

Enersis net income up 8.4% in 2015 driven by strong operating and financial performance

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Operational

Highlights

- Power generation reached 60,403 GWh, slightly above the 60,299 GWh posted in 2014.
- In distribution, energy demand in Enersis' concession areas increased 2.3% and sales amounted to 78,732 GWh, up 1.6% on 2014.

Financial

Results

- Revenues in 2015 were 7,698,847 million CLP, up 6.1% on 2014 due to increased sales at higher average prices.
- EBITDA was 2,289,133 million CLP in 2015, roughly in line with 2014.
- EBIT was 1,778,633 million CLP in 2015, which was also in line (+0.5%) with 2014.
- Net financial charges in 2015 were 26,615 million CLP, 90% lower than 2014 mainly due to adoption of US dollars in account receivables and government recognition of higher financial income in Argentina, as well as higher financial income in Brazil.
- Net income attributable to Enersis shareholders grew 8.4% on 2014 to 661,587 million CLP, mainly due to the company's positive operating performance and the lower financial charges posted in 2015.
- Enersis invested 1,362,562 million CLP in 2015, compared to 1,086,410 million CLP in 2014.
- Net financial debt in 2015 was 2,940 million US dollars, a 5.5% decrease compared to the 3,113 million US dollars posted in 2014.

Santiago, February 26th, 2016. Net income attributable to Enersis' shareholders was 661,587 million CLP in 2015, 8.4% more than 2014. This growth is mainly attributable to the positive operating performance in generation, whose EBITDA increased by 6.2%, together with the lower financial charges posted in 2015 (-90%). This substantial reduction in financial charges was mainly driven by the adoption of US dollars in account receivables and government recognition of higher revenues in Argentina, as well as higher financial income in Brazil.

"These results reflect the robustness of the company, despite the challenging macroeconomic environment that Latin America faced in 2015," said Head of Enersis, **Luca D'Agnesi**. *"It is worth highlighting the*

improvement in our generation business in Chile, the good operational performance of our activities in Peru and Colombia, and the gradual recovery of the distribution business in Argentina.”

In the generation business, net energy generation reached 60,403 GWh, in line with the 60,299 GWh generated in 2014. Energy sales increased 4.1% on 2014 to 72,039 GWh, mostly due to higher sales in Chile, Colombia and Argentina.

Enersis' distribution customer base stands at more than 15.2 million as of the end of 2015, an increase of over 448,000 on 2014. Energy demand in Enersis' concession area grew 2.3%, while sales amounted to 78,732 GWh, an 1.6% increase over 2014.

Total revenues reached 7,698,847 million CLP, 6.1% higher than in 2014. This result is attributable to the combination of higher energy sales and prices (+4% and +7% respectively).

EBITDA was 2,289,133 million CLP in 2015, roughly in line with the 2,300,020 million CLP posted in 2014, as a result of the above mentioned increase in revenues which almost totally offset the 8.1% growth in procurement and services costs.

The generation business EBITDA increased by 80,674 million CLP (+6.2%) compared with 2014. This growth is mainly attributable to the 45%(1) increase posted by the Chilean generation business, equal to 159,984 million CLP, which was in turn due to increased sale prices and stronger sales, together with the effect of the consolidation of 100% of GasAtacama in 2015. This positive variation was partially offset by the lower EBITDA posted in Colombia and Brazil, which was mainly the consequence of negative exchange rate fluctuations.

In the distribution segment, EBITDA posted by Enersis in 2015 was 5.9% lower than 2014, reaching 966,679 million CLP, mainly attributable to the 46.3% EBITDA decrease in Brazil that was mostly due to higher energy losses and lower electricity demand resulting from the country's challenging macroeconomic climate. This decrease was partially offset by the recognition of 317,492 million CLP in Argentina following Resolution N° 32/2015 (in which Argentina's government approved a temporary revenue increase for Edesur to cover the payment of energy, wages and the supply of goods and services) as well as better results in Peru and Chile.

EBIT was 1,778,633 million CLP in 2015, roughly in line with 2014 (+0.5%).

Net financial charges were 26,615 million CLP in 2015, 90% lower than 2014. This substantial decrease was mostly due to the positive exchange rate variations following the adoption of US dollars in account receivables and government's recognition of higher financial income in Argentina, as well as to the higher financial income in Brazil following the improvement in regulated distribution assets recognised by the regulator at the end of the concession period (IFRIC 12). All of the above factors were only partially offset by negative exchange rate variations that affected the company's debt denominated in foreign currency.

Net financial debt in 2015 was 2,940 million US dollars, a 5.5% decrease compared with 3,113 million US dollars posted in 2014, mainly due to exchange rate variations.

Enersis invested 1,362,562 million CLP in 2015, compared to 1,086,410 million CLP in 2014. Investments in growth were mainly focused on the now completed El Quimbo hydropower plant in Colombia, environmental improvements in the Chilean coal-fired power plant Bocamina II and the start of the works at the Chilean hydro plant Los Cóndores and higher investments in the distribution business in Brazil.

Other 2015 highlights

Luca D'Agnesse Head of Enersis concluded that "A highlight of the year was the successful separation of our activities between Chile and of the rest of Latin America on the extraordinary shareholders meeting of December 18th, division between Enersis Chile and Enersis Américas was started in February of this year."

Note: Annual pro-forma financial statements include the discontinued operations of Enersis Chile for a better understanding of the results. Enersis was renamed Enersis Américas on February 1st, 2016 and on the same date all of Enersis' Chilean operations were placed under the company Enersis Chile, as well as being consolidated as "discontinued operations" under Enersis Américas.

(1) The 45% increase in EBITDA of the Chilean generation business does not take into account "Tunnel El Melon" EBITDA sold in December 2014 and informed under Enersis "Services and Holding".