

Company Presentation

September 2010



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E-CL Overview: Our Business

4th Largest
electricity
generator in
Chile

Leading power company in the SING: 1,795 MW, 49% of Market Share.

- Coal: **781 MW**
- Gas (Argentine and LNG): **688 MW**
- Diesel & Fuel Oil: **313 MW**
- Hydro: **13 MW**

Sister company of new LNG terminal in northern Chile (GNL Mejillones, commercial operation started in May 2010).

Two coal fired plants in construction (combined 330 MW) which will bring total installed capacity to 2,125 MW in 2011.

Gas transportation and distribution through Gasoducto Norandino and Distrinor.
2,080 kms. of transmission lines.

Main competitors:

- AES Gener – Norgener (277 MW coal) & Salta (643 MW gas, with limited dispatch to SING of 180 MW)
- Gas Atacama (Endesa) only gas-diesel (781 MW)
- Celta (Endesa) 158 MW coal

E-CL Overview: Our Business (cont.)

Recently renewed /renegotiated PPAs with pass-through provisions

Conservative commercial policy

Contracted capacity of 1,171 MW increasing to 1,319 MW in 2012.

Average remaining PPA term of 11 years; (83% industry, mainly mining companies, 17% regulated, distribution company EMEL starting 2012).

Pass-through of fuel costs (PPA energy price indexation based on mix of Coal, LNG, Fuel Oil N°6 and Diesel prices, CPI, and SING marginal energy cost). Tariffs consider effects of maintenance, regulatory costs

Maintain market share (approximately 50%) in a sustainable and profitable manner; new investments only if supported by contracts.

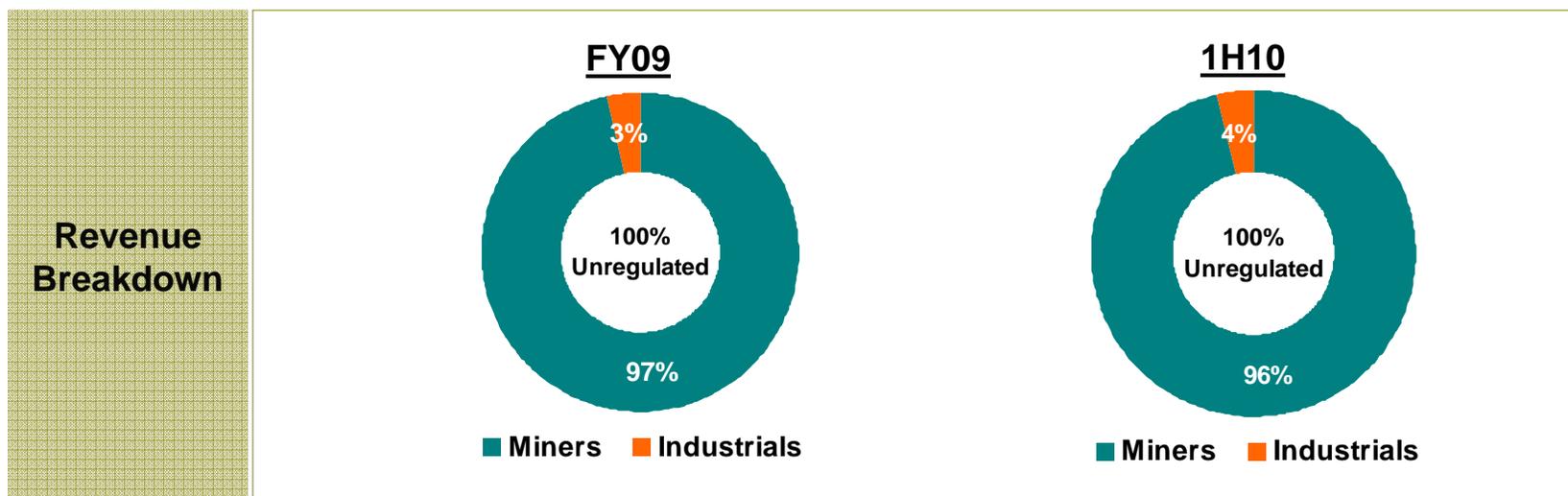
Overall PPA indexation is matched with generation capacity by type of fuel (Pass-through).

Strong mining / industrial off-takers.

PPA prices set to remunerate investment in new capacity.

E-CL Overview: Our Business (cont.)

Financial Highlights	Financial ratios	FY09	1H10
	Total Revenues	MUSD 977	MUSD 519
	EBITDA	MUSD 341	MUSD 167
	Net Income	MUSD 259	MUSD 78
	Total Assets	MUSD 2,352	MUSD 2,614
	CAPEX	MUSD 455	MUSD 87
	Net Debt/Ebitda	1.6 x	1.5 x
	Market Capitalization	BUSD 2.0	BUSD 2.0



A diversified Asset base

I region

70.1 MW
Installed Capacity

- Hydraulic: **10.2 MW**
(run of the river)
- Diesel: **14.3 MW**
- Diesel: **30.9 MW**
- Fuel: **12.1 MW**
- Hydraulic : **2.6 MW**

