

ENGIE ENERGIA PERU

1Q19 Results: EBITDA up +11.6% YoY, mainly explained by a -47% YoY drop in energy purchases.

EBITDA was up +11.6%, mainly owing to higher energy sales, up +3.5% YoY, and lower energy purchases, down -47% YoY, partially offset by higher fuel consumption. Net income came to USD 36.1mn in 1Q19, USD 6mn higher than in 1Q18, mainly due to lower financial expenses and to non-core asset sales (USD 3.4mn).

Net generation increased from 714GWh in 1Q18 to 1,206GWh in 1Q19 (+69% YoY). Hydro and thermal grew 3.8% and 288%, respectively, while Intipampa produced 23GWh, a +261% jump vs 1Q18.

Revenues in 1Q19 were up +3% YoY to USD 132mn, mainly explained by a +2.2% YoY rise in energy prices.

Costs fell -2.5% YoY, mainly on account of the -47% YoY decline in energy purchases, partially offset by higher fuel consumption.

Net income came to USD 36.1mn, compared to USD 30mn in 1Q18, explained by lower financial expenses and non-recurring items (USD 3.4mn from divestment of non-core asset). Net recurring income for 1Q19 was USD 33mn, USD 3mn higher than in 1Q18.

Net debt/EBITDA went down from 2.4x in 4Q18 to 2.2 in 1Q19.

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Table 1: Engie Energia Peru quarterly results, USD mn

	1Q19	1Q18	%Var 19/18
Revenues	132.1	128.5	2.8%
Op. Results	59.2	51.6	14.7%
Op. Margin (%)	44.8%	40.2%	
EBITDA	81.0	72.6	11.6%
EBITDA Margin (%)	61.3%	56.5%	
Net Income	36.1	30.0	20.3%
Net Margin (%)	27.3%	23.3%	

Source: Company reports, LarrainVial Research Department