Chile (Last 12 months)



	Average	Max	Min	Current
Quiñenco	30.9%	33.7%	34.3%	32.5%
Antarchile	41.6%	43.6%	37.7%	42.2%
IAM	11.2%	11.2%	11.4%	12.3%
Almendral	27.7%	30.4%	29.2%	32.0%
Average	27.8%	29.7%	28.1%	29.8%
Median	29.3%	32.0%	31.8%	32.3%

Holding discounts – Last 12 months average

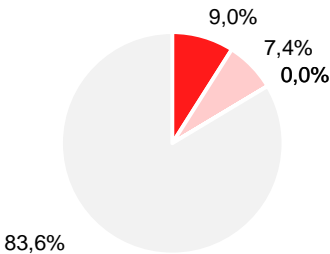


Source: Bloomberg as of July 21st 2016. Companies Financial Statements
 Note: Recent capital increase in Entel (US\$ 515 Mn) was not taken into consideration for computing Almendral's holding discount

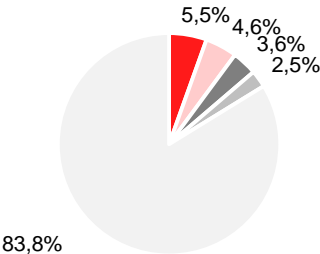
Liquidity analysis

Companies weight in IPSA index

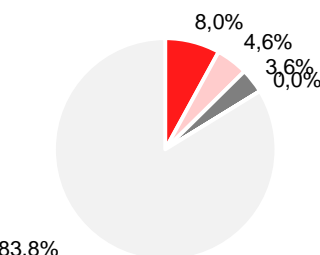
Before restructuring (April 16)



Current situation (June 16)

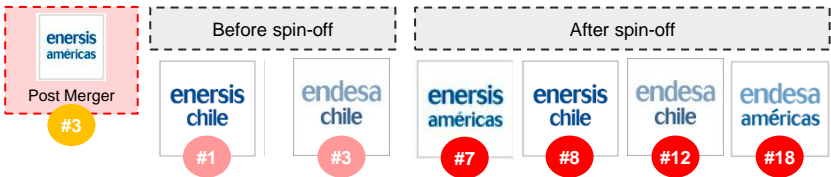
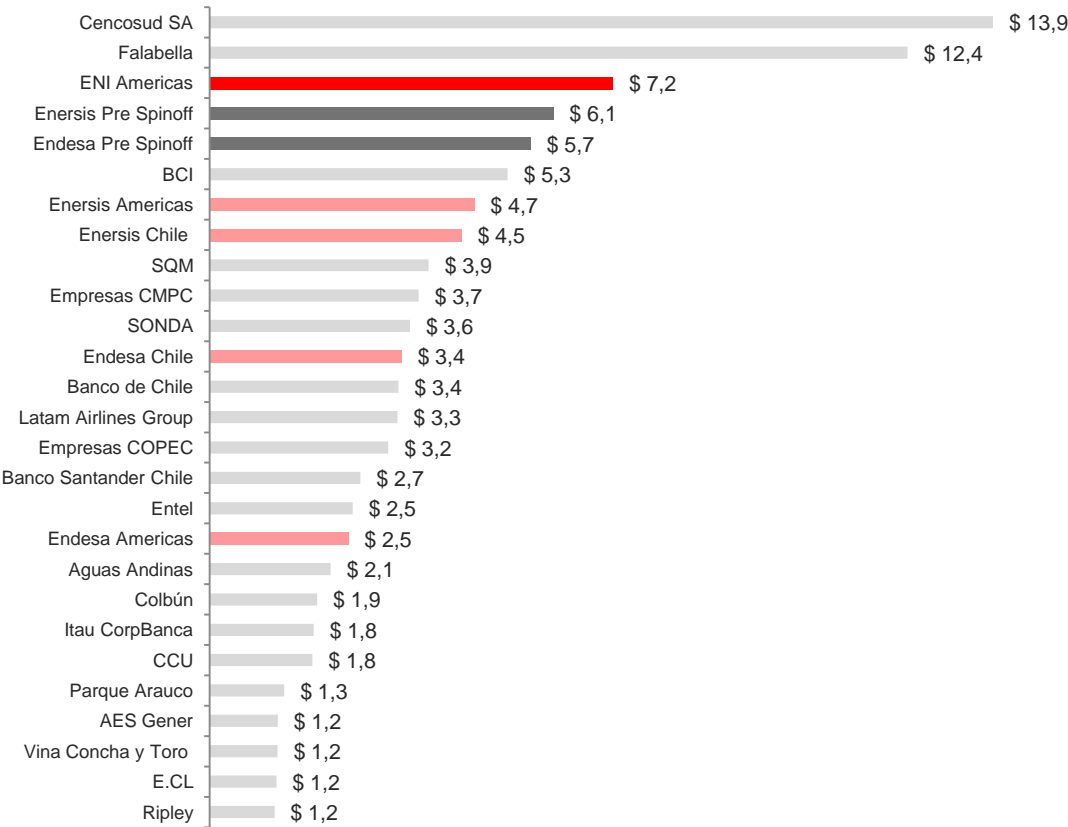


Post-merger estimate



■ Enersis Américas ■ Endesa Chile ■ Enersis Chile
■ Endesa Américas ■ Resto IPSA

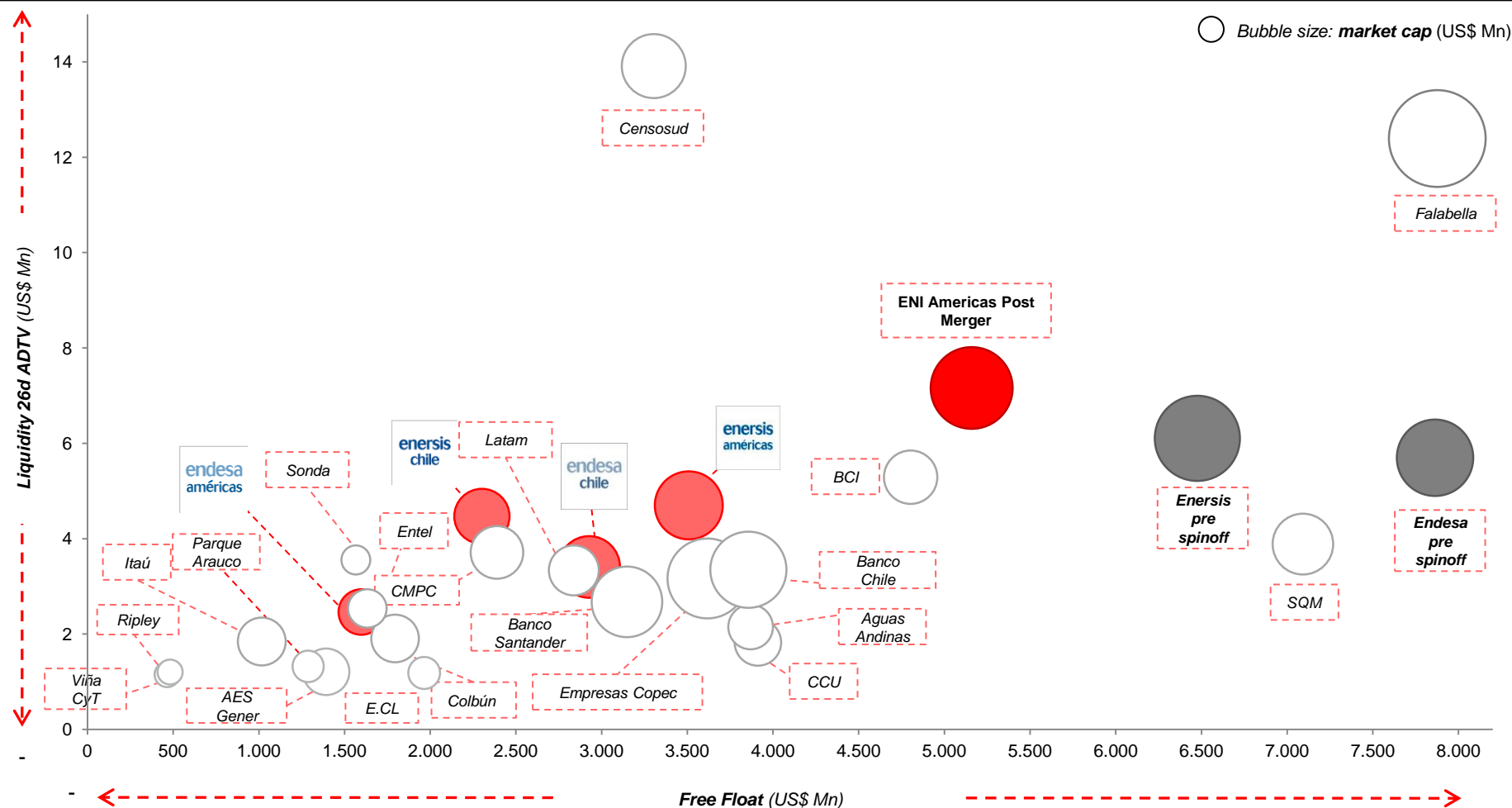
Companies liquidity (ADTV US\$ Mn)



Source: Bloomberg as of July 18th 2016
Exchange rate: USD/CLP: \$650.58
Note: IPSA companies with liquidity > US\$ 1 Mn
Enersis and Endesa pre spinoff use 12-month liquidity before the spinoff (21/04/15-20/04/2016).