II region

1,728.4 MW
Installed Capacity

- Coal: **439.6 MW**
- Gas (dual): **437.5 MW**
- Fuel&Diesel: **228.3 MW**

Tocopilla Plants: 1.105 MW

- Coal: **340.9 MW**
- Gas (dual): **250.8 MW**
- Diesel: **2.7 MW**

Mejillones Plants: 594.3 MW

- Fuel: **28.6 MW**

I - II region

2,080 km
Transmission Line

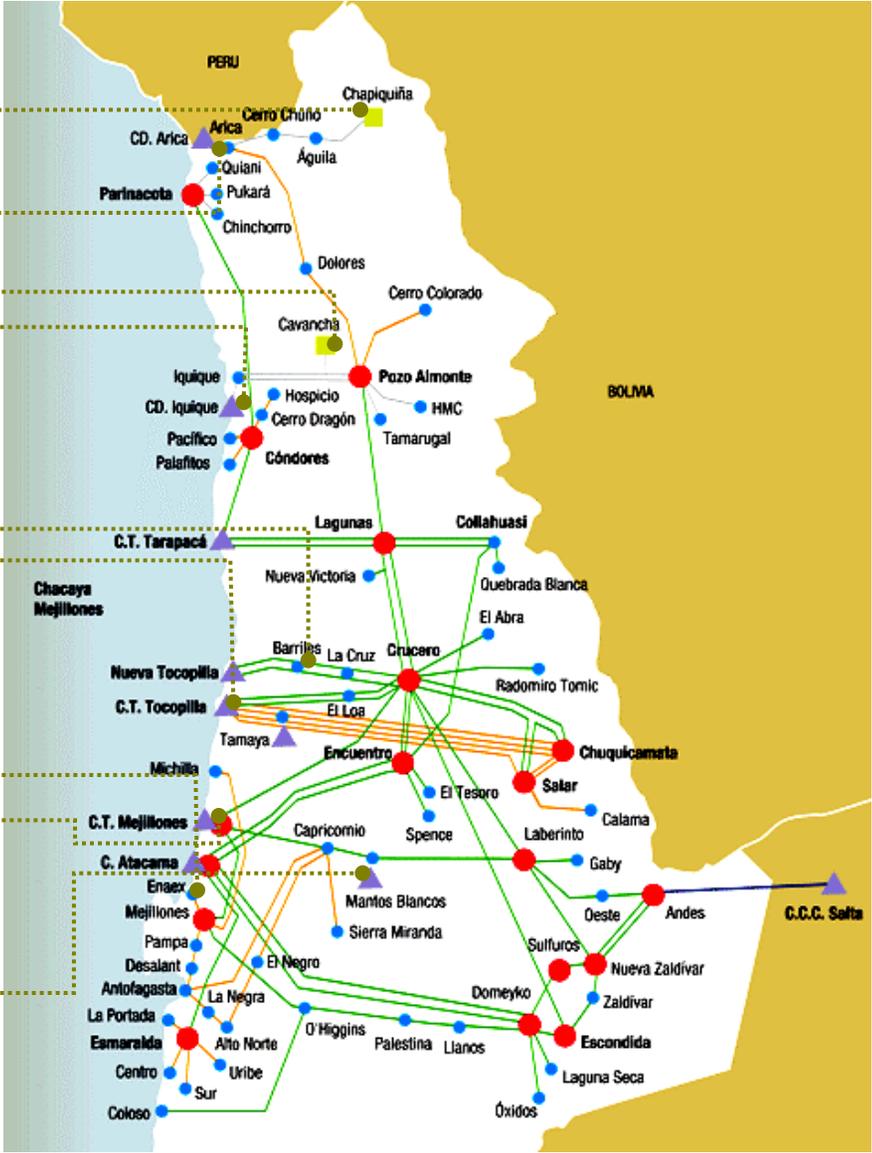


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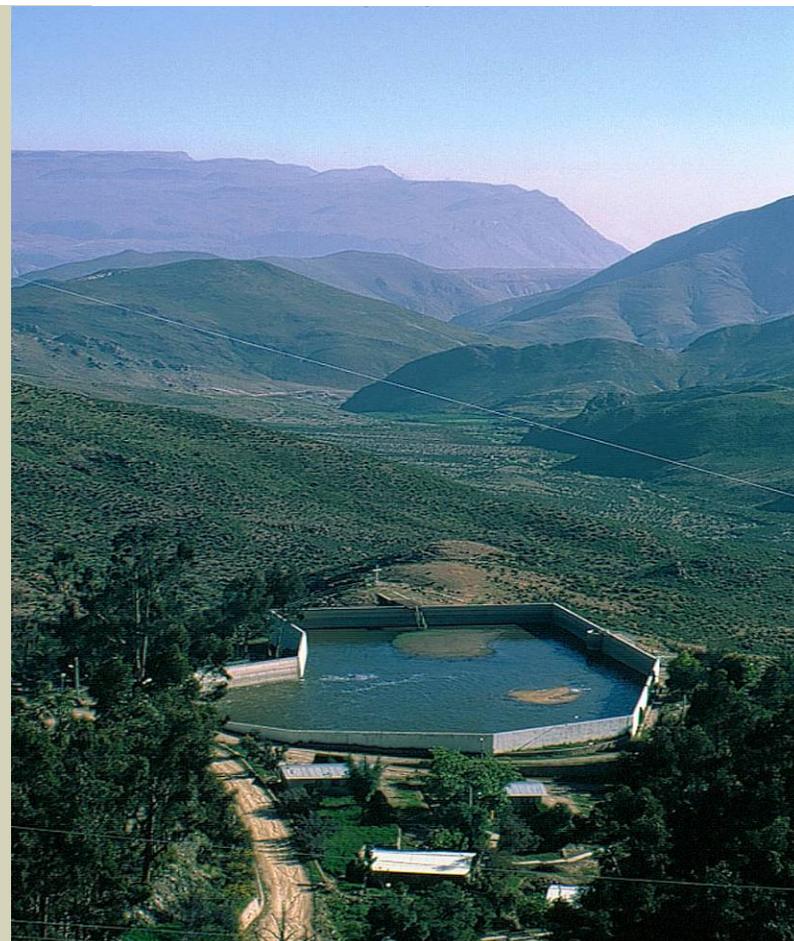
Part 2 Ownership Structure

Part 3 **Merger:** International Power plc
and GDF Suez Energy International

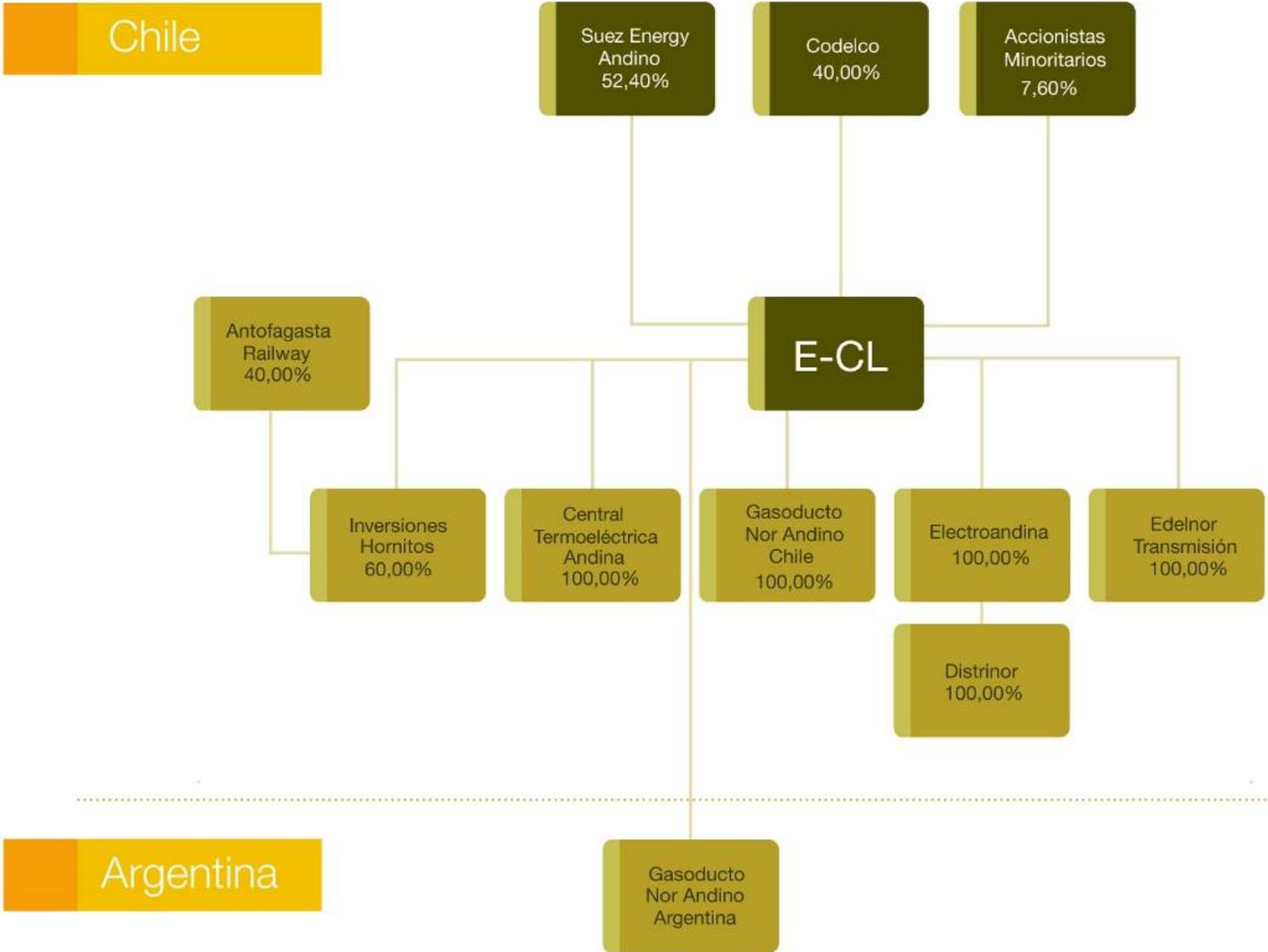
Part 4 **Industry:** “*Sistema Interconectado del Norte Grande*” – SING

