



ENGIE Energía Perú

Results as of March 2018



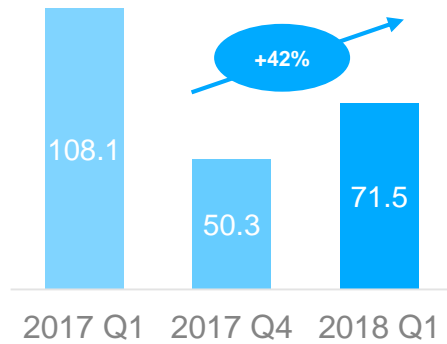
2018 Q1 HIGHLIGHTS

- **Total energy generation (SEIN) grew 1.7% in Q1 2018** compared to Q1 2017. As of March, EEP maintained a leading position in the sector, accounting for **21%** of the total capacity and **6%** of the total energy generation of the system
- **Q1 2018 EBITDA** reached **71.5MUSD, increasing 42%** compared to **Q4 2017** as a result of strong commercial efforts to re-contract available efficient capacity. Q1 2018 EBITDA decreased 34% compared to Q1 2017. The decrease is mainly explained by the end of SPCC PPA and lower re-contracting prices given market conditions
- **Q1 2018 Net Result** reached **30.0MUSD, increasing significantly compared to Q4 2017** (1MUSD) and impacted by Lower EBITDA and higher D&A against Q1 2017
- On March 31st, **EEP** announced the **commercial operation of Intipampa solar project, EEP's first step in non conventional renewable energy**. This solar plant is located in Moquegua and reached a total installed capacity of 40.5MW
- In March 2018, EEP signed a **30-year PPA for 35MW** starting in 2022 and a **37-year** agreement **with Anglo American Quellaveco to share existing jetty facilities**
- In February, **LNG pipeline event** caused a **restriction in the availability of natural gas**. As a consequence, diesel plants were dispatched to satisfy electricity demand and marginal cost increased
- Shareholders approved the distribution of **48.9MUSD in dividends** related to FY 2017 (38% payout ratio)

MAIN FINANCIAL RESULTS Q1 2018

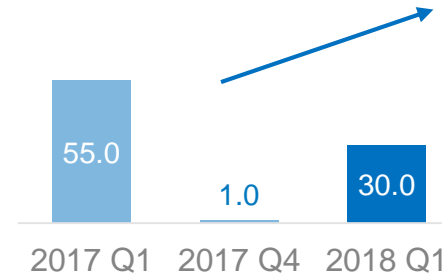
EBITDA

EBITDA MUSD



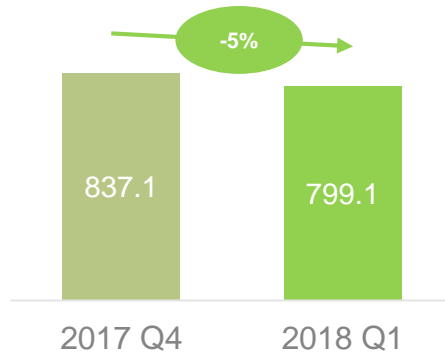
Net Result

Net Result MUSD



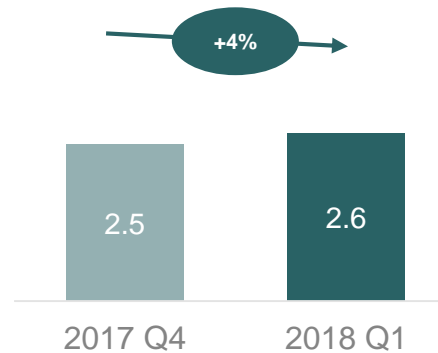
Total Debt

Total Debt MUSD



Net Debt / EBITDA (12m)