Liquidity analysis

ADTV (US\$ MM) ~ 04/21/16 - Current



After the spinoff, liquidity at the companies has diminished. Once they merge, the liquidity of the new Enersis Americas should increase and signal its comeback among top-ranking companies in the index

Source: Bloomberg as of July 18th 2016
Exchange rate: USD/CLP: \$650.58
Note: IPSA companies with liquidity > US\$ 1 Mn
Enersis and Endesa pre spinoff use 12-month liquidity before the spinoff (20/04/2016). Market cap at 18/07/16

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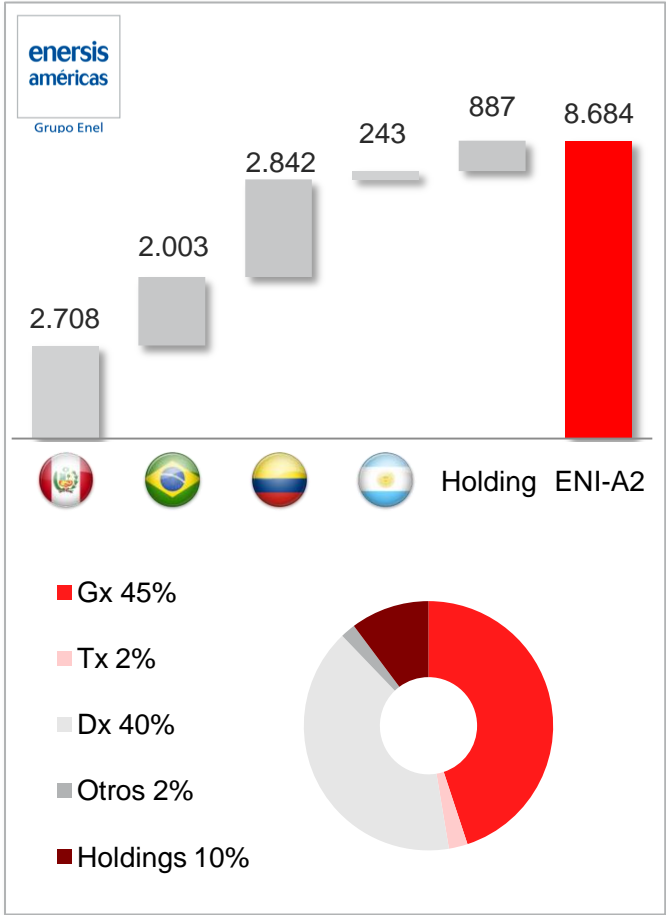
Merger results