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Ownership Structure – Post Merger



Ownership Structure: GDF SUEZ

A major industrial player in the energy sector:

A leader in natural gas in Europe

World leader in LNG

Leader in electricity

World leader in services

Diversified installed capacity: 72.7 GW

*Natural Gas-54%, Hydro-18%, Nuclear-8%
Coal-10%, Wind-3%, Bio-1%, Others-6%.*

Latin America:

10.7 GW + 5 GW in construction;

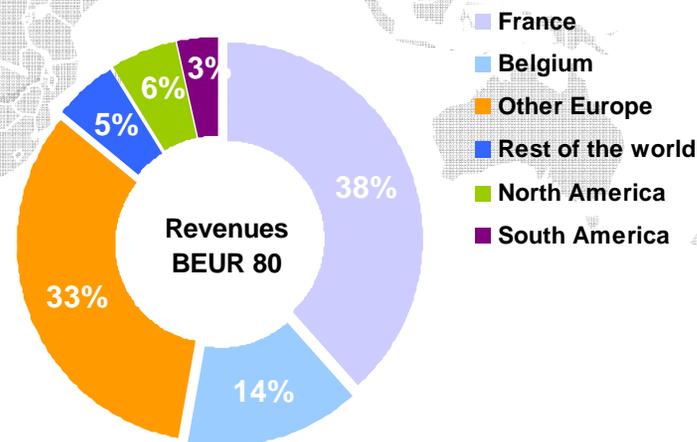
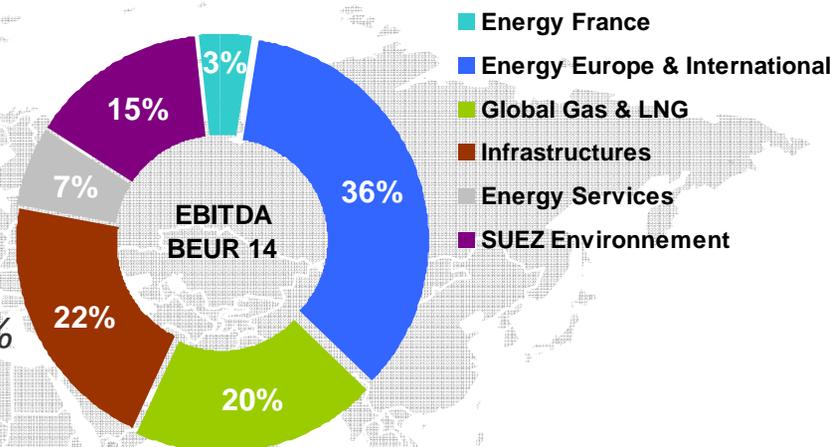
BUSD 1.6 EBITDA; 11% of Global EBITDA.

200,000 employees worldwide.

24th company in Forbes' Global 2000 list.

- Assets: **BEUR 171**
- EBITDA: **BEUR 14**
- CAPEX: **BEUR 11.2**

Ratings: S&P A/A1, Moody's Aa3/P1



Ownership Structure: Codelco

World largest integrated copper mining company and second largest producer of molybdenum.

State-owned company, producing 1.8 million tons of fine copper.

Accounts for about 12% of global copper production.

Financial highlights (FYE 2009):

- Assets: **BUSD 16.0**
- Revenues: **BUSD 12.1**
- EBITDA: **BUSD 5.5**
- CAPEX: **BUSD 1.6**

Rating: **S&P A+**



Ownership Structure:

Other GDF Suez & Codelco Projects in the North of Chile

GNL re-gasification plant, North of Chile

- 50%-owned by GDF Suez; 50% by Codelco.
- Total capacity: 5.5 million m³/day (1100 MW)
- Total investment: MUSD500.



- ✓ Diversified LNG sources: Trinidad-Tobago, Yemen, Nigeria.
- ✓ Access to GDF-Suez global LNG network.

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Combination of International Power plc and GDF Suez Energy: Creation of the Global Leader in Independent Power Generation