Net Debt / EBITDA x



ENERGY PRODUCTION AND BALANCE Q1 2018

Lower thermal generation in Q1 2018 and net buyer position in the spot market

GWh	2016		2017		Q1 2017		Q4 2017		Q1 2018		Δ	Δ
											Q1 2018 vs Q4 2017	Q1 2018 vs Q1 2017
Yuncán HPP	760	8%	889	11%	276	12%	210	9%	274	13%	30%	-1%
Quitaracsa HPP	484	5%	531	6%	203	9%	101	4%	189	9%	87%	-7%
Chilca1 CCGT	5,617	63%	5,303	63%	1,135	49%	1,439	61%	222	11%	-85%	-80%
Chilca2	220	2%	308	4%	10	0%	155	7%	13	1%	-91%	31%
Ilo21 (Coal)	773	9%	674	8%	227	10%	23	1%	20	1%	-12%	-91%
Ilo1 (Diesel)	210	2%	86	1%	16	1%	0	0%	0	0%	n.a.	-100%
Ilo31 (Cold Reserve)	100	1%	7	0%	1	0%	0	0%	1	0%	467%	34%
NEPI	18	0%	9	0%	1	0%	1	0%	6	0%	327%	404%
Intipampa	0	0%	0	0%	0	0%	0	0%	6	0%	n.a.	0%
Imports (Ecuador)	21	0%	0	0%	0	0%	0	0%	0	0%	n.a.	0%
Auxiliaries	-289	-3%	-185	-2%	-32	-1%	-34	-1%	2	0%	-106%	-106%