Merger in ENI-A: DCF outputs

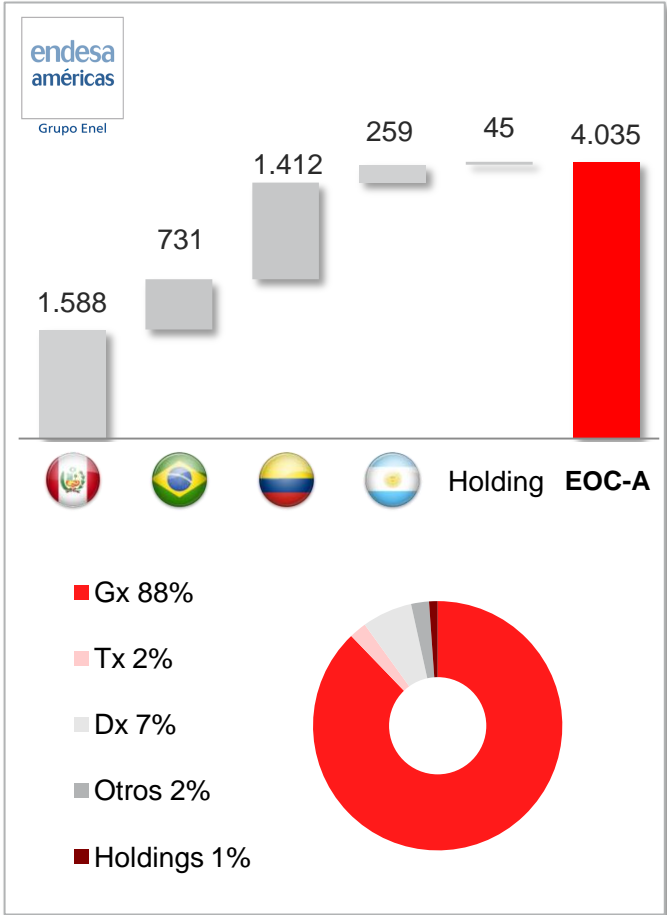
Control Case

Discounted cash flows – US\$ Mn

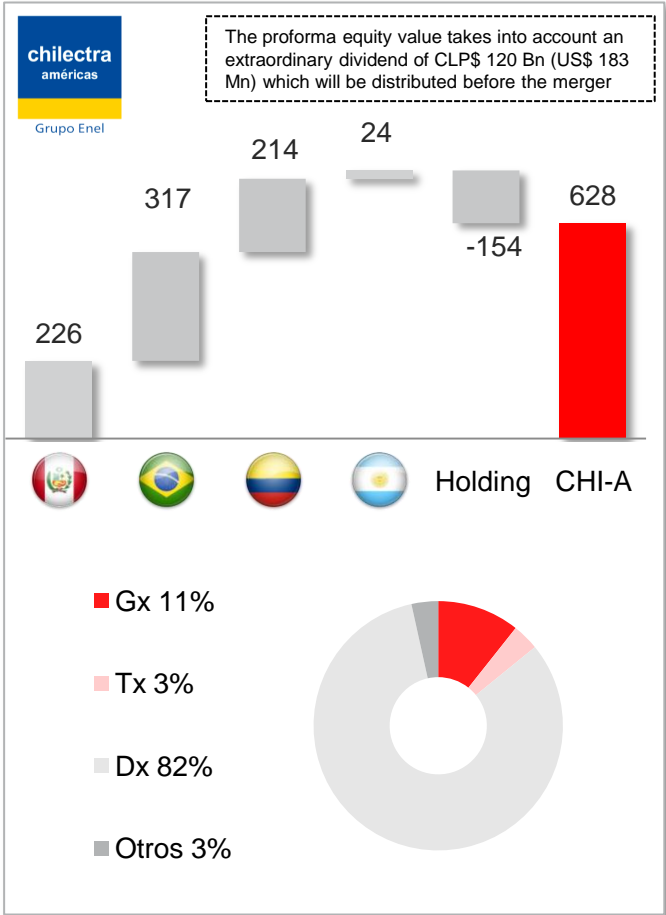
ENI-A2



EOC-A

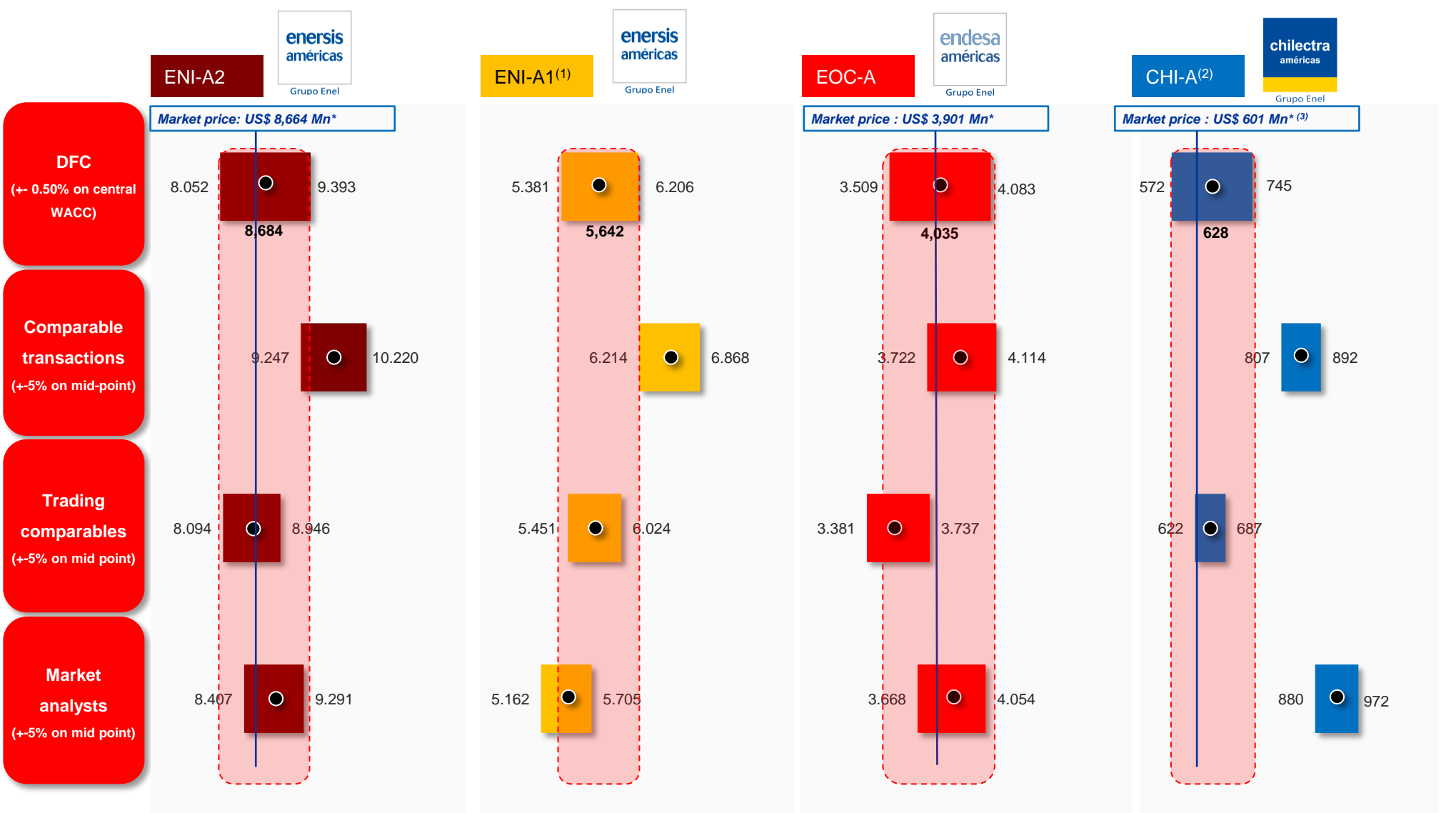


CHI-A



Merger results

Valuation methodologies outcomes - US\$ Mn

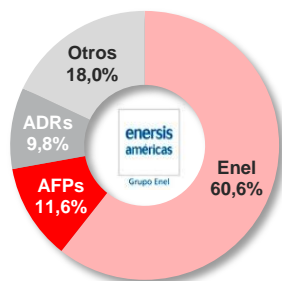


1) Implied values
 2) Highly illiquid / irrelevant trading volumes
 3) Market price considers that Chilectra would distribute an extraordinary dividend of CLP\$ 120Bn (US\$ 183 Mn)
 * Values as of July 20th 2016

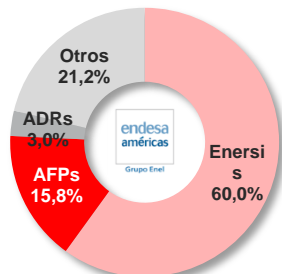
Merger results

Merger in ENI-A: DCF case - No Control

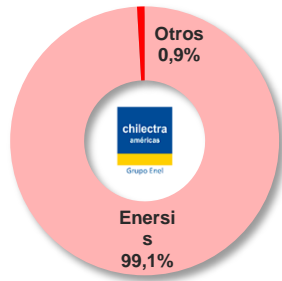
Merger by incorporation into ENI-A (equity value level) – US\$ Mn



ENI-A	Equity US\$ Mn	%
Enel	5,319	60.6%
ADRs	859	9.8%
AFP	1,013	11.6%
Otros	1,582	18.0%
Total	8,773	



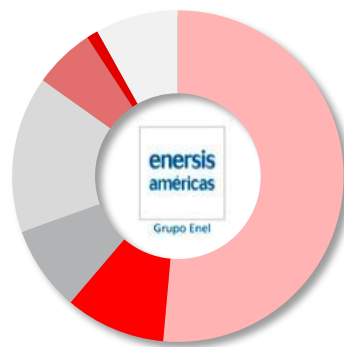
EOC-A	Equity US\$ Mn	%
Enersis	2,344	60.0%
ADRs	118	3.0%
AFP	616	15.8%
Otros	829	21.2%
Total	3,908	



CHI-A	Equity US\$ Mn	%
Enersis	664	99.1%
Otros	6	0.9%
Total	670	

Shareholder's detail for each vehicle

- Enel 51.4%
- ADRs (ENI-A) 8.3%
- AFP (ENI-A) 9.8%
- Others (ENI-A) 15.3%
- ADRs (EOC-A) 1.1%
- AFP (EOC-A) 6%
- Others (EOC-A) 8%
- Others (CHI-A) 0.1%

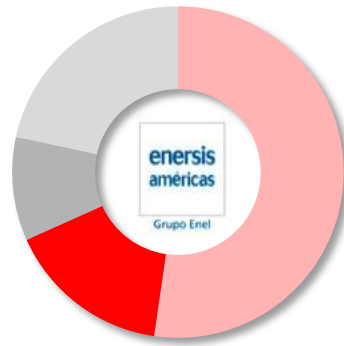


US\$ 10,343 Mn

ENI-A – MergeCo	Equity US\$ Mn	%
Enel	5,319	51.4%
ADRs (ENI-A)	859	8.3%
AFP (ENI-A)	1,013	9.8%
Others (ENI-A)	1,582	15.3%
ADRs (EOC-A)	118	1.1%
AFP (EOC-A)	616	6.0%
Others (EOC-A)	829	8.0%
Others (CHI-A)	6	0.1%
Total	10,343	100.0%

Post-merger shareholders

- Enel 51.4%
- ADRs 9.5%
- AFP 15.8%
- Others 23.4%



US\$ 10,343 Mn

ENI-A – Summary MergeCo	Equity US\$ Mn	%
Enel	5,319	51.4%
ADRs	978	9.5%
AFP	1,630	15.8%
Others	2,417	23.4%
Total	10,343	100.0%

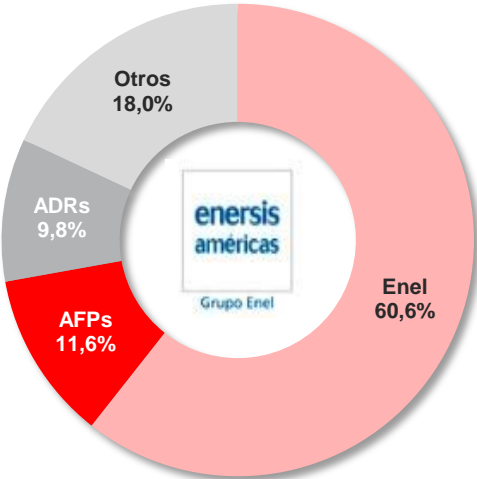
Note: ENI-A2, EOC-A y CHI-A values used for the exchange of shares consider a tax benefit of US\$ 96 Mn for ENI-A2, US\$ 132 Mn for EOC-A and US\$ 17 Mn for CHI-A

Merger in ENI-A: DCF case - No Control

Merger by incorporation into ENI-A (number of shares level)

ENI-A pre-merger

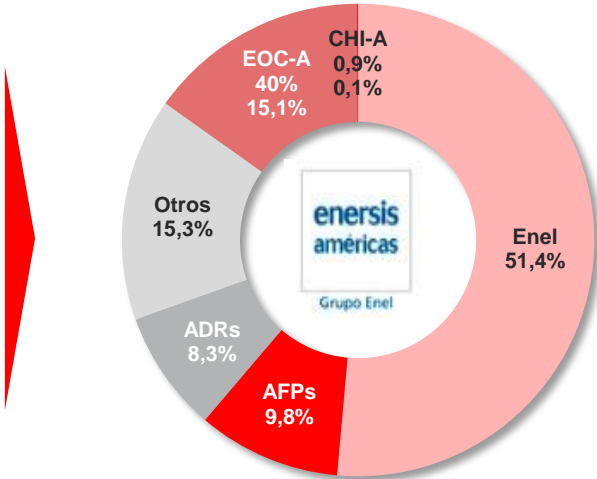
ENI-A shareholders



ENI-A	# of shares	%
Enel	29,762	60.6%
AFPs	5,671	11.6%
ADRs	4,809	9.8%
Others	8,851	18.0%
Total	49,093	100.0%