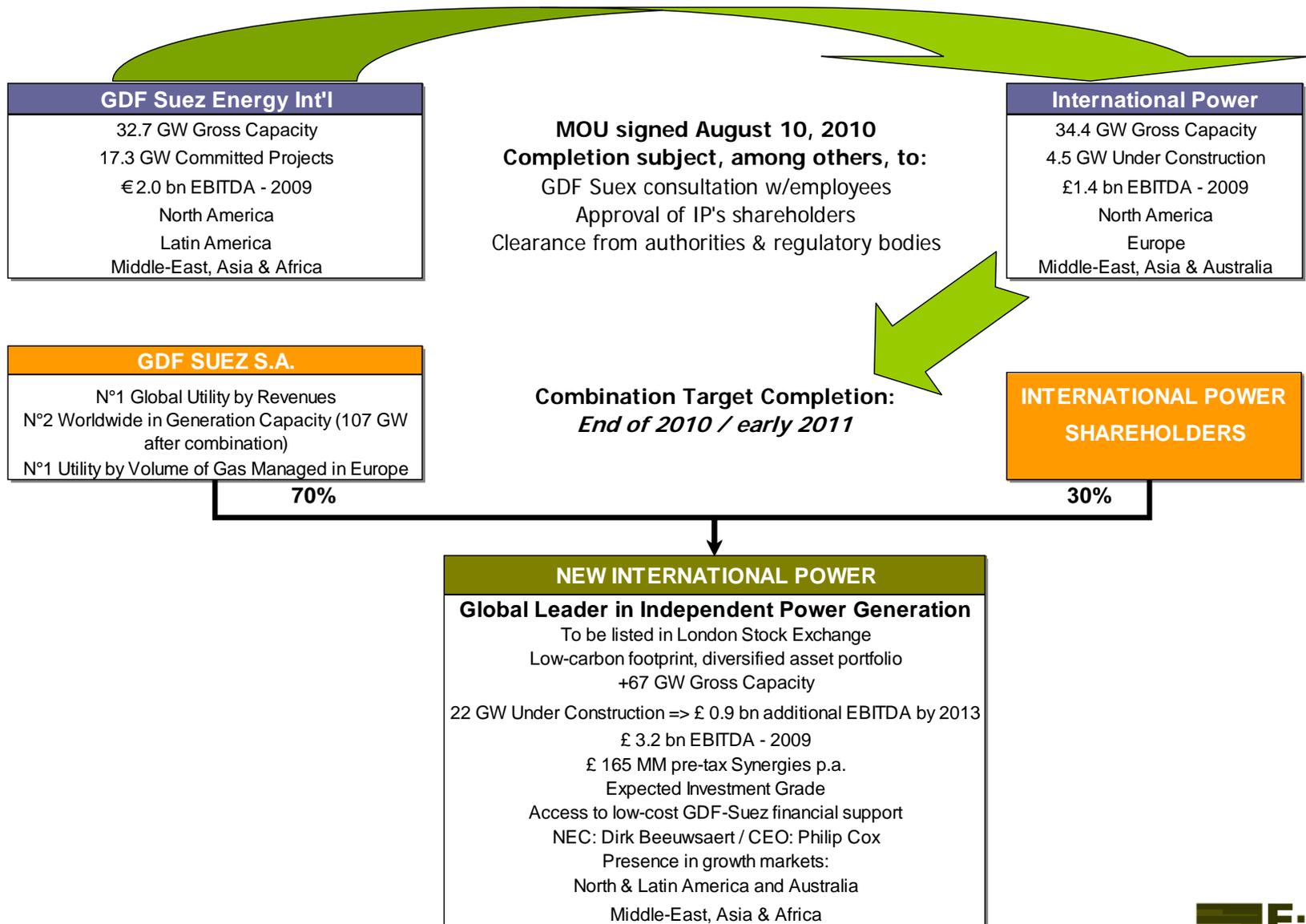
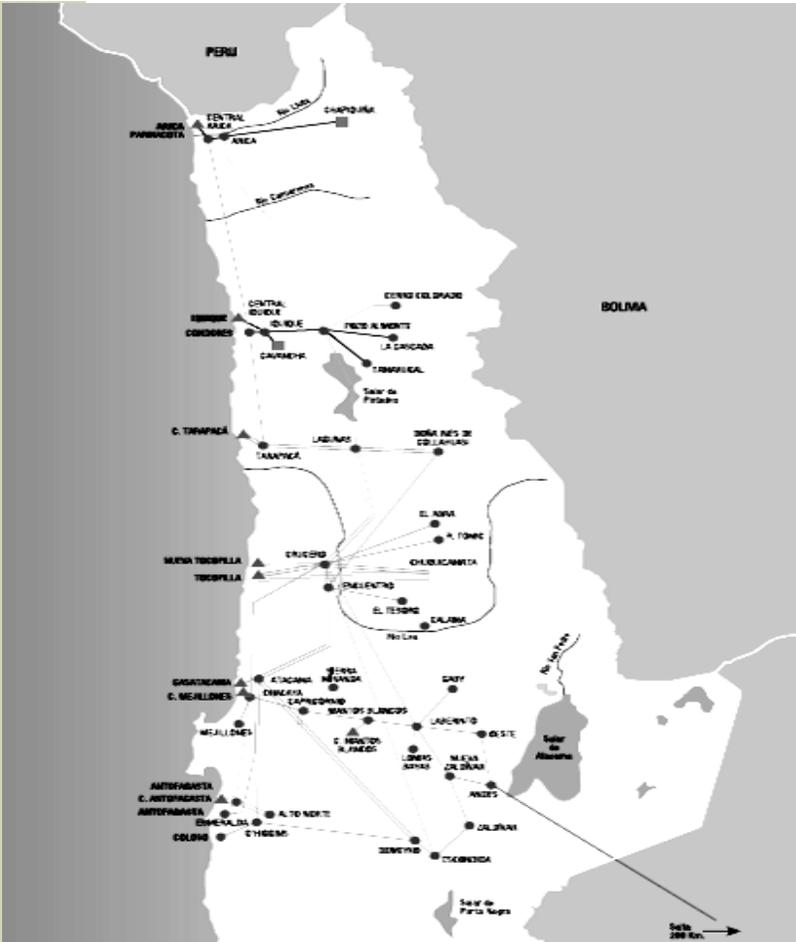


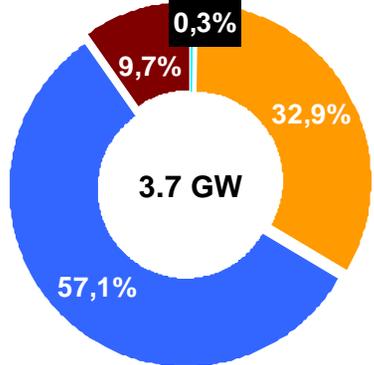
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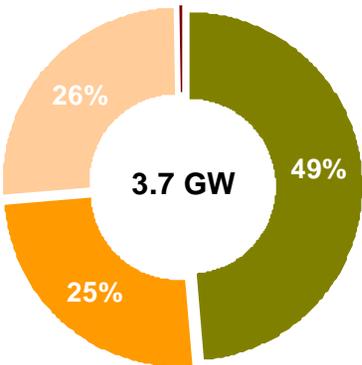
Industry: Supply in the SING

Installed capacity 1H10



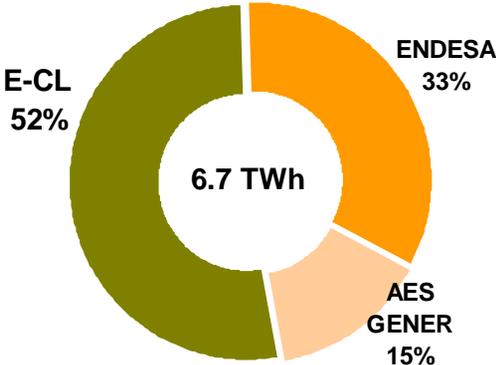
Hydro Coal
 Combined Cycle FO 6 & Diesel