NET GENERATION	7,914	88%	7,624	91%	1,838	79%	1,897	81%	735	35%	-61%	-60%
COES: NET	1,061	12%	734	9%	503	21%	-63	-3%	1,381	65%	-2309%	175%
CLIENTS DEMAND	8,976	100%	8,358	100%	2,340	100%	1,834	78%	2,116	100%	15%	-10%

MAIN RESULTS Q1'18

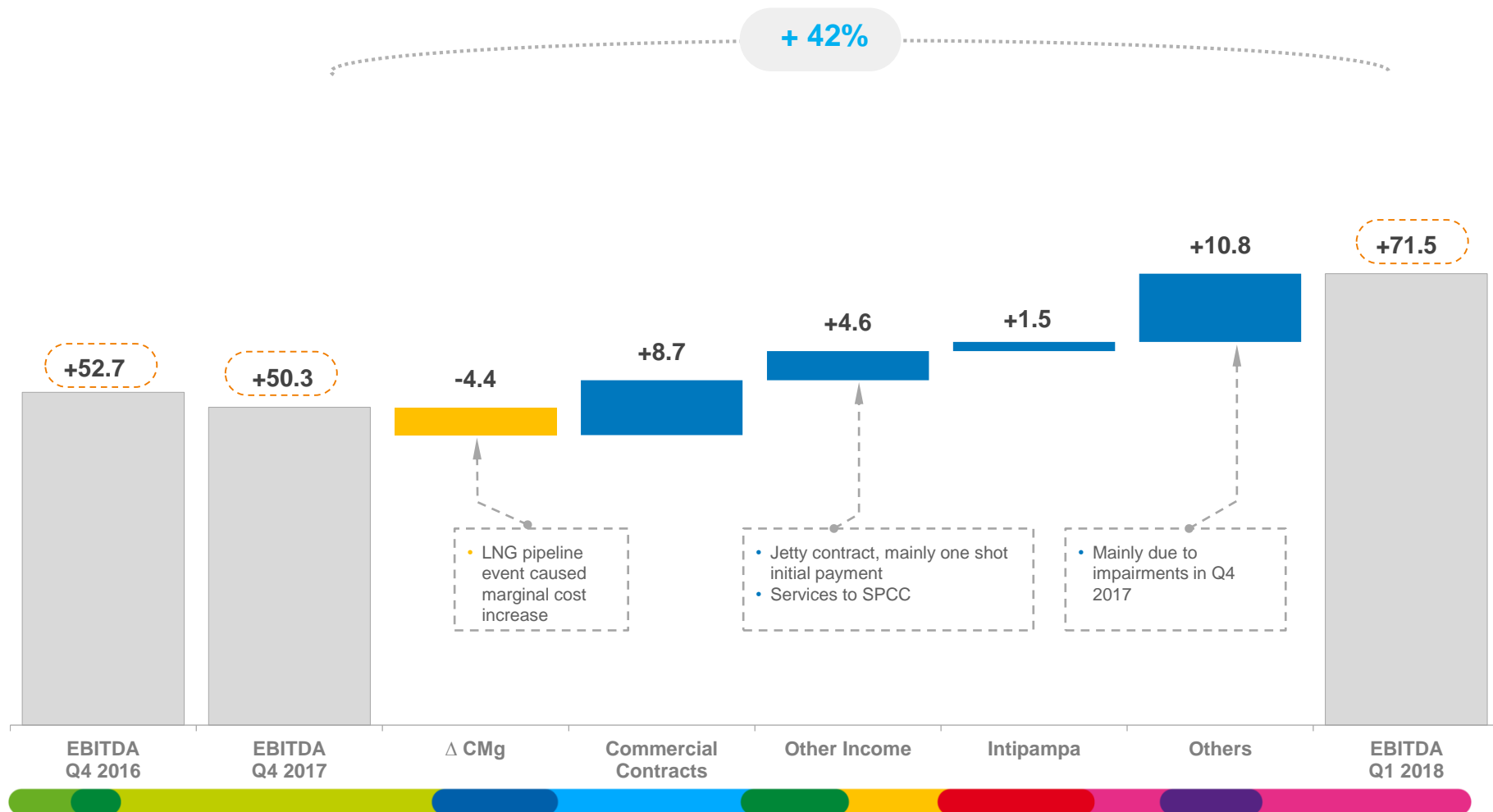
(MUSD)	Q1 2018	Q4 2017	Q1 2017	Δ Q1 2018 vs Q4 2017	Δ Q1 2018 vs Q1 2017	FY 2017	FY 2016	Δ FY
Revenues	163	139	201	18%	-19%	683	748	-9%
EBITDA	71	50	108	42%	-34%	325	309	5%
Net Result	30	1	55	2967%	-45%	130	132	-1%
Recurrent EBITDA*	71	53	108	35%	-34%	298	330	-10%
Net Recurrent Result*	30	3	55	953%	-45%	111	169	-35%
Total Debt	799	837	963	-5%	-17%	837	1,009	-17%
Net Debt	763	800	904	-5%	-16%	800	981	-18%
Net Generation GWh	735	1,897	1,838	-61%	-60%	7,624	7,914	-4%
Clients Demand GWh	2,116	1,834	2,340	15%	-10%	8,358	8,976	-7%
Net Debt / EBITDA 12m	2.6	2.5	2.8	7%	-6%	2.5	3.2	-22%