ENI-A post-merger: MergeCo

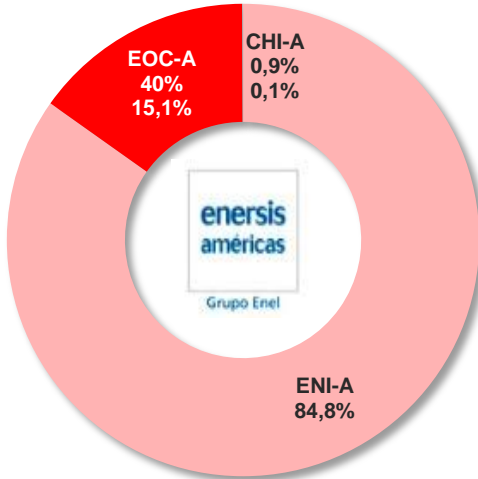
At different shareholders' level



ENI-A - MergeCo	# of shares	%
Enel	29,762	51.4%
AFPs	5,671	9.8%
ADRs	4,809	8.3%
Others	8,851	15.3%
EOC-A 40%	8,750	15.1%
CHI-A 0.9%	34	0.1%
Total	57,877	100%

ENI-A post-merger: MergeCo

At shareholding company level

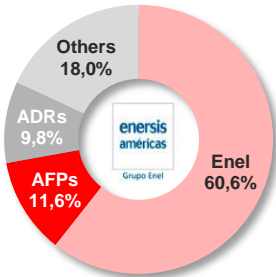


ENI-A	# of shares	%
ENI-A	49,093	84.82%
EOC-A 40%	8,750	15.12%
CHI-A 0.9%	34	0.06%
Total	57,877	

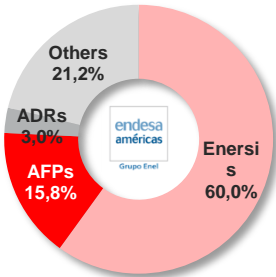
Note: ENI-A2, EOC-A y CHI-A values used for the exchange of shares consider a tax benefit of US\$ 96 Mn for ENI-A2, US\$ 132 Mn for EOC-A and US\$ 17 Mn for CHI-A

Merger in ENI-A: DCF case- **Control**

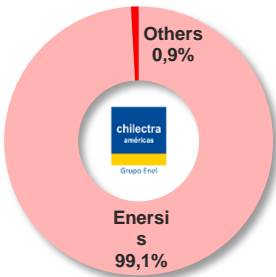
Merger by incorporation into ENI-A (equity value level) – US\$ Mn



ENI -A	Equity US\$ Mn	%
Enel	5,323	60.6%
AFPs	1,014	11.6%
ADRs	860	9.8%
Others	1,583	18.0%
Total	8,780	



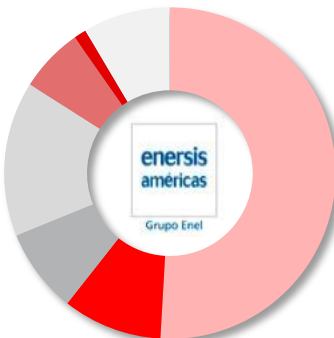
EOC -A	Equity US\$ Mn	%
Enersis	2,500	60.0%
AFPs	657	15.8%
ADRs	126	3.0%
Others	885	21.2%
Total	4,167	



CHI -A	Equity US\$ Mn	%
Enersis	639	99.1%
Others	6	0.9%
Total	645	

Shareholder's detail for each vehicle

- Enel 50.9%
- AFPs (ENI-A) 9.7%
- ADRs (ENI-A) 8.2%
- Others (ENI-A) 15.1%
- AFPs (EOC-A) 6.3%
- ADRs (EOC-A) 1.2%
- Others (EOC-A) 8.5%
- Others (CHI-A) 0.1%

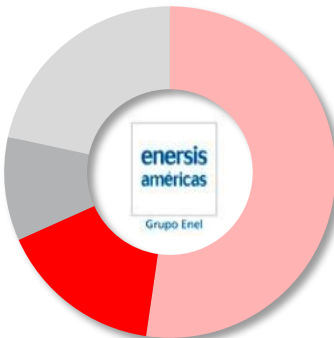


US\$ 10,454 Mn

ENI-A – MergeCo	Equity US\$ Mn	%
Enel	5,323	50.9%
AFPs (ENI-A)	1,014	9.7%
ADRs (ENI-A)	860	8.2%
Others (ENI-A)	1,583	15.1%
AFPs (EOC-A)	657	6.3%
ADRs (EOC-A)	126	1.2%
Others (EOC-A)	885	8.5%
Others (CHI-A)	6	0.1%
Total	10,454	100.0%

Post-merger shareholders

- Enel 50.9%
- AFPs 16%
- ADRs 9.4%
- Others 23.7%



US\$ 10,454 Mn

ENI-A – Summary MergeCo	Equity US\$ Mn	%
Enel	5,323	50.9%
AFPs	1,671	16.0%
ADRs	986	9.4%
Others	2,473	23.7%
Total	10,454	100.0%

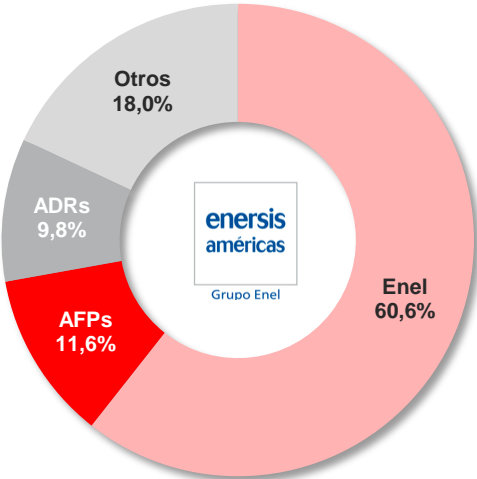
Note: ENI-A2, EOC-A y CHI-A values used for the exchange of shares consider a tax benefit of US\$ 96 Mn for ENI-A2, US\$ 132 Mn for EOC-A and US\$ 17 Mn for CHI-A

Merger in ENI-A: DCF case- **Control**

Merger by incorporation into ENI-A (number of shares level)

ENI-A pre-merger

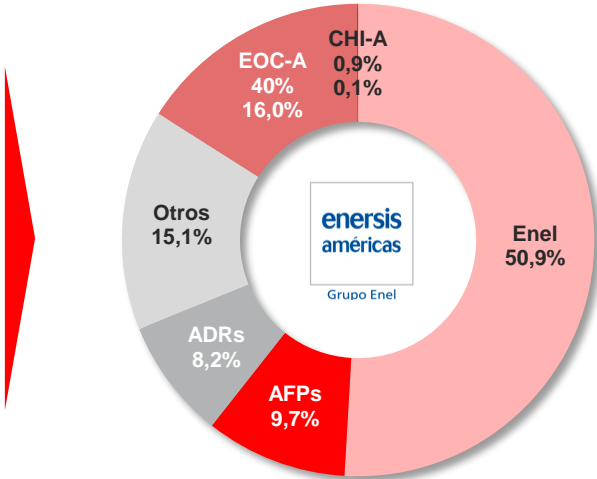
ENI-A shareholders



ENI-A	# of shares	%
Enel	29,762	60.6%
AFPs	5,671	11.6%
ADRs	4,809	9.8%
Otros	8,851	18.0%
Total	49,093	100.0%

ENI-A post-merger: MergeCo

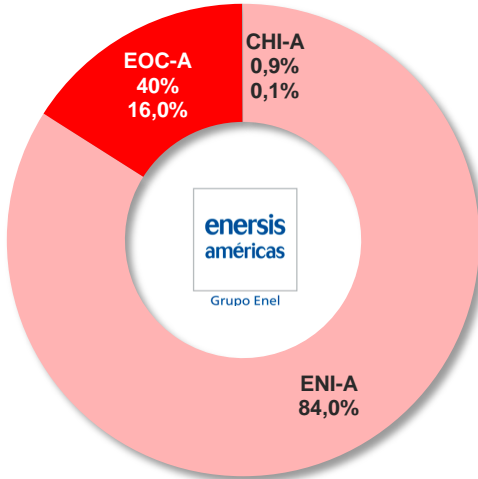
At different shareholders' level



ENI-A - MergeCo	# of shares	%
Enel	29,762	50.9%
AFPs	5,671	9.7%
ADRs	4,809	8.2%
Others	8,851	15.1%
EOC-A 40%	9,325	16.0%
CHI-A 0.9%	33	0.1%
Total	58,451	100%