Installed capacity by Genco 1H10

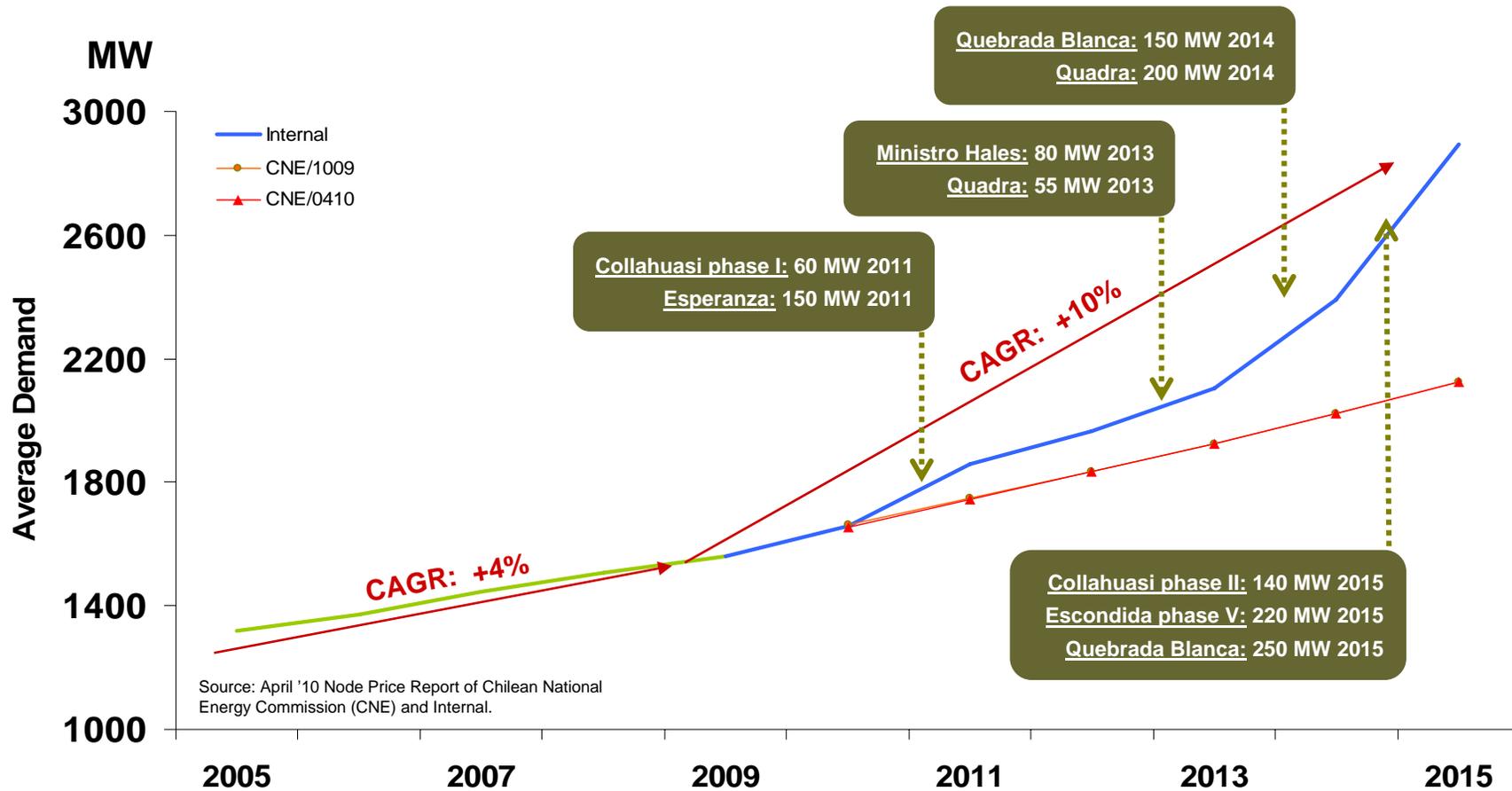


E-CL AES GENER ENDESA

Market share demand 1H10



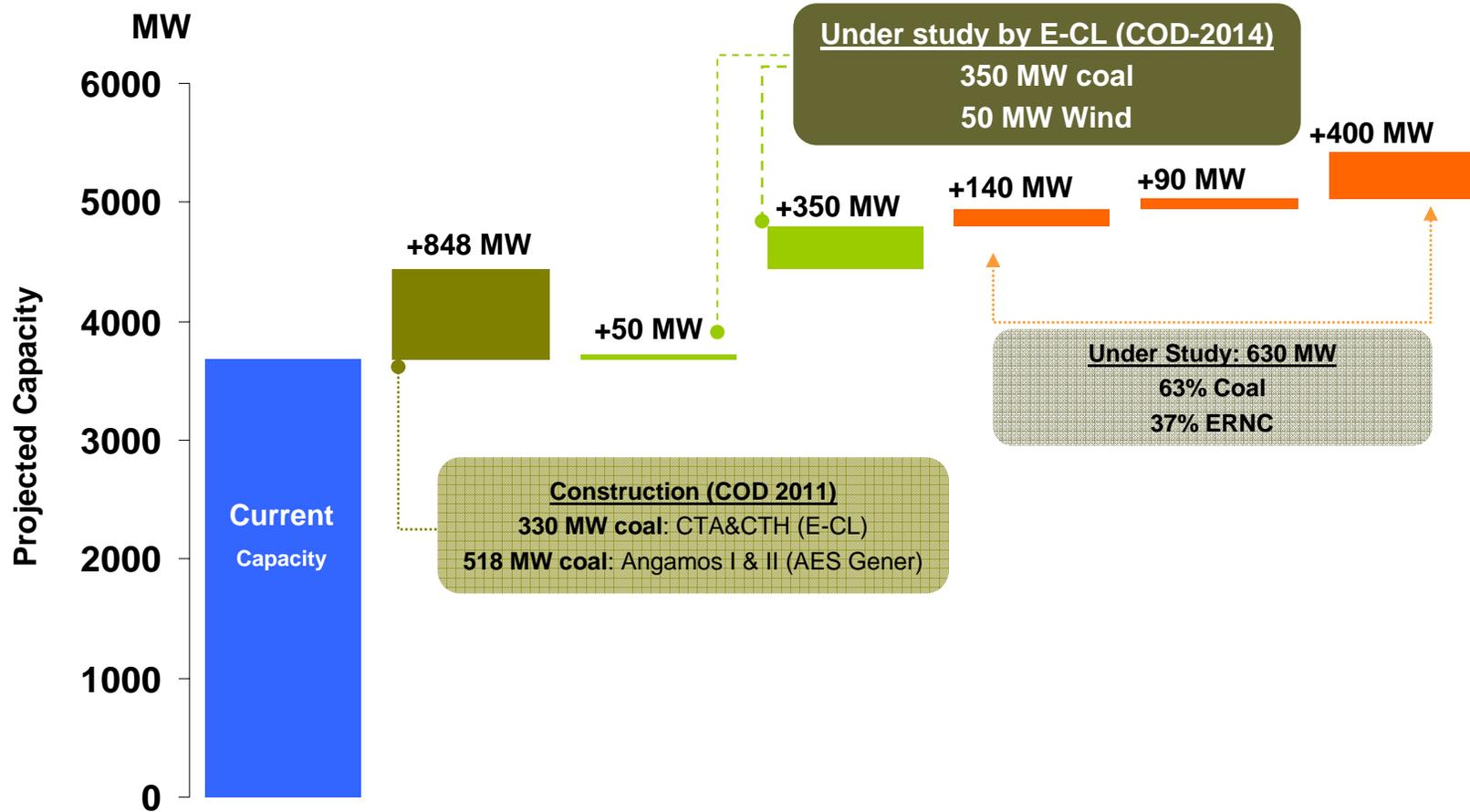
Industry: Future expectations of electricity sector