* Does not include commercial penalty fees and impairment of assets

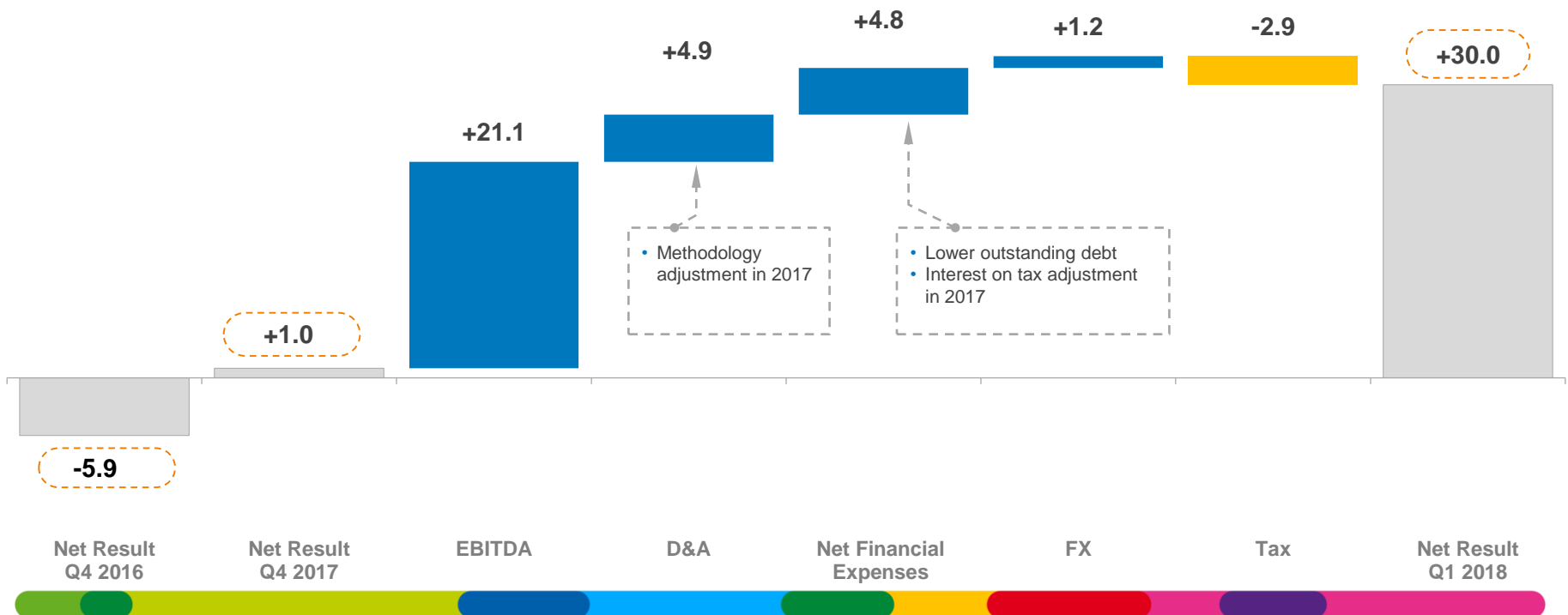
- **Q1 2018 EBITDA increased 42% compared to Q4 2017** as a result of a commercial effort to re-contract available capacity after Las Bambas termination contract in 2017
- **Q1 2018 EBITDA decreased -34% compared to Q1 2017 to 71MUSD**, mainly explained by the **end of SPCC PPA** contract which was partially offset by new PPAs. **Q1 2018 Net result** was affected by lower EBITDA and **higher D&A compared to Q1 2017**
- **Total debt decreased by 4.5%** from December 2017, following the expected amortization schedule, and totalized **799MUSD**