ENI-A post-merger: MergeCo

At shareholding company level







ENI-A	# of shares	%
ENI-A	49,093	83.99%
EOC-A 40%	9,325	15.95%
CHI-A 0.9%	33	0.06%
Total	58,451	

Note: ENI-A2, EOC-A y CHI-A values used for the exchange of shares consider a tax benefit of US\$ 96 Mn for ENI-A2, US\$ 132 Mn for EOC-A and US\$ 17 Mn for CHI-A

Merger results

Merger in ENI-A: conclusions on shares exchange ratio

US\$ Mn	Methodology	Equity value (US\$m)			Share exchange	Merged ENI-A (% stake)			
		 Grupo Enel ENI-A2	 Grupo Enel EOC-A	 Grupo Enel CHI-A	 Grupo Enel EOC-A	Controller	ENI-A Minorities	EOC-A Minorities	% ENI-A
Market trading value	Trading values at current date	8,760	4,033	618	2.8	51.2%	33.2%	15.5%	84.4%
	Stock Price (CLP\$) 20/07/2016 ⁽¹⁾	116.7	321.7	351,4					
Case 1 - DCF no control	Discounted free cash flow values – Does not distinguish between controlling and non-controlling stakes	8,773	3,908	670	2.7	51.4%	33.4%	15.1%	84.8%
	Stock Price (CLP\$)	116.9	311.7	381.1					
Case 2 – DCF control	Discounted free cash flow values – Does distinguish between controlling and non-controlling stakes	8,780	4,167	645	2.8	50.9%	33.1%	16.0%	84.0%
	Stock Price (CLP\$)	117.0	332.4	366.5					
Average – other methodologies	Weighted average trading comparable multiples, comparable transactions multiples and target prices	9,130	3,912	827	2.6	51.7%	33.6%	14.6%	85.4%
	Stock Price (CLP\$)	121.7	312.0	470.2					
Shareholder Proposed Exchange	Shareholder meeting proposed exchange	8,780	4,239	863	2.8	50.8%	33.0%	16.2%	83.7%

Conclusions and considerations on corporate interests in the operation

- This independent valuation has been prepared by Banco Santander Chile S.A. (“Santander”), at the express request of the Board of Endesa Americas S.A. (“Endesa”)
- In preparing the independent valuation of the operations comprising the Merger, we used Discounted Cash Flow (DCF) as well as methods and market benchmarks that support DCF (multiples of comparable transactions, multiples of traded variables, market value, review of research analyst documentation and analyses of independent valuation reports)
- Santander is of the opinion that the Merger is a sensitive process for shareholders in the various companies involved, in particular for shareholders with minority interests. Consequently, we must address economic, market, regulatory and strategic aspects to attain an exchange of shares between the parties involved, at a fair value. For Santander, this value is equivalent to:
 - **2.6 – 2.8** shares in Enersis Americas = 1 share in Endesa Americas (minority interests in EOC-A between 14.6%-16.0%)
- Assuming the above is complied with, the Merger will be positive and therefore contribute to the interest of Endesa Americas and the shareholders involved, taking into account the following:
 - Withdrawal right to be potentially exercised by the shareholders of Enersis Americas, Endesa Americas and Chilectra Americas as a result of the Merger, not to exceed 10.00%, 10.00% and 0.91% respectively
 - The Board of Enersis Americas announced it intended to submit a tender offer (OPA) for all the shares and ADRs issued by Endesa Americas not held by Enersis Americas, at a price of CLP 285 per share. The OPA to be contingent upon approval of the Merger by the shareholders of Enersis Americas, Endesa Americas and Chilectra Americas, and fulfillment of the first Withdrawal Right condition
 - The controlling shareholder of Enel S.p.A. said that the notional exchange ratio announced for the merger is favorable to the interests of all shareholders, and that it would consequently vote in favor of the Merger at the relevant extraordinary shareholders’ meeting

1. Glossary

2. Introduction

3. Executive summary

4. Analysis of Enersis corporate restructuring process

5. Regulatory matters

6. Description of the companies

7. Valuation of equity interests involved in the merger

- i) Discounted cash flow
- ii) Multiples of transaction comparables
- iii) Multiples of trading comparables
- iv) Analysts' target prices and SOTP
- v) Trading history of ENI-A, EOC-A and CHI-A vs. LatAm Comparables
- vi) WACC

8. Holding discount and liquidity

9. Merger results

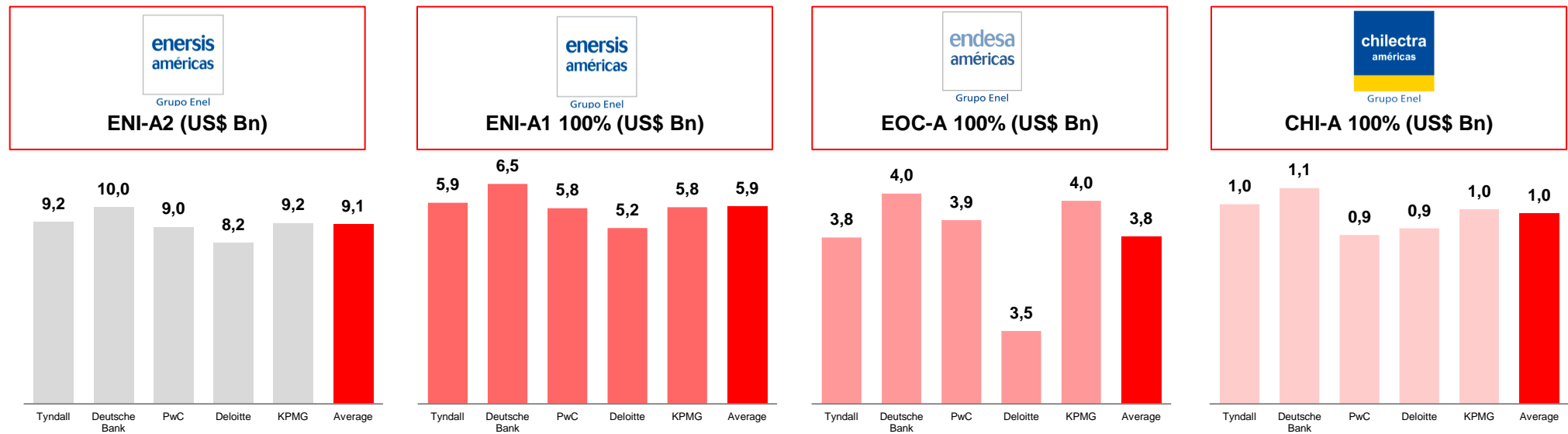
10. Appendix

Comparable transactions multiples

DETAIL

Independent evaluators reports: stage 1 of Carter II


- This valuation reference considers the result of the valuations conducted in the first phase of Carter II by the Independent Valuator Banks and Independent Appraisers
- In this first phase of Carter II, the operation perimeter was wider, including the Chilean assets of Enersis, Endesa and Chilectra, as well as their international stakes
- For this report, Santander has only considered the interests involved in the merger among ENI-A, EOC-A and CHI-A
- As evident from the following analysis, the vast majority of Evaluators have valued the assets of the Americas vehicles at the level of each individual geography and company (in some cases, companies with less relative weight have been grouped in the “Rest” category)
- In the reports issued by Colin Baker (PwC) and Rafael Malla (Deloitte), Argentina was not considered in the valuation
- The Evaluators who did not submit this report using DCF methodology for each asset have been excluded from our analysis
- In the valuation of some of these vehicles (ENI-A2, ENI-A1,EOC-A, CHI-A), it was not expressly submitted and it was hence recalculated implicitly by Santander in order that the analysis be as exhaustive as possible



Note: Adjusted average does not consider the values submitted by Tyndall and Deloitte, the highest and lowest of all cases, respectively.

