

## Engie Energia Peru

### 3Q19 Results: EBITDA up +5% YoY, mainly explained by higher energy prices and lower fuel consumption

EBITDA was up +5%, mainly owing to lower fuel consumption (-44% YoY) and higher revenues (+4% YoY), which were partially offset by lower income (-97% YoY) from provisions. Net income came to USD 21.5mn in 3Q19, up 36% YoY relative to 3Q18, mainly explained by higher EBITDA and improved financial performance.

Net generation fell from 1,919GWh in 3Q18 to 1,844GWh in 3Q19 (-4% YoY). Hydro generation was up +2.4%, while thermal generation was down -6.1% YoY. Solar generation was up 4.0% YoY.

Revenues in 3Q19 rose +4.0% YoY to USD 134mn, mainly explained by a +2.3% YoY rise in energy prices and a 1.3% YoY increase in volumes.

Costs went down 8% YoY, mainly explained by a -44% decline in fuel consumption due to the high comparison base after the gas shortage in 2018. This effect was partially offset by a +75% YoY increase in purchased volumes.

Financial performance improved +43% YoY to USD -5.5mn, mainly on account of lower expenses due to lower debt relative to 3Q18 (-18% YoY) and higher financial income (+133% YoY).

Net income came to USD 29.2mn, compared to USD 21.5mn in 3Q18 (up +36% YoY), mainly on account of higher EBITDA (5%) and the 43% YoY improvement in financial results.

Net debt/EBITDA went down from 2.2x in 3Q18 to 1.9x in 3Q19.

**Table 1: Engie Energia Peru quarterly results, USD mn**

	3Q19	3Q18	%Var 19/18
Revenues	134.3	129.1	4%
Op. Income	38.6	37.8	2%
Op. Margin (%)	29%	29%	
<b>EBITDA</b>	<b>66.3</b>	<b>63.2</b>	<b>5%</b>
EBITDA Margin (%)	49%	49%	
<b>Net Income</b>	<b>29.2</b>	<b>21.5</b>	<b>36%</b>
Net Margin (%)	21.8%	16.7%	

Source: Company reports and LarrainVial Research Department

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