EBITDA: Q1 2018 vs. Q4 2017 **+21.1 MUSD**

Commercial effort driving EBITDA improvement

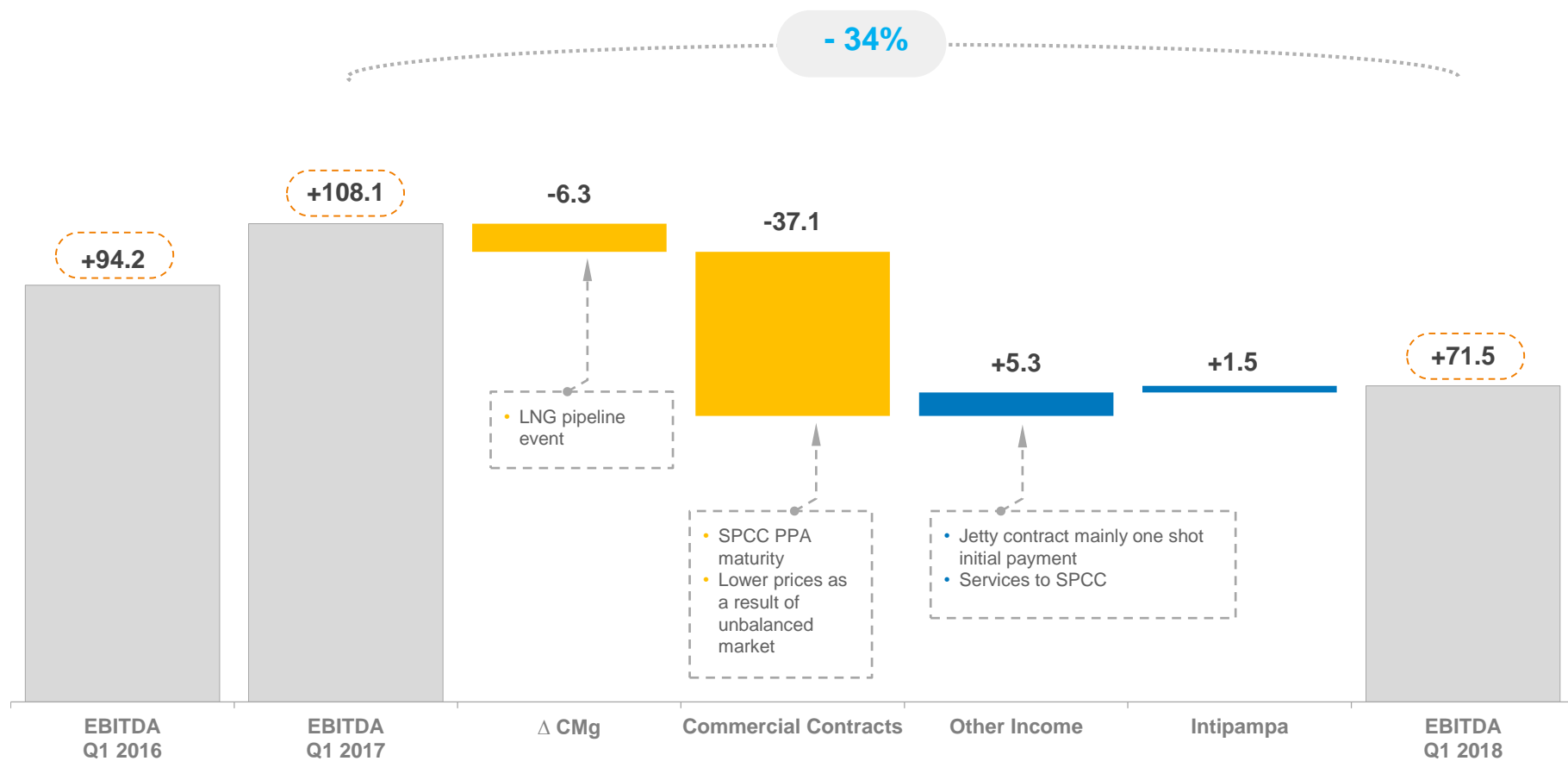


NET RESULT: Q1 2018 vs. Q4 2017 **+29.0 MUSD**

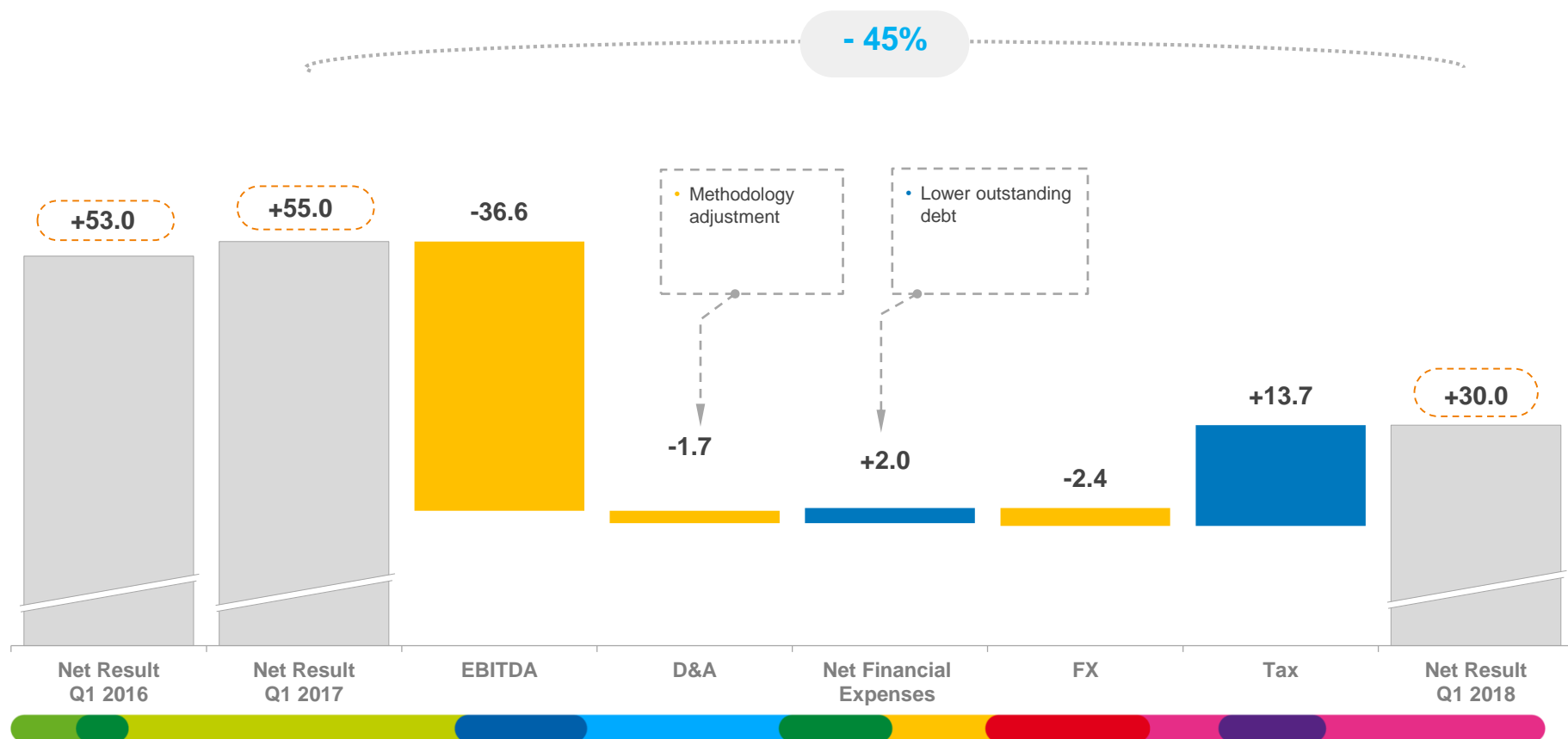


EBITDA: Q1 2018 vs. Q1 2017 **-36.6 MUSD**

Expected PPA maturities and lower prices due to unbalanced market explained margin contraction

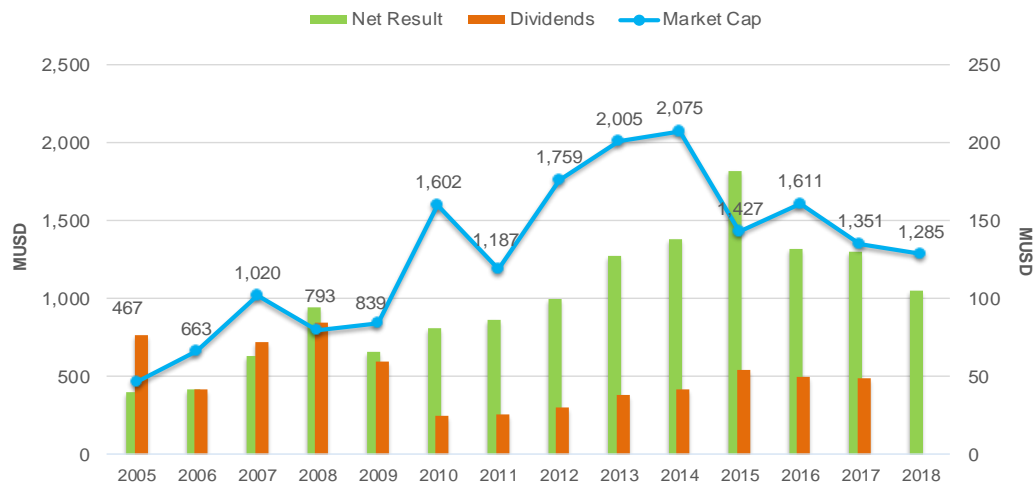


NET RESULT: Q1 2018 vs. Q1 2017 **-25.0 MUSD**



STOCK PRICE PERFORMANCE

Higher regulatory and political uncertainty driving Q1 2018 price decrease with low liquidity levels



- Market Cap changes in USD is affected by share price movements and FX changes
- In Q1 2018, the share price decreased from 7.29 to 6.89 S/./sh; (-5.5%); while the exchange rate appreciated slightly against the USD (3.224 PEN/USD). The share price decreased in a context of higher volatility due to uncertainty regarding regulatory issues related with the natural gas price declaration mechanism and political uncertainties.

