



4Q15 Results Review

February, 2016

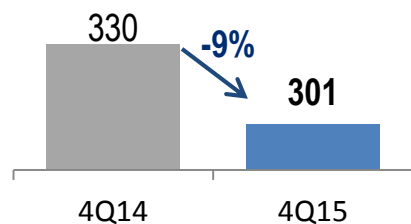
AGENDA

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

HIGHLIGHTS FOR 4Q 2015

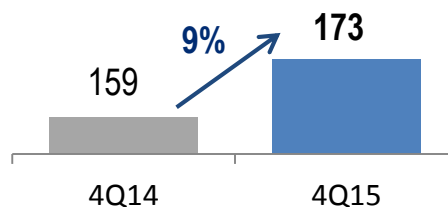
1

Revenues (MMUS\$)



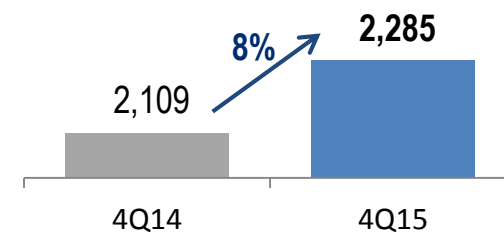
2

EBITDA (MMUS\$)



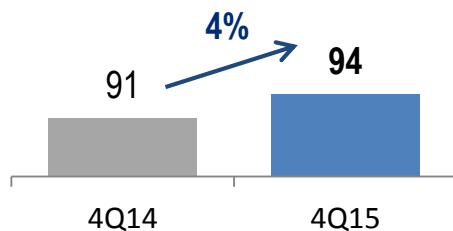
3

Hydro Generation Chile (GWh)



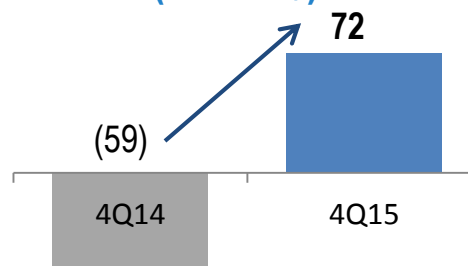
4

Efficient Capacity over Commitments (%)



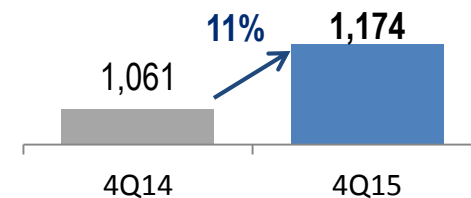
5

Net Income (MMUS\$)



6

Net Debt (MMUS\$)



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RECENT EVENTS

1. On December 18th, Colbún, through a consortium where it holds a 51% ownership, bought **Fenix Power Perú S.A.**
2. On December 22nd, the Board agreed to distribute an **interim dividend** (US\$0.002260 per share).
3. As of January 1st, 2016 the company has been authorized by the Chilean **Internal Revenue Service** (SII) to adopt the dollar as currency for tax accounting.
4. Due to the limited timing and partly due to the minimum price rise by 21.5%, Colbún stated that it would not be able to bid in the sell process of the 57% stake of **ISAGEN**.
5. Colbún obtained a reserve regasification capacity in the **Open Season process of GNL Quintero**.

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CHILE: PHYSICAL SALES AND GENERATION BALANCE

Sales Volumes GWh	2014	2015	Acc/Acc
Regulated Customers	7,204	6,625	(8%)
Free Customers	4,737	4,428	(7%)
Total Commitments	11,491	11,053	(7%)
Spot Market Sales	793	1,452	83%
Total Energy Sales	12,734	12,505	(2%)

Spot Market GWh	2014	2015	Acc/Acc
Sales	793	1,452	83%
Purchases	144	124	(14%)
Net Spot Market	649	1,328	104%

GWh	2014	2015	Acc/Acc
Hydroelectric	6,655	6,464	(3%)
Thermal – Gas	3,011	3,421	14%
Thermal – Diesel	546	244	(55%)
Thermal - Coal	2,623	2,405	(8%)
Eolic - Punta Palmeras	27	111	312%
Total Own Generation	12,862	12,646	(1%)

Key Drivers of 2015

- **Lower power demand** from customers under contract
- **Higher gas-power participation** at a competitive cost
- **Base load efficient generation** accounted for 80% of commitments

CHILE: EBITDA ANALYSIS

US\$ million	2014	2015	Acc/Acc
Revenues	1,502.6	1,307.6	(13%)
Raw Materials and Consumables Used	(883.7)	(641.1)	(27%)
Personnel and other operating expenses	(82.3)	(84.4)	3%
EBITDA	536.6	582.1	8%
EBITDA Margin (%)	36%	45%	

Key Drivers of 2015

- **Lower Revenues:**
 - Lower unregulated client prices and
 - Regulated demand slowdown

- **Raw materials and consumables used decreased** explained by lower cost of natural gas and diesel.

PERU: PHYSICAL SALES AND GENERATION BALANCE

Sales Volumes GWh	2014	2015	Acc/Acc
Customers Under Contract	2,408	3,002	25%
Total Commitments	2,408	3,002	25%
Spot Market Sales	1,083	2,885	166%
Total Energy Sales	3,491	5,886	69%

Spot Market GWh	2014	2015	Acc/Acc
Sales	1,083	2,885	166%
Purchases	2,046	2,361	15%
Net Spot Market	(962)	524	-
Generation GWh	2014	2015	Acc/Acc
Thermal – Gas	1,513	3,621	139%
Total Own Generation	1,513	3,621	139%

Key Drivers of 2015

- **Higher PPAs and Generation** in 2015 due to a full year operation.
- **An increase in Spot market net purchases**
- **Annual own generation accounted for 100% of the company's commitments.**

PERU: EBITDA ANALYSIS

US\$ million	2015*
Revenues	6.2
Raw Materials and Consumables Used	(4.8)
Personnel and other operating expenses	(0.1)
EBITDA	1.3
EBITDA Margin (%)	21%

* Figures since the acquisition

Key Drivers of 2015

- This figures consider the period post acquisition starting in **18th December** 2015.
- **Revenues** are explained by sales to Clients under contract
- **Raw materials and consumables cost** are mainly Gas and transmission tolls costs

CONSOLIDATED NON-OPERATING INCOME ANALYSIS (SUMMARY)

US\$ million	2014	2015	Acc/Acc
Financial Income	5.6	5.5	(1%)
Financial Expenses	(76.0)	(90.5)	19%
Results of Indexation Units	9.1	2.4	(73%)
Exchange Rate Differences	(22.4)	(11.2)	(50%)
Share of profit (loss) from equity-accounted associates	(99.3)	6.6	-
Other non-operating income/expense	(1.4)	0.5	-
NON-OPERATING INCOME	(184.5)	(86.7)	(53%)

US\$ million	2014	2015	Acc/Acc
NET INCOME	82.3	202.1	146%

Key Drivers of 2015

- 2015 had **higher Financial Expenses** due to:
 - Higher average level of gross debt
 - Lower capitalization of interest expenses

- Higher Net Income driven mainly by higher EBITDA and a lower comparison base due to the HidroAysén impairment provision.

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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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