Appendix


Independent evaluators reports: stage 1 of Carter II⁽³⁾

US\$ Mn						1) Tyndall Group				2) Deutsche Bank 			
Company	Business	ENI-A2	ENI-A1	EOC-A	CHI-A	ENI-A2	ENI-A1	EOC-A	CHI-A	ENI-A2	ENI-A1	EOC-A	CHI-A
Edegel	Gx	58.6%	21.1%	62.5%		1,311	473	1,397	-	1,245	449	1,327	-
Chinango	Gx	46.9%	16.9%	50.0%		181	65	193	-	172	62	184	-
Piura	Gx	96.5%	96.5%			178	178	-	-	166	166	-	-
Edelnor	Dx	75.5%	60.1%		15.6%	1,137	904	-	235	1,436	1,143	-	296
Generalima	Other	100.0%	100.0%			-	-	-	-	125	125	-	-
Caboblanco	Other	100.0%	100.0%			-	-	-	-	-	-	-	-
Resto	Other					-	-	-	-	28	19	-	8
Peru	Σ					2,807	1,621	1,590	235	2,921	1,714	1,511	304
Endesa Brasil	Gx	84.4%	50.9%	37.1%	11.3%	69	42	30	9	103	62	45	14
Cachoeira	Gx	84.2%	50.8%	37.0%	11.2%	358	216	158	48	391	236	172	52
Fortaleza	Gx	84.4%	51.0%	37.1%	11.3%	274	166	120	37	293	177	129	39
Cien	Tx	84.4%	50.9%	37.1%	11.3%	267	161	118	36	248	150	109	33
Coelce	Dx	64.9%	45.2%	21.9%	6.6%	523	364	176	53	751	523	253	77
Ampla	Dx	92.0%	45.3%	17.4%	36.7%	631	310	119	251	551	271	104	220
Com e Serv	Other	84.4%	50.9%	37.1%	11.3%	80	48	35	11	105	63	46	14
Resto	Other					-	-	-	-	-	-	-	-
Brazil	Σ					2,202	1,308	756	445	2,442	1,482	858	450
Emgesa	Gx	37.7%	21.6%	26.9%		1,667	955	1,187	-	1,786	1,023	1,274	-
Codensa	Dx	48.4%	39.1%		9.4%	1,400	1,132	-	270	1,668	1,349	-	322
EEC	Dx	19.5%	15.8%		3.8%	6	5	-	1	15	11	-	3
Resto	Other					-	-	-	-	-	-	-	-
Colombia	Σ					3,073	2,092	1,187	272	3,469	2,383	1,274	325
Costanera	Gx	45.4%		75.7%		62	0	103	-	74	-	123	-
Dock Sud	Gx	40.2%	40.2%			50	50	-	-	55	55	-	-
El Chocon	Gx	39.2%		65.4%		129	0	215	-	138	-	229	-
TESA	Tx	84.4%	50.9%	37.1%	11.3%	6	4	3	1	12	7	5	2
CTM	Tx	84.4%	50.9%	37.1%	11.3%	8	5	3	1	12	7	5	2
Edesur	Dx	71.6%	37.6%	0.5%	34.1%	182	95	1	87	67	35	-	31
Cemsa	Other	82.0%	55.0%	45.0%		-	-	-	-	10	7	6	-
Otros	Other	100.0%	100.0%	100.0%		-	-	-	-	4	-	4	-
Resto	Other					-	-	-	-	-	-	-	-
Argentina	Σ					409	137	313	85	316	83	344	27
ENI-A	Holding	100.0%	100.0%			758	790	-	-	837	842	-	-
EOC-A	Holding	60.0%		100.0%		-	-	14	-	-	-	12	-
CHI-A	Holding	99.1%			100.0%	-	-	-	24	-	-	-	12
Holdings	Σ					758	790	14	24	837	842	12	12
Total	Σ					9,249	5,947	3,832	1,012	9,986	6,504	4,000	1,094

1) In its report, Tyndall presents values proportional to equity values of companies at ENI-A2 and EOC-A level; Santander has re-computed the values for ENI-A1 y CHI-A

2) Deutsche Bank reports values proportional to equity values of companies at ENI-A1, EOC-A and CHI-A level; Santander has re-computed the values for ENI-A2

3) BofAML y IMTrust do not report DCF values at enterprise level by country. Santander has decided not to include their report in this analysis.



GLOBAL CORPORATE BANKING


Independent evaluators reports: stage 1 of Carter II

US\$ Mn						1) Colin Baker				2) Rafael Malla				3) Mario Torres			
Company	Business	ENI-A2	ENI-A1	EOC-A	CHI-A	ENI-A2	ENI-A1	EOC-A	CHI-A	ENI-A2	ENI-A1	EOC-A	CHI-A	ENI-A2	ENI-A1	EOC-A	CHI-A
Edegel	Gx	58.6%	21.1%	62.5%		1,391	502	1,483		1,113	402	1,187	-	1,442	520	1,537	-
Chinango	Gx	46.9%	16.9%	50.0%		152	55	162		141	51	150	-	-	-	-	-
Piura	Gx	96.5%	96.5%			216	216			97	97	-	-	-	-	-	-
Edelnor	Dx	75.5%	60.1%		15.6%	816	649		168	831	661	-	171	709	564	-	146
Generalima	Otros	100.0%	100.0%							-	-	-	-	-	-	-	-
Caboblanco	Otros	100.0%	100.0%				8			-	-	-	-	-	-	-	-
Resto						-	27	-	36					172	172		
Peru	Σ					2,556	1,394	1,645	177	2,182	1,210	1,337	171	2,323	1,256	1,537	146
Endesa Brasil	Gx	84.4%	50.9%	37.1%	11.3%	214	129	94	29	-	-	-	-	-	-	-	-
Cachoeira	Gx	84.2%	50.8%	37.0%	11.2%	440	266	194	59	421	254	185	56	-	-	-	-
Fortaleza	Gx	84.4%	51.0%	37.1%	11.3%	327	198	144	44	422	255	186	56	-	-	-	-
Cien	Tx	84.4%	50.9%	37.1%	11.3%	295	178	130	39	169	102	74	23	-	-	-	-
Coelce	Dx	64.9%	45.2%	21.9%	6.6%	896	624	302	92	519	361	175	53	588	410	198	60
Ampla	Dx	92.0%	45.3%	17.4%	36.7%	292	144	55	116	644	317	122	257	739	364	140	294
Com e Serv	Otros	84.4%	50.9%	37.1%	11.3%	161	97	71	21	-	-	-	-	-	-	-	-
Resto						-	-	-	-	-	-	-	-	1,439	869	633	192
Brazil	Σ					2,626	1,636	990	400	2,175	1,289	742	445	2,766	1,642	971	546
Emgesa	Gx	37.7%	21.6%	26.9%		1,491	854	1,063		1,471	842	1,048	-	1,556	891	1,108	-
Codensa	Dx	48.4%	39.1%		9.4%	1,413	1,143		273	1,258	1,017	-	243	1,328	1,074	-	257
EEC	Dx	19.5%	15.8%		3.8%	11	9		2	-	-	-	-	11	9	-	2
Resto														-	-	-	-
Colombia	Σ					2,916	2,006	1,063	275	2,729	1,860	1,048	243	2,894	1,973	1,108	259
Costanera	Gx	45.4%	0.0%	75.7%		-	-	-	-	-	-	-	-	28	0	46	-
Dock Sud	Gx	40.2%	40.2%			-	-	-	-	-	-	-	-	-	-	-	-
El Chocon	Gx	39.2%	0.0%	65.4%		-	-	-	-	-	-	-	-	51	0	85	-
TESA	Tx	84.4%	50.9%	37.1%	11.3%	-	-	-	-	-	-	-	-	-	-	-	-
CTM	Tx	84.4%	50.9%	37.1%	11.3%	-	-	-	-	-	-	-	-	-	-	-	-
Edesur	Dx	71.6%	37.6%	0.5%	34.1%	-	-	-	-	-	-	-	-	-	-	-	-
Cemsa	Otros	82.0%	55.0%	45.0%	0.0%	-	-	-	-	-	-	-	-	-	-	-	-
Resto	Otros	100.0%	100.0%	100.0%	0.0%	-	-	-	-	-	-	-	-	28	21	2	6
Argentina	Σ					-	-	-	-	-	-	-	-	107	21	133	6
ENI-A	Holding	100.0%	100.0%			874	750	-	-	1,080	840	-	-	1,085	922	-	-
EOC-A	Holding	60.0%		100.0%		-	-	201	-	-	-	350	-	-	-	223	-
CHI-A	Holding	99.1%			100.0%	-	-	-	4	-	-	-	30	-	-	-	30
Holdings	Σ					874	750	201	4	1,080	840	350	30	1,085	922	223	30
Total	Σ					8,973	5,787	3,899	856	8,165	5,199	3,477	889	9,175	5,815	3,972	987

1) Colin Baker reports values proportional to equity values of the companies at ENI-A2, EOC-A and CHI-A levels; Santander has re-computed the values for ENI-A1

