



1Q15 Results Review
April, 2015

AGENDA

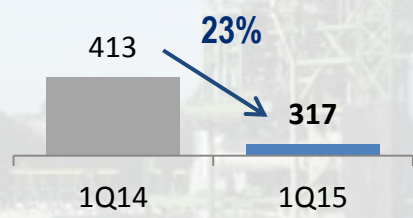
- 1. HIGHLIGHTS
- 2. FINANCIAL REVIEW
- 3. RECENT EVENTS
- 4. GROWTH OPTIONS



HIGHLIGHTS OF 1Q 2015

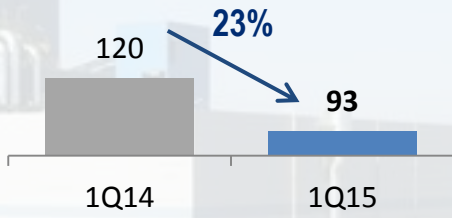
1

Revenues (MMUS\$)



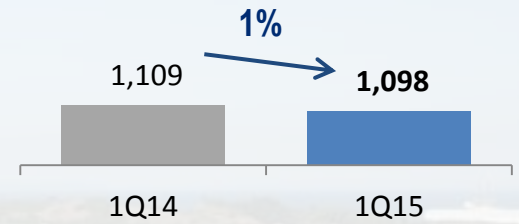
2

EBITDA (MMUS\$)



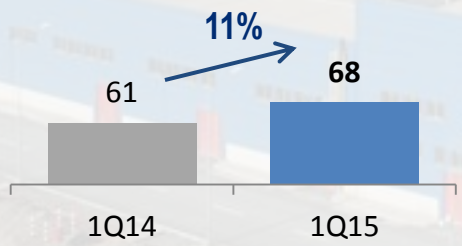
3

Hydro Generation (GWh)



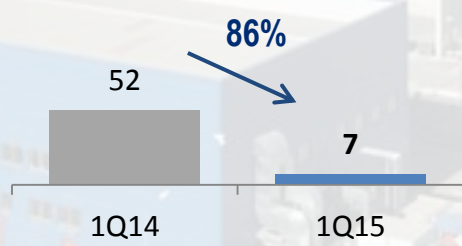
4

Efficient Capacity over Commitments (%)



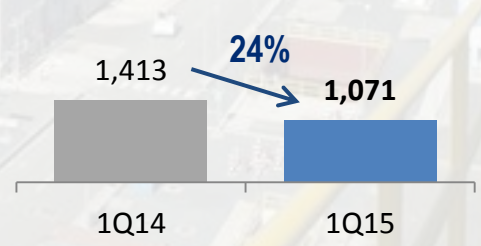
5

Net Income (MMUS\$)



6

Net Debt (MMUS\$)



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PHYSICAL SALES AND GENERATION BALANCE ANALYSIS

Sales Volumes GWh	1Q14	1Q15	YoY
Regulated Customers	1,751	1,734	(1%)
Free Customers	1,233	1,048	(15%)
Total Commitments	2,984	2,782	(7%)
Spot Market Sales	219	327	49%
Total Energy Sales	3,203	3,109	(3%)

Generation GWh	1Q14	1Q15	YoY
Hydroelectric	1,109	1,098	(1%)
Thermal – Gas	1,357	1,147	(15%)
Thermal – Diesel	96	141	47%
Thermal - Coal	706	792	12%
Wind Power - Punta Palmeras	-	18	-
Total Own Generation	3,268	3,196	(2%)

Spot Market GWh	1Q14	1Q15	YoY
Sales	219	327	49%
Purchases	0	0	-
Net Spot Market	219	327	49%

Key Drivers of 1Q15

- Lower **hydroelectric generation**
- 100% availability of **Santa María I**
- Expiration of contracts with **Codelco** (at marginal cost) and **Metro**
- **Spot market sales** of 327 GWh

EBITDA ANALYSIS

US\$ million	1Q14	1Q15	YoY
Revenues	413.2	317.0	(23%)
Raw Materials and Consumables Used	(275.4)	(205.2)	(25%)
Personnel and other operating expenses	(18.1)	(19.1)	5%
EBITDA	119.8	92.8	(23%)
EBITDA Margin (%)	29%	29%	

Key Drivers of 1Q15

- Lower EBITDA given by a **non-recurring income** of US\$ 32,5 million in 1Q14
- **Reduction in thermal generation costs** (US\$/MWh) given by lower commodity prices

NON OPERATING INCOME ANALYSIS

US\$ million	1Q14	1Q15	YoY
Financial Income	1.5	1.0	(35%)
Financial Expenses	(10.6)	(22.2)	109%
Results of Indexation Units	2.4	0.1	(98%)
Exchange Rate Differences	(8.9)	0.4	-
Share of profit (loss) from equity-accounted associates	1.3	1.5	11%
Other income/expense	7.7	(0.9)	-
NON-OPERATING INCOME	(6.6)	(20.2)	205%

Key Drivers of 1Q15

- **Higher Financial Expenses** of US\$12 million
- Positive exchange rate difference given by a **lower volatility of the CLP/US\$ exchange rate**
- US\$9 million **lower Other Income** due to non-recurring effects registered in 1Q14.

NET INCOME ANALYSIS

US\$ million	1Q14	1Q15	YoY
Net Income Before Tax	71.2	25.1	(65%)
Income Tax	(19.6)	(18.2)	(7%)
NET INCOME	51.5	7.0	(86%)

Key Drivers of 1Q15

▪ **Income Tax expense** of US\$18.2 million mainly given by:

- Corporate Tax Rate increase (Tax Reform)
- 3% CLP/ US\$ exchange rate depreciation
- Higher PPUAs

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RECENT EVENTS

- January 1st, 2015 two new long term contracts with **Codelco** started.
- On February 18th, **Blanco Hydroelectric Power Plant** resumed commercial operations after more than 1 year out.
- In April 2015 Colbún prequalified for the **public auction of Isagen**.
- On April 22nd, the Ordinary Shareholder's Meeting was held and approved a **Definitive Dividend for US\$12.7 million** (US\$ 0.000728/share) .

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SEARCHING FOR INVESTMENT OPPORTUNITIES IN THE REGION

Special focus in Colombia and Perú

✓ Growing electricity consumption

✓ Well established regulatory framework

✓ Diversification:

- Hydrological conditions
- Generation technologies
- Access to fuel sources
- Regulatory Risks



La Mina NCRE Project

- ✓ **34 MW of Installed Capacity and 190 GWh of expected annual generation**
- ✓ **Began construction on Dec14**
- ✓ **As of Mar15 progress is according to schedule.**

COLBÚN HAS SEVERAL GROWTH OPPORTUNITIES

Projects in Chile

Santa María II – Coal-fired Project

- 350 MW of Capacity
- 2,500 GWh of expected annual generation
- Phase: Environmentally Approved

San Pedro - Hydroelectric Project

- 150 MW of Capacity
- 930 GWh of expected annual generation
- Phase: Preparation for submitting to EIA on the first half of 2015



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This presentation may contain forward-looking statements concerning Colbun's future performance and should be considered as good faith estimates by Colbún S.A.

In compliance with the applicable rules, Colbún S.A. publishes on its Web Site (www.Colbún.cl) and sends the financial statements of the Company and its corresponding notes to the Superintendencia de Valores y Seguros, those documents should be read as a complement to this presentation.

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