A low-risk portfolio of big mining clients, with relative low production costs compared to mining companies in the rest of the world:

- Mainly copper mining clients, benefiting from increasing world demand.
- Long-term contracts (PPAs) with pass-through of fuel prices.

Industry: Future Challenges in the SING



Conservative commercial policy

- Growth CAPEX to be developed only if PPAs are signed.
- PPA capacity tariff covering return on investment and pass-through energy tariff.

E-CL has Environmental Impact Study approved

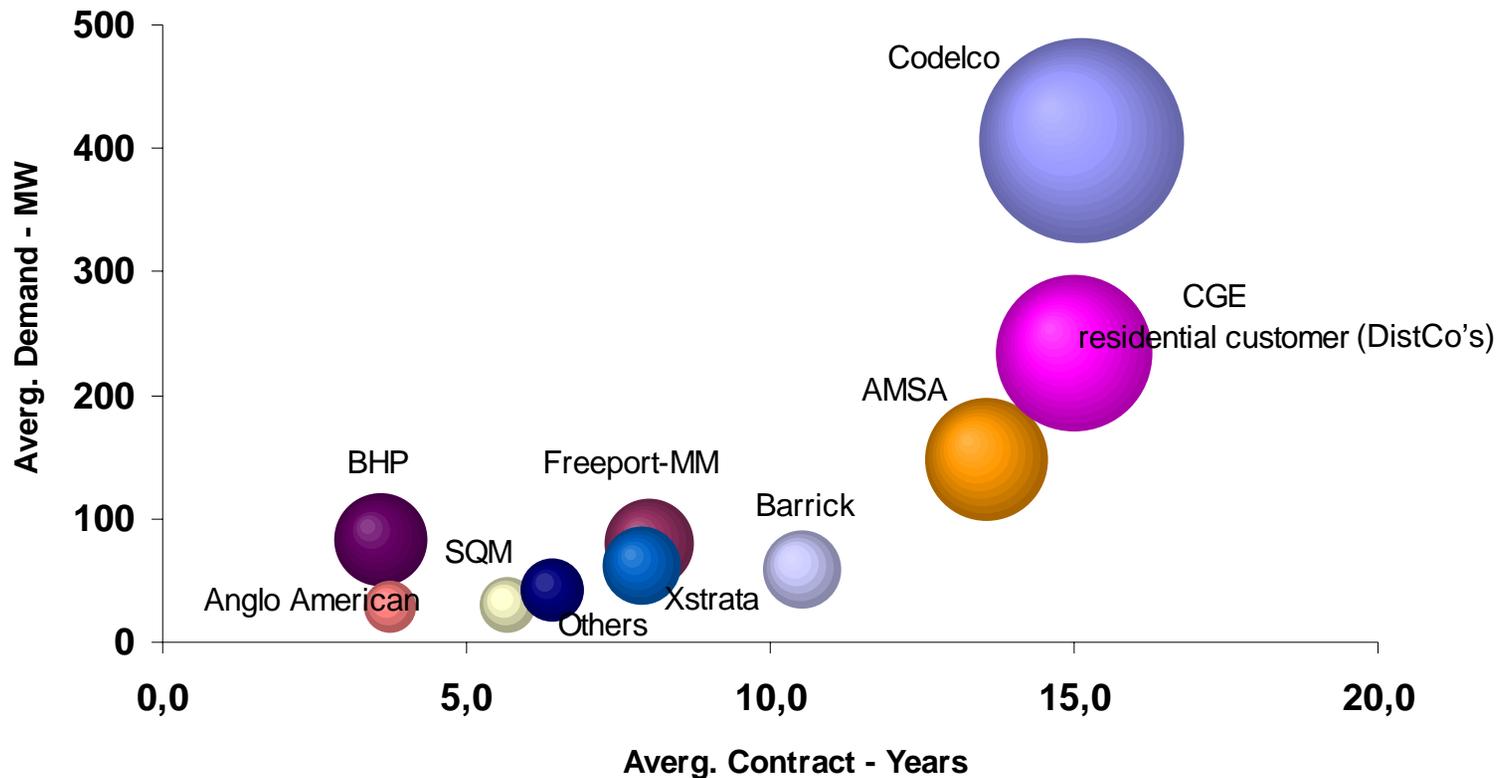
- Two coal-fired plants, 375 MW each.

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Operational Aspects: E-CL's Main Power Supply Contracts



- E-CL has supply contracts for an average of **1,171 MW** through 2011, rising to **1,319 MW** in 2012, with average remaining tenor of 11 years.
- In 2009 the portfolio was **97%** non-regulated customers (mainly miners) and **3%** industrial customers but beginning 2012, through the Distco's contract, E-CL will service **83%** non-regulated and **17%** residential

Operational Aspects:

Projects under construction - COD in 2011



CENTRAL TERMOELÉCTRICA ANDINA

- ❑ 165 MW gross capacity coal fired power plant project in Mejillones (Region II) connected to the SING power grid.
- ❑ 21-yr. PPA with Codelco.
- ❑ Scheduled Start-up Date: first quarter 2011
- ❑ Total CAPEX: MUS\$496.
- ❑ Total project financing debt MUS\$ 393 maturing 2025, with limited recourse to E-CL.

CENTRAL TERMOELÉCTRICA HORNITOS

- ❑ Twin 165 MW coal fired unit.
- ❑ 15-yr. PPA with Minera Esperanza.
- ❑ Scheduled Start-up Date: Second quarter 2011
- ❑ Total CAPEX: MUS\$380.
- ❑ Owned by E-CL 60%, and Antofagasta Railway Co. plc 40%.

Operational Aspects: Environmental CAPEX

New Regulations for Particulate Matter and Gas Emissions of Thermoelectric Power Plants.

- E-CL has **MUSD166.2** (3-year Environmental Capex plan).

Law Nr. 20,257 on Non-Conventional Renewable Energy (“ERNC” Law).

