



# 3Q15 Results Review

October, 2015

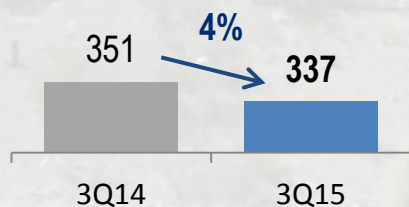
# AGENDA

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

# HIGHLIGHTS FOR 3Q 2015

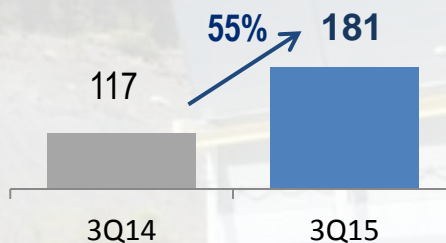
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## Revenues (MMUS\$)



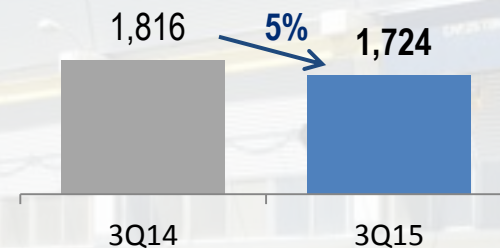
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## EBITDA (MMUS\$)



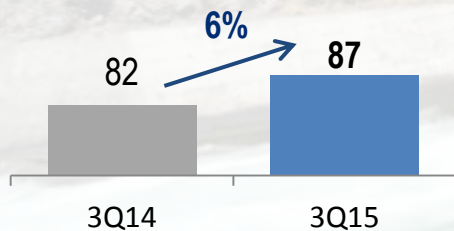
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## Hydro Generation (GWh)



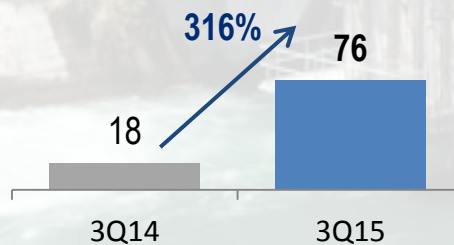
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## Efficient Capacity over Commitments (%)



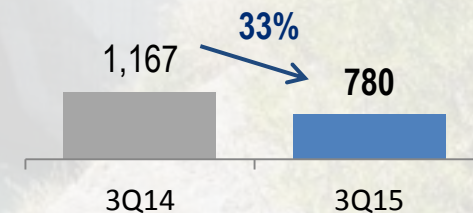
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## Net Income (MMUS\$)



6

## Net Debt (MMUS\$)



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# PHYSICAL SALES AND GENERATION BALANCE ANALYSIS

<b>Sales Volumes</b> GWh	3Q14	3Q15	YoY
Regulated Customers	1,849	1,636	(12%)
Free Customers	1,197	1,106	(8%)
<b>Total Commitments</b>	<b>3,046</b>	<b>2,741</b>	<b>(10%)</b>
Spot Market Sales	147	456	210%
<b>Total Energy Sales</b>	<b>3,193</b>	<b>3,197</b>	<b>0%</b>

<b>Spot Market</b> GWh	3Q14	3Q15	YoY
Sales	147	456	210%
Purchases	24	0	-
<b>Net Spot Market</b>	<b>123</b>	<b>456</b>	<b>270%</b>

<b>Generation</b> GWh	3Q14	3Q15	YoY
Hydroelectric	1,816	1,724	(5%)
Thermal – Gas	536	868	62%
Thermal – Diesel	216	0	-
Thermal - Coal	672	651	(3%)
Eolic - Punta Palmeras	-	27	-
<b>Total Own Generation</b>	<b>3,240</b>	<b>3,270</b>	<b>1%</b>

## Key Drivers of 3Q15

- **Sales reduction:**
  - Contracts maturity: Conafe and Codelco
  - Lower demand from customers
  - Partly offset by higher sales in the spot market
- **Lower hydroelectric generation**, offset by **higher natural gas generation** at a competitive cost.
- **Zero diesel** generation

# EBITDA ANALYSIS

US\$ million	3Q14	3Q15	YoY
Revenues	351.2	337.0	(4%)
Raw Materials and Consumables Used	(213.8)	(136.0)	(36%)
Personnel and other operating expenses	(20.5)	(20.1)	(2%)
<b>EBITDA</b>	<b>117.0</b>	<b>180.9</b>	<b>55%</b>
EBITDA Margin (%)	33%	54%	

## Key Drivers of 3Q15

- **Lower sales** given by the contracts maturity and lower average monomic price
- **Non-recurring income from the Blanco power plant** loss of profit insurance payment (MMUS\$21.5 million) .
- **Reduction in thermal generation costs** (US\$/MWh) given by renegotiated gas supply agreements and lower international fuel prices