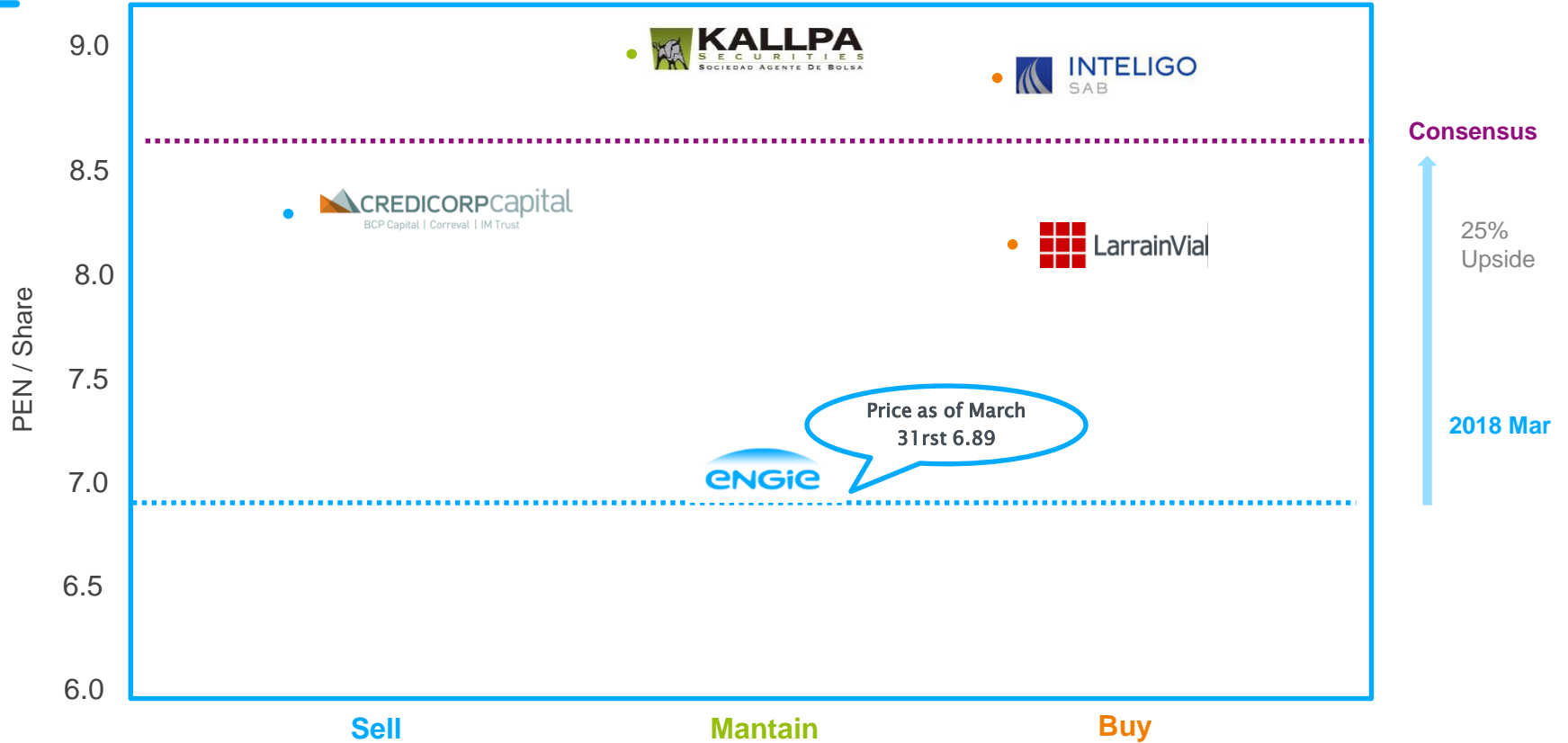
Financial Market Data – March 2018

Number of shares issued	601,307,011
Share price (PEN) – 31/03/2018	6.89
VWAP (3m) – (PEN)	6.87
52 week – high – (PEN)	8.50
52 week – low – (PEN)	6.50
Market Cap (MUSD)	1,285
Enterprise Value (EV) (MUSD)	2,048
EV / EBITDA	7.1x
Price to Book Value (P/B)	1.2x
Price / Earnings ratio (P/E)	12.3x
Daily avg. trading volume (mm sh)	0.03

EV: Market Cap + Net Debt
P/B: Market Cap / Book Value of Equity

*Market Cap variation in 2015 is mainly explained by portfolio rebalance of an institutional investor and subsequent potential reclassification of Peru from Emerging Markets ("EM") to Frontier market due to its low liquidity