- 5% (+1% p.a. until reaching 10% in 2024) of contracted energy must be generated with non-conventional renewable sources.
- Requirement may be met through own generation with ERNC; purchase of ERNC-Certificates (similar to carbon bonds); or payment of penalties.
- E-CL is developing wind farm and solar projects, and is studying microalgae developments.
- E-CL will buy “ERNC Certificates” from the GDF-Suez affiliate, Monte Redondo (wind farm in the SIC).



Operational Aspects: Projects under Study in the SING



Microalgae (ERNC)
Environmental approval
process



Solar (ERNC)
Environmental approval
process



Wind Farm (ERNC)
Environmental approval
process



Coal (750 MW)
Environmentally approved

ERNC: Non-Conventional Renewable Energy
(Energía *Renovable No Convencional*)



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Financial Summary: E-CL's Results Evolution

<u>Income Statement in MUSD</u>	FY09	1Q10	1H10
Revenues	1054	255	520
Operational Cost	-777	-192	-401
Operational Result	277	62	119
Non Operational Result	43	-4	-20
Tax	-57	-11	-20
Minoritary Interest	-3	1	
Net Income	259	48	79
EBITDA	356	86	167
EBITDA/Revenues (12M)	34%	34%	36%
Psysical Sales (TWh)	7,3	1,7	3,5

<u>Balance Sheet: MUSD</u>	FY09	1Q10	1H10	% 1H10
Cash	167	202	226	9%
Current Assets	360	376	326	12%
Fixed Assets	1790	1852	1693	65%
Other Assets	35	390	368	14%
Total Assets	2.352	2.819	2.614	100%
Current Liabilities	100	140	104	4%
Debt Senior	209	208	340	13%
Related Companies Debt (net)	532	515	469	18%
Other Liabilities	76	184	176	7%
<i>Total</i>	608	699	644	25%
Shareholders Equity	1328	1641	1526	58%
Minority Interest	107	131	0	0%
Total Shareholders Equity + Debt	2.352	2.819	2.614	100%
Net Debt /EBITDA	1,61	1,48	1,48	
Net Debt/Equity	43%	32%	38%	

Notes:

EBITDA: Operational result + depreciation/amortization.

Data for 2009 is under Chilean GAAP and data for 1Q10 and 1H10 are under IFRS.

Financial Summary:

A Financial Policy that Supports our Business Strategy

Commitment to sustained creditworthiness

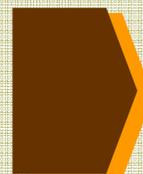
- ❑ Low debt (target net debt-to-EBITDA below 2.5x).
- ❑ Dividend pay-out ratio of 50%, except in case of greater CAPEX when minimum regulatory 30% will apply.



- ✓ To persuade customers to enter into L.T. contracts with financially reliable counterparty.

Financial flexibility

- ❑ Conservative maturity profile.
- ❑ Access to different sources of financing.



- ✓ To take advantage of future investment opportunities (potential Capex of MUSD1,000 during next 3 years).

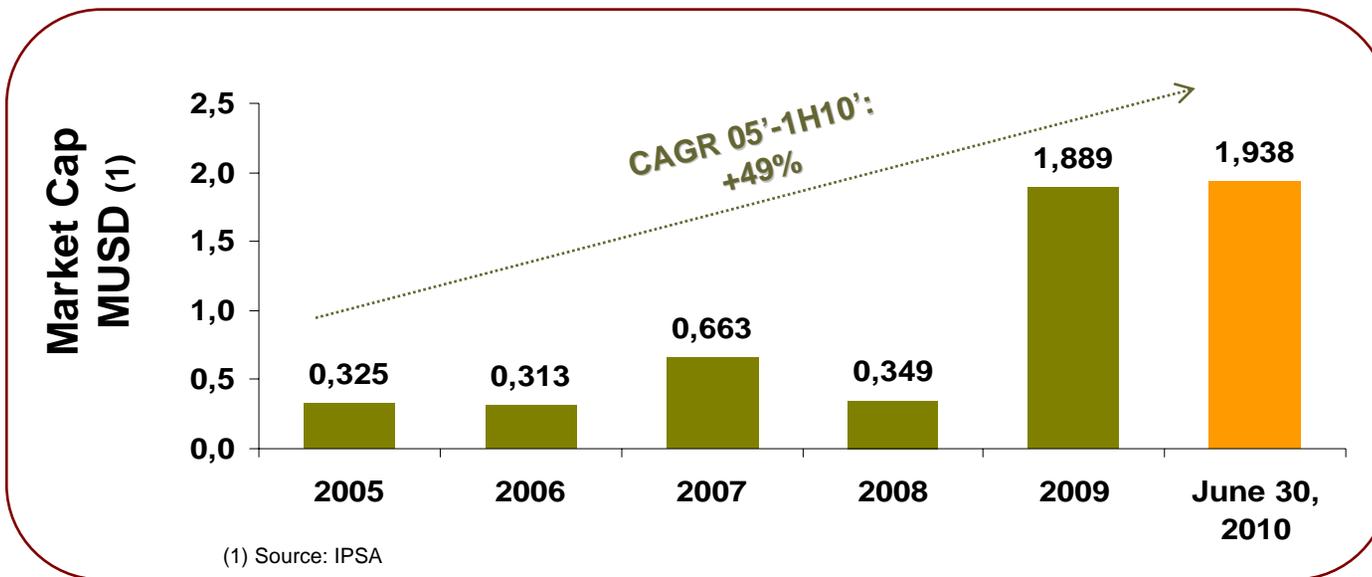
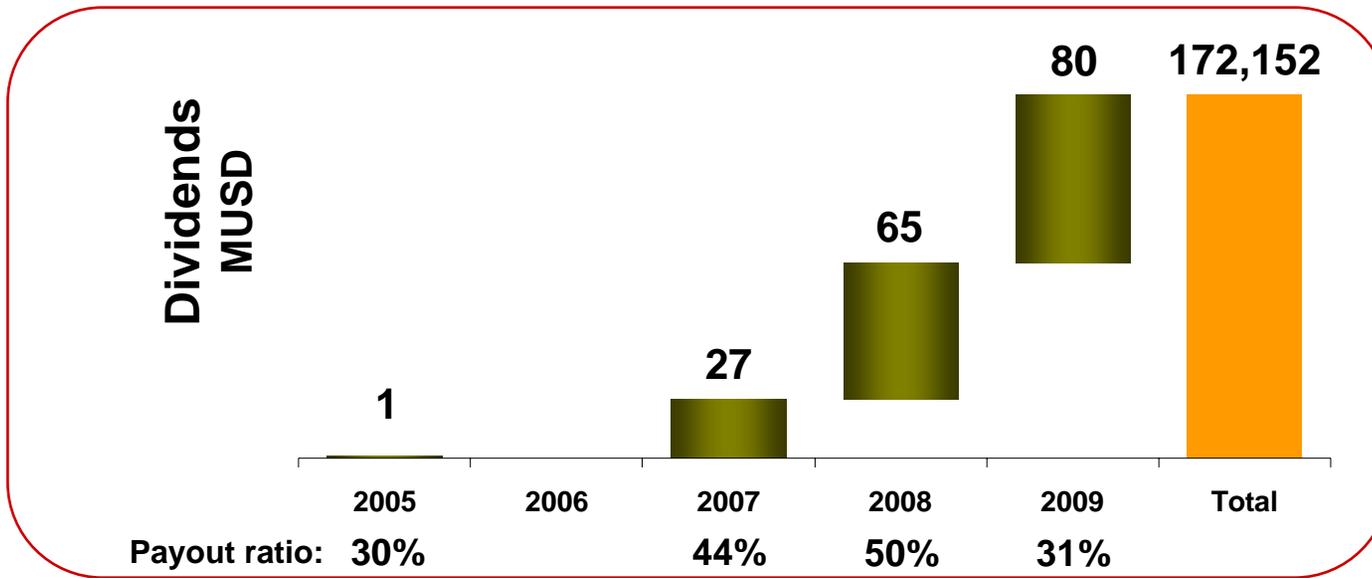
Access to liquidity