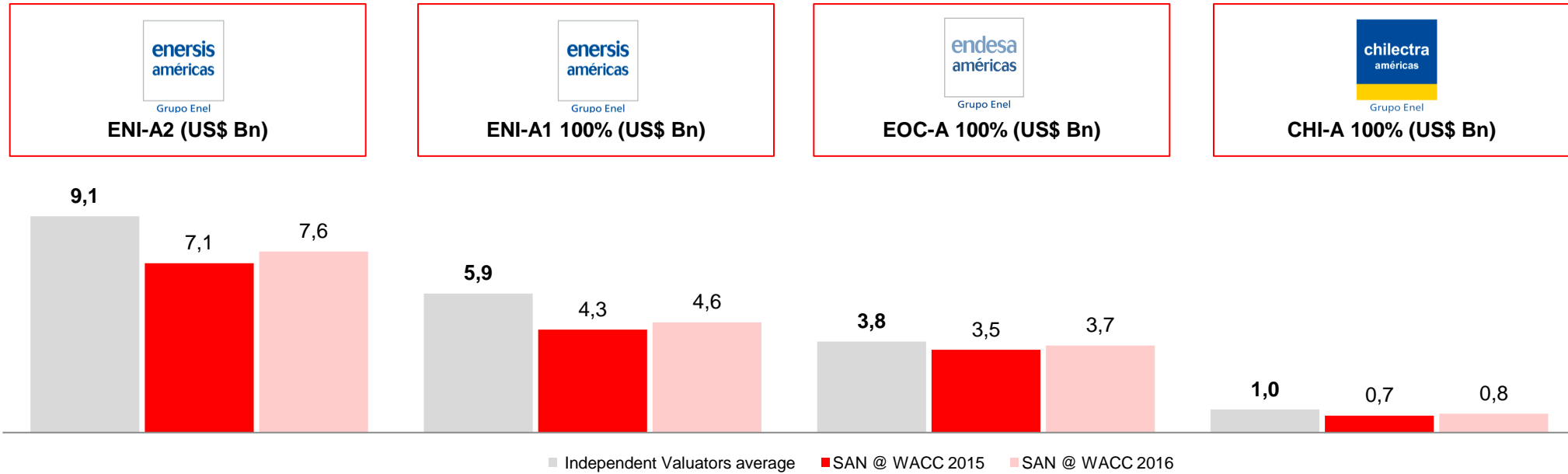
2) Rafael Malla reports values in US\$ Bn, rounded to 1 decimal. Santander has taken these values into consideration and has weighted them by their respective stakes. Stake values could not match exactly with the ones used in Deloitte's financial models due to this numerical approximation.

3) Mario Torres groups certain companies by country in a category called "Resto" (Remainder). Santander has respected this method and thus has not distributed these values at company level as the other independent evaluators did.







GLOBAL CORPORATE BANKING

Independent evaluators reports: simulation at “present date”







WACC used

WACC @ November 4th 2015 (Carter II 1st Stage)

				
Gx	9.0%	11.0%	9.4%	14.2%
Tx		10.7%		15.2%
Dx	8.0%	10.0%	8.5%	14.4%
Others	9.0%	11.0%	9.7%	14.2%

WACC @ Today (July 20th 2016)

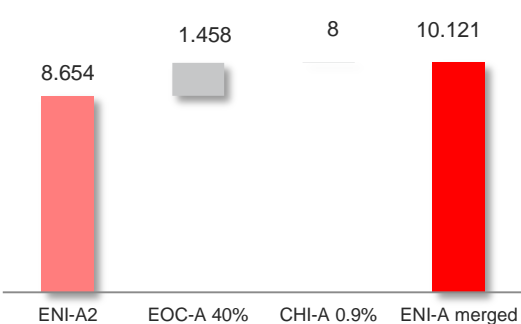
				
Gx	8.5%	10.6%	9.0%	14.0%
Tx		10.3%		15.1%
Dx	7.5%	9.6%	8.0%	14.2%
Others	8.5%	10.6%	9.3%	14.0%

Independent evaluators reports: valuation summary under this method

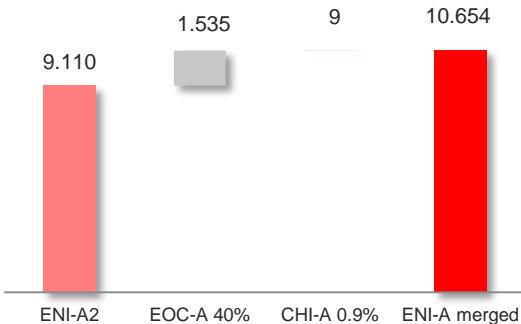
Merger by
incorporation
into ENI-A

US\$ Mn

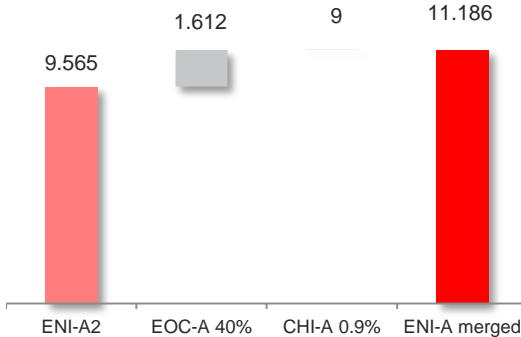
LOW CASE (-5% over MID)



MID CASE

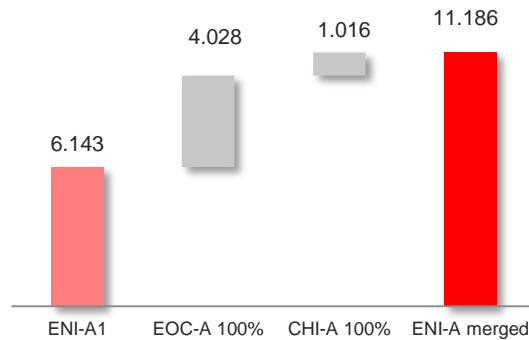
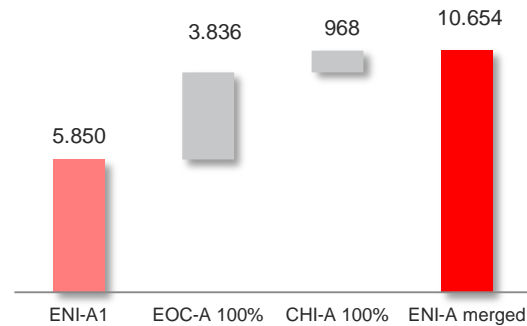
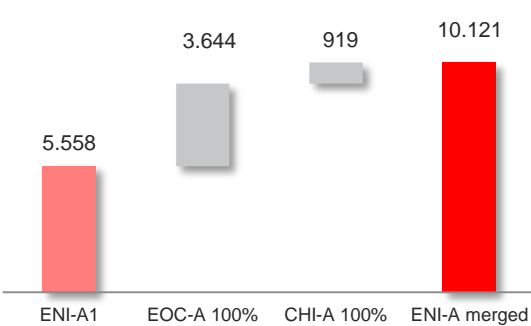


HIGH CASE (+5% over MID)



Detail merger
value at
companies
level

US\$ Mn



Comparable transactions multiples: Brazil

Year	Target	Vendor	Buyer	Size (US\$ Mn)	EV/EBITDA
Generation					
2016	2 parques eólicos (392 MW)	Casa do Ventos	Cubico	500	N.A
2015	Pantanal – 2 SHPP	EDP Brazil	Brookfield	102	N.A
2015	Renova (2 parques eólicos)	Renova	TerraForm Global	550	N.A
2015	Renova – 2 SHPP	Renova	TerraForm Global	52	N.A
2014	Planta de cogeneración	Usina Rio Pardo	Albioma	47	6.4x
2014	8 activos de generación (Energisa)	Energisa SA	Brookfield	883	10.0x
2014	Santo Antônio	Andrade Gutierrez	CEMIG	7,520	14.6x
2013	Norte Fluminense	Petrobras	EDF	550	6.0x
2013	Aliança Energia (JV)	N.A	Vale/Cemig	1,279	8.5x
2013	Brasil PCH	Petrobras	CEMIG	775	10.0x
2013	Jirau HPP	GDF Suez Energy Latam	Mitsui	5,199	11.2x
2013	Capim Branco	Suzano Papel e Celulose	Vale	564	13.4x
2012	Usina Ester	N.A	CPFL Renováveis	35	12.4x
2012	Atlântica	N.A	CPFL Renováveis	n.a.	N.A
2012	Bons Ventos	Grupo Servtec / FIP Brasil Energia / Grupo Ligna	CPFL Renováveis	344	N.A
2012	5 parques eólicos	Suzlon Group	FIP BB Votorantim	170	N.A
2011	UHE Sto Antônio do Jari	N.A	EDP Brasil	423	N.A
2011	Bertin	N.A	Brookfield	95	N.A
2011	Energyworks do Brasil	Iberdrola	Neoenergia	47	N.A
2011	Sta Luzia SHP	N.A	ERSA	91	11.1x
2011	SIIF – Activos	SIIF Brazil	CPFL	471	10.0x
2011	SIIF – PPA	SIIF Brazil	CPFL	22	N.A
2010	2 SHPs (Bertin)	N.A	EDP Brasil	96	N.A
Average multiple					10.5x