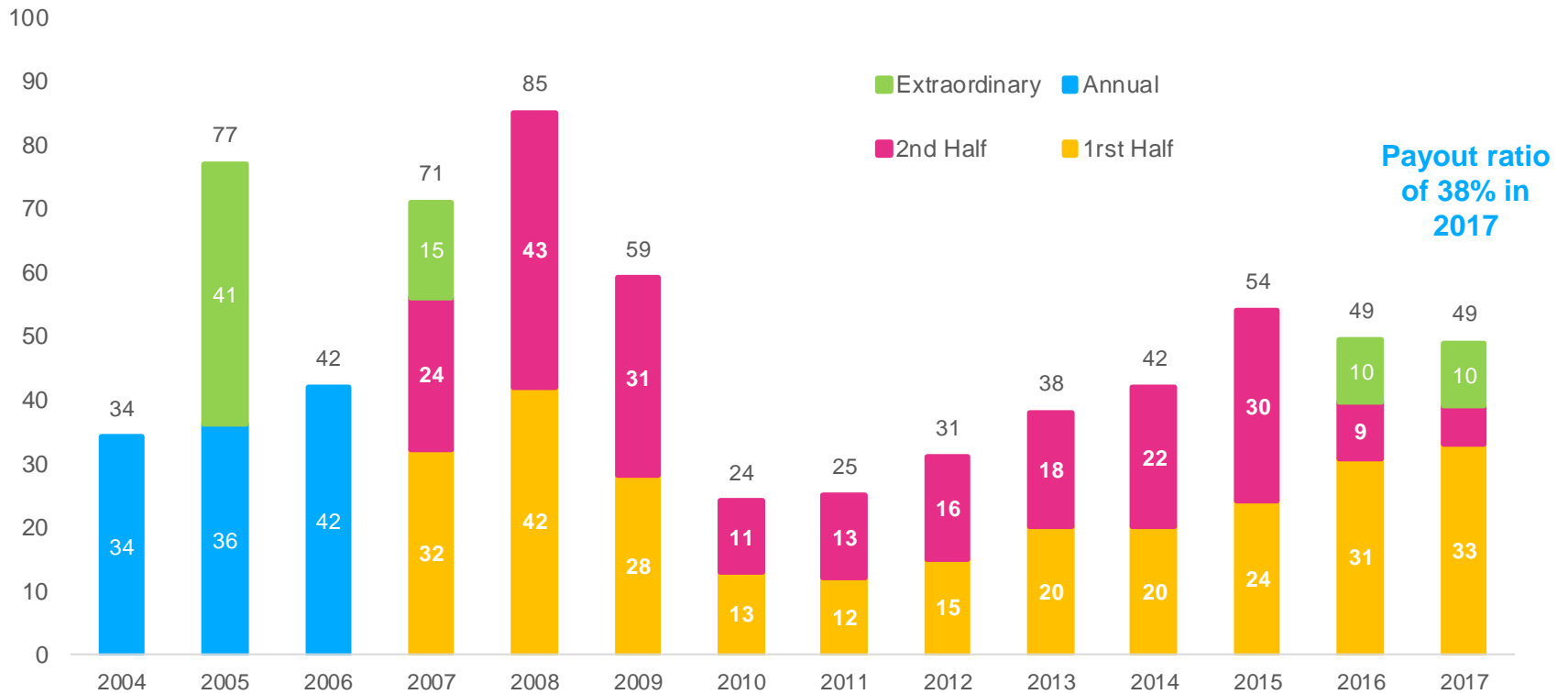
EQUITY ANALYST VIEW



	Credicorp	Larrain	Kallpa	Inteligo	Consensus
Target price	8.4	8.2	8.9	8.8	8.6
Recommendation	Underperform ●	Buy ●	Maintain ●	Buy ●	
Date	October 2017	February 2018	January 2018	January 2018	

DIVIDEND PAYMENTS: 680 MUSD since 2004

Dividend Policy: Minimum payout ratio of 30%



THANKS

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FOR MORE INFORMATION ABOUT ENGIE ENERGIA PERU

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APPENDIX

ENGIE Energia Peru overview

Largest private electricity company in Peru in terms of capacity

2,497 MW of installed capacity & ~7,600 GWh of annual generation

Low Co2 generation base

Diversified & decentralized portfolio of generation sources

21 years operating in the country & listed since 2005

508 employees

Financial discipline to support future growth ambitions,

AAA local rating

Sponsored by a global leader, ENGIE S.A.*