# NON-OPERATING INCOME ANALYSIS (SUMMARY)

US\$ million	3Q14	3Q15	YoY
Financial Income	1.7	1.4	(18%)
Financial Expenses	(22.2)	(22.2)	(0%)
Results of Indexation Units	1.0	0.9	(12%)
Exchange Rate Differences	(4.4)	(11.4)	161%
Share of profit (loss) from equity-accounted associates	1.0	2.3	137%
Other non-operating income/expense	1.6	10.5	576%
<b>NON-OPERATING INCOME</b>	<b>(21.3)</b>	<b>(18.4)</b>	<b>(14%)</b>

## Key Drivers of 3Q15

- Higher Exchange Rate Differences loss given by CLP/US\$ volatility
- Non-recurring income from the Blanco power plant physical damage insurance payment

# NET INCOME ANALYSIS

US\$ million	3Q14	3Q15	YoY
<b>NET INCOME</b>	<b>18.2</b>	<b>75.7</b>	<b>316%</b>

## Key Drivers of 3Q15

- Higher Net Income driven mainly by higher EBITDA margin



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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, CONSTRUCTION SITE

- ✓ 34 MW of Installed Capacity and 190 GWh of expected annual generation



# COLBÚN HAS SEVERAL GROWTH OPPORTUNITIES

## Projects in Chile

### San Pedro - Hydroelectric Project

- 160-170 MW of Capacity
- 950 GWh of expected annual generation

### Santa María II – Coal-fired Project

- 350 MW of Capacity
- 2,500 GWh of expected annual generation

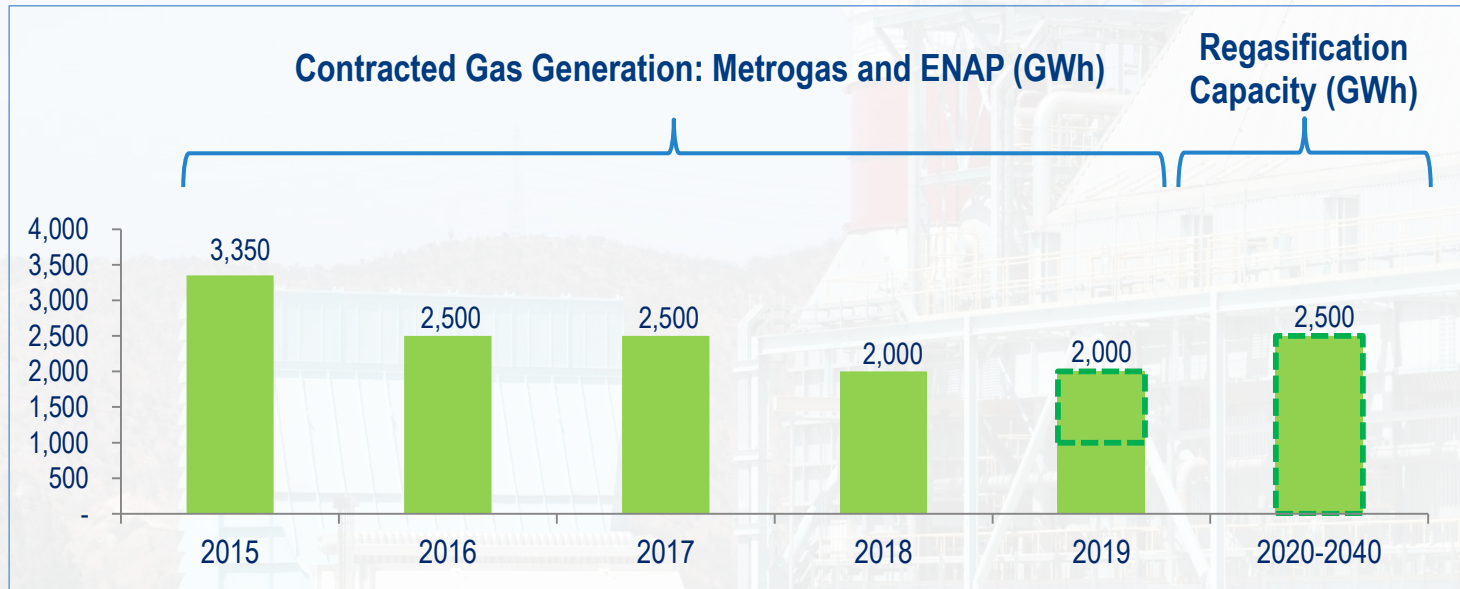


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## RECENT EVENTS

- In September a **medium-term natural gas supply agreement was reached with ENAP** for the 2016-2019 period.
- Colbún obtained a reserve regasification capacity in the **Open Season process of GNL Quintero**.



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## **INVESTOR RELATIONS TEAM CONTACT**

**Miguel Alarcón**

[malarcon@colbun.cl](mailto:malarcon@colbun.cl)

+(562) 2 460 4394

**María Elena Palma**

[mpalma@colbun.cl](mailto:mpalma@colbun.cl)

+(562) 2 460 4450