Comparable transactions multiples: Brazil

Year	Target	Vendor	Buyer	Size (US\$ Mn)	EV/EBITDA
Distribution					
2016	AES Sul	AES Corporation	CPFL	515	8.5x ⁽¹⁾
2011	Elektro	AEI	Iberdrola	2,400	5.8x
2010	Light	Enlighted Partners	Cemig	340	6.6x
2009	CPFL Energia	Grupo Votorantim	Camargo Correa SA	910	6.9x
2009	Light	Andrade Gutierrez / Equatorial	Cemig	900	5.6x
2008	Enersul		Rede Energia SA	450	6.3x
Average multiple					6.6x
Transmission					
2015	TAESA (22%)	FIP Coliseu	Empresas publicas de Medellin	502	6.3x
2015	Transmission lines	J Marucelli / Statkraft	EEB	157	10.2x
2013	ACS-Transmission Lines	ACS	State Grid	968	N.A
2011	Vila do Conde Transmissora de Energia	Isolux / Lintran Do Brasil Participacoes.	Elecnor	157	N.A
2011	33% Cachoeira Paulista Transmissora	Elecnor	Isolux	40	7.7x
2010	Brazilian Electricity Transmission Portfolio	Abengoa / Isolux / TAESA	State Grid	1,721	N.A
2010	66% stake in LT Triangulo SA	Isolux	Elecnor	296	N.A
2009	Alupar		FI-FGTS	152	6.5x
2009	TAESA	Minority shareholders	Cemig	750	9.0x
2009	TAESA	Terna	Cemig	340	9.0x
2007	CTEEP		ISA	270	17.5x
2006	CTEEP		ISA	426	8.1x
Average multiple					8.4x

1) From Credit Suisse Research 16/16/2016

Comparable transactions multiples: Peru

Year	Target	Vendor	Buyer	Size (US\$ Mn)	EV/EBITDA
Generation					
2016	Fenix Power	AEI	Colbun / Adia	786	12.2x
2014	Generandes Perú SA	Inkia	Enersis	413	7.4x
2013	Las Flores Power Plant	Duke Energy	Kallpa	6.3	N.A
2013	Generación Andina	Energie Baden-Wurttemberg	Union Energy Group	145	N.A
2012	Cerro del Águila 500MW Hydroelectric Plant	Kallpa	Inkia	900	N.A
2011	Electrica de Piura	Local financial investors	Endesa Chile	38	5.5x
2010	Edegel	Conduit Capital Partners	Inkia	53	5.5x
2007	Electroandes	PSEG Global	Statkraft	390	10.4x
Average multiple					8.6x
Distribution					
2014	Luz del Sur SAA	Sempra	Peruvian Opportunity Co SAC	73	11.3x
2012	Edelnor	Endesa Chile	Enersis	270	9.4x
2011	Luz del Sur SAA	AIE	Sempra	875	5.5x
2009	Edelnor	Generalima SA	Enersis	75	5.9x
Average multiple					8.0x

Comparable transactions multiples: Argentina

Year	Target	Vendor	Buyer	Size (US\$ Mn)	EV/EBITDA
Generation					
2013	Hidroneuquen SA (3%)	Merrill Lynch, Pierce, Fenner & Smith Inc	Central Puerto SA	1.6	2.9x
2013	Hidroneuquen SA (16%)	Merrill Lynch, Pierce, Fenner & Smith Inc	Central Puerto SA	24.6	2.1x
2007	Hidroelectrica El Chocon	CMS Enterprises	Endesa	50.0	4.8x
Average multiple					3.2x
Distribution					
2013	Eden	Edenor	Servicios Eléctricos Norte BA SL	40.3	1.85x
2013	Edesur	Petroleo Brasileiro	Sadesa	35.0	n.m.
2012	Edesa	Pampa Energía	Salta Inversiones Electricas	22.5	2.53x
2011	Edelar	Pampa Energía	Andes Energia S.A.	21.8	4.13x
2011	Edesal	Edenor	Rovella Carranza	26.7	4.05x
2011	Eden	AEI	Pampa Energía	50.0	2.49x
2011	Emdersa	AEI	Pampa Energía	90.0	3.80x
Average multiple					3.1x
Transmission					
2016	Yacylec SA		Sideco Americana SA	68.8	N.A
2007	Transener SA	Petrobras	Electroingenieria SA / Energia Argentina SA	54.0	6.4x
Average multiple					6.4x

Comparable transactions multiples: Colombia

Year	Target	Vendor	Buyer	Size (US\$ Mn)	EV/EBITDA
Generation					
2016	Isagen	Colombian Government	Brookfield	2,800	11.8x
2013	Emgesa	Endesa	Enersis SA	1,589	11.3x
2010	Termobarranquilla SA	Darby Overseas Investments	Fondos Colombianos y Chilenos	140	N.A.
2010	TermoEmcali Funding Corporation	Empresas Municipales de Cali	Multiples bidders	109	N.A.
2009	Termocandelaria SA ESP	ABB Holdings, Darby Mezzanine	Fondos de Pensiones locales	50	N.A.
2007	Termotasajero SA ESP	Conduit Capital Partners	Inversiones Termotasajero	173	N.A.
Average multiple					11.5x
Distribution					
2014	Codensa	Endesa	Enersis	1,320	9.2x
2011	EBSA	Ministerio de Hacienda	Brookfield / Fondos de Pensiones locales	418	7.9x
Average multiple					8.5x

Significant aspects to be considered in this merger

Operations between related parties (title XVI - Law 18046)

Ar 147	Purpose of operation: A company may only conduct transactions with related parties when intended to contribute to the interest , and on market terms, conditions and prices
Ar 147.1	Duty to report to the board: The directors, managers or administrators having an interest or participating in an operation with related parties must immediately report to the board
Ar 147.2	Approval: The transaction must be approved by the absolute majority of board members, excluding the directors or liquidators involved, who may nevertheless make public their opinion on the transaction if so required by the Board
Ar 147.5	Independent evaluator: If a special meeting of shareholders is called to approve the transaction, the Board must designate at least one independent evaluator to submit a report to the shareholders on the transaction and its potential impact on the company. The Board or the directors who are not involved may also designate an additional independent valuator
Ar 147.5	Independent evaluators' reports: The reports, once ready, must be made available on the immediately following business day at the company offices and on the website for at least 15 business days. It must also be advised in a material events notice. The directors must issue an opinion on the convenience of the transaction for the interests of the company, within 5 business days following receipt of the last report

Withdrawal right

Shareholders involved	Shareholders who voted against and those not involved in the approval of the merger at the Special Meeting of Shareholders
Price determination	Weighted average closing price for the 60 trading days preceding the 30 th trading day prior to the Extraordinary Shareholders Meeting, for ENI-A and EOC-A Book value for CHI-A, given the lack of market presence
Tie to completion	The rights exercised at the Extraordinary Shareholders Meeting or within 30 calendar days thereafter
Implementation mechanisms	The company repurchases the shares subject to Withdrawal Right to hold them as treasury stock for a maximum of 1 year If these shares remain as treasury stock for more than 1 year in the company, cancellation is required

Tax impact analysis

During the first phase of the Carter II Project, Endesa Chile and Chilectra Chile were required to pay capital gains tax in Peru and Argentina as a result of the spinoff

Considered in exchange equation

	Paid at spinoff	No tax refund in Chile - Case 1 -	24% tax refund in Chile - Case 2 -
Endesa Chile	(174)	-	-
Chilectra Chile	(22)	-	-
Enersis Chile (proportional)	(127)	-	-
Endesa Americas	-	174	132
Chilectra Americas	-	22	17
Enersis Americas	-	127	96

- This tax was determined to be US\$174 Mn and US\$22 Mn for Endesa and Chilectra, respectively
- Since this payment shouldn't affect the Americas vehicles, it has been proposed that, with regard to the merger, the amounts be considered as a positive impact
- In view of the uncertainty surrounding the tax-deductibility of these payments, 2 scenarios could arise: no tax refund vs. tax refund
- Santander has considered Case 2 (tax refund) to calculate the exchange equation. The sums used for the exchange equation are:
 - EOC-A US\$132 Mn
 - CHI-A US\$17 Mn
 - ENI-A (proportional) US\$96 Mn

Thank you

Our purpose is to help people and businesses prosper.

Our culture is based on the belief that everything we do should be

Simple | Personal | Fair