- ❑ Cash on hand of at least MUSD50 at all times (currently MUSD226).
- ❑ Non-committed credit lines (currently MUSD120)
- ❑ Financial support from shareholders.



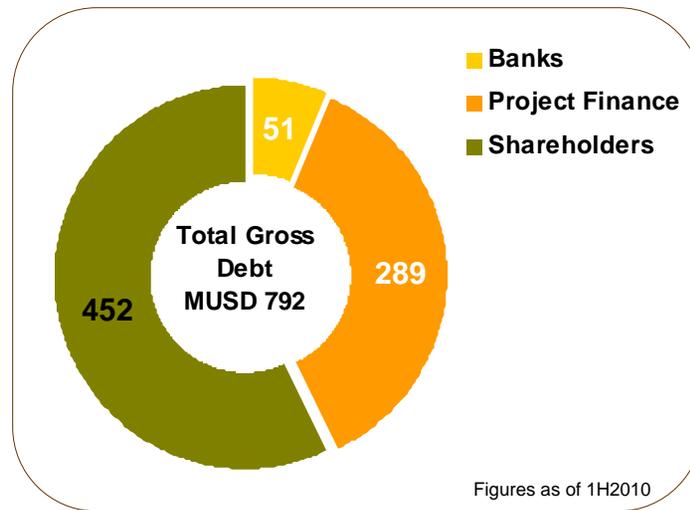
- ✓ To withstand potential shocks or fluctuations in business activity and prices.
- ✓ To reinforce financial flexibility.

Financial Summary: Dividends and Market Cap



Financial Summary: Debt Breakdown

Debt by type



As of June 2010: MUSD **226** of cash and cash equivalents on consolidated basis.

Plan to refinance shareholder loans by the end of 2010.

Financial Summary: Credit Risk Agencies

**STANDARD
& POOR'S**

BBB- investment grade:



Date, june 2010



Ba2: Date, june 2010



FitchRatings
KNOW YOUR RISK

BBB- investment grade:



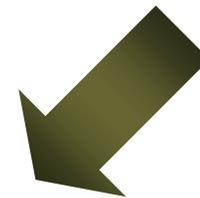
Date, august 2010

Conclusions

- Company with diversified mix of fuel sources for generation (flexibility).
- Environmental impact mitigation: capex for emissions reduction.
- Projects of renewable energy under development.

- Low volatility in cash flow: PPAs with fuel costs pass-through clauses (Better, stable, prices).
- High potential growth: good market position to supply new demand from the strong copper mining industry (expansion in progress).

- Company with healthy financial ratios.
- Support from GDF SUEZ: best practices, new technologies, know-how, financial.



Prepared for challenging opportunities

LATIN BUSINESS CHRONICLE CONSIDERA FACTORES COMO INGRESOS, CRECIMIENTO DE GANANCIAS Y RENTABILIDAD

Chilena E-CL encabeza ranking de las 100 mejores compañías de América Latina

Apple, Nokia y SAS Institute son algunas de las mayores compañías del mundo que destacan por sus productos innovadores o por la forma en que tratan a sus empleados. Sin embargo, es más el aspecto financiero el que predomina al momento de establecer la "grandeza" de una firma.

Considerando medidas como los ingresos, crecimiento de las ganancias y la rentabilidad, Latin Business Chronicle realizó un ranking de las 100 mayores empresas Latinoamérica, que este año es encabezada por la chilena E-CL.

Para establecer la lista, se analizaron más de 720 firmas de la región que reportaban más de US\$ 100 millones en ingresos anuales. Se tomaron en cuenta las cifras del crecimiento de ingresos y de ganancias promedio, y de las ganancias como porcentaje de los ingresos en un período de tres años.

En este estudio, E-CL (que cambió su nombre "Edelnor" en abril) alcanzó la cima gracias a que obtuvo el tercer mejor crecimiento en ingresos (102,1%), el décimo

■ Otras 12 empresas chilenas lograron entrar a la lista. Cinco de ellas se ubicaron entre las cincuenta mejor evaluadas a nivel regional, según el sondeo.



tercero en cuanto a margen de ganancias (36%) y el décimo octavo mejor crecimiento de ganancias (285,9%) durante el período 2007-2009. Sólo durante 2009, la firma elevó sus ingresos en 34,8% a US\$ 977 millones, mientras que las utilidades crecieron 59,8% a US\$ 259 millones.

E-CL, cuyos dueños son la com-



El predominio de las firmas brasileñas es evidente, con más de 50 empresas dentro de la lista.

doce firmas chilenas, cinco de ellas ubicadas entre las 50 primeras. Viña San Pedro, en el puesto número 27, aumentó sus ingresos en 25,3% a US\$ 246 millones, mientras

que las ganancias se expandieron 786% a US\$ 21 millones. En el período 2007-2009 San Pedro registró un crecimiento de ingresos promedio de 18% y un crecimiento de utilidades de 366%.

Predominio brasileño

Perú logró imponer una de sus empresas entre las diez mejores: Sedapal, que se posicionó en el décimo lugar gracias a su elevado crecimiento de ganancias en los últimos tres años. Sólo el año pasado, las utilidades crecieron casi 5.400%, a US\$ 78 millones.

Sin embargo, el predominio de las firmas brasileñas es evidente, con 52 representantes, y de los diez primeros lugares, ocho son ocupados por empresas de Brasil. La que tuvo un mejor desempeño fue Bombril, firma que fabrica productos de limpieza y que ocupó el segundo lugar en el ranking.

Si bien la petrolera estatal Petrobras y la minera Vale son dos de las mayores empresas de Brasil, no lograron entrar a esta lista según los criterios aplicados por Latin Chronicle Business.



Thank You for your attention

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