ENGIE ENERGÍA CHILE S.A.
Presentation to investors

3Q 2016 Results

AGENDA

- Highlights
- Industry and Company
- Projects
- Financial Results

01

Highlights

FINANCIAL PERFORMANCE
3Q 2016

- **EBITDA** reached **US$218 million**, a 12% decrease compared to 9M15, due to the reduction in certain indices that adjust our PPA prices, the decrease in gas sales, and higher emission-reduction costs, partly offset by positive foreign exchange-related effects and cost saving initiatives. The **EBITDA margin increased to 30.4%** in 9M16.
- **Net income** amounted to **US$260.6 million**, mainly due to non-recurring income primarily explained by the sale of 50% of the TEN project
- Gross debt has remained unchanged despite heavy expansion CAPEX. Strong cash balances resulting from healthy operating cash flow and proceeds from the TEN sale, resulted in a 4.8% decrease in net debt to US$584 million:

Financial Highlights	9M15	9M16	Variation
Operating Revenues (US$ million)	869.2	717.9	- 17%
EBITDA (US$ million)	248.8	218.4	- 12%
EBITDA margin (%)	28.6%	30.4%	+ 1.8 pp
Net income (US$ million)	72.4	260.6	+ 260%
Net debt (US$ million at end of September)	613.2(1)	584.0(2)	- 4.8%

(1) As of the end of December 31, 2015; (2) as of September 30, 2016

HIGHLIGHTS

- EECL's Board of Directors called for an **Extraordinary Shareholders' Meeting** to be held on October 28, to request shareholder authorization to pledge the Company's shares in TEN in favor of the TEN project finance providers.
- On September 20, the Minister of Energy, accompanied by regional authorities as well as executives of TEN and its shareholders, conducted a site visit to the SIC-SING interconnection project being carried out by TEN. The **TEN project showed an overall progress rate of over 60%** as of the end of September, 2016.
- EECL filed an **environmental impact study for the Las Arcillas combined-cycle gas project** with the regional Environmental Evaluation Service. The Las Arcillas CCGT Project includes a power plant, a gas pipeline and a transmission line in the south of Chile.
- On August 17, the CNE communicated the results of an **up to 12,430 GWh/year Energy Supply Auction** covering regulated clients' power supply needs for 20 years starting in 2021. 84 companies bid for 5 power supply blocks accounting for approximately 1/3rd of distribution companies' current energy demand. The resulting **weighted average energy price was US$47.6/MWh**.

02

Industry and Company

CHILEAN ELECTRICITY INDUSTRY
9M 2016

Market	Growth (2016-2025)[1]	Clients	Generation GWh (9M16)	Main players (% installed capacity 9M16)
SING 25% capacity 26% demand	4.7%	Regulated 11% Unregulated 89%	Renew. 6% Diesel 7% Gas 10% 14,638 GWh Coal 78%	Other 7% Endesa 22% EECL 46% 4,471 MW AES Gener 25%
SIC 74% capacity 73% demand	4.1%	Unregulated 30% Regulated 70%	Renew. 8% Diesel 7% Gas 20% Hydro 35% 40,472 GWh Coal 28%	Colbún 20% Other 31% 16,487 MW AES Gener 17% Endesa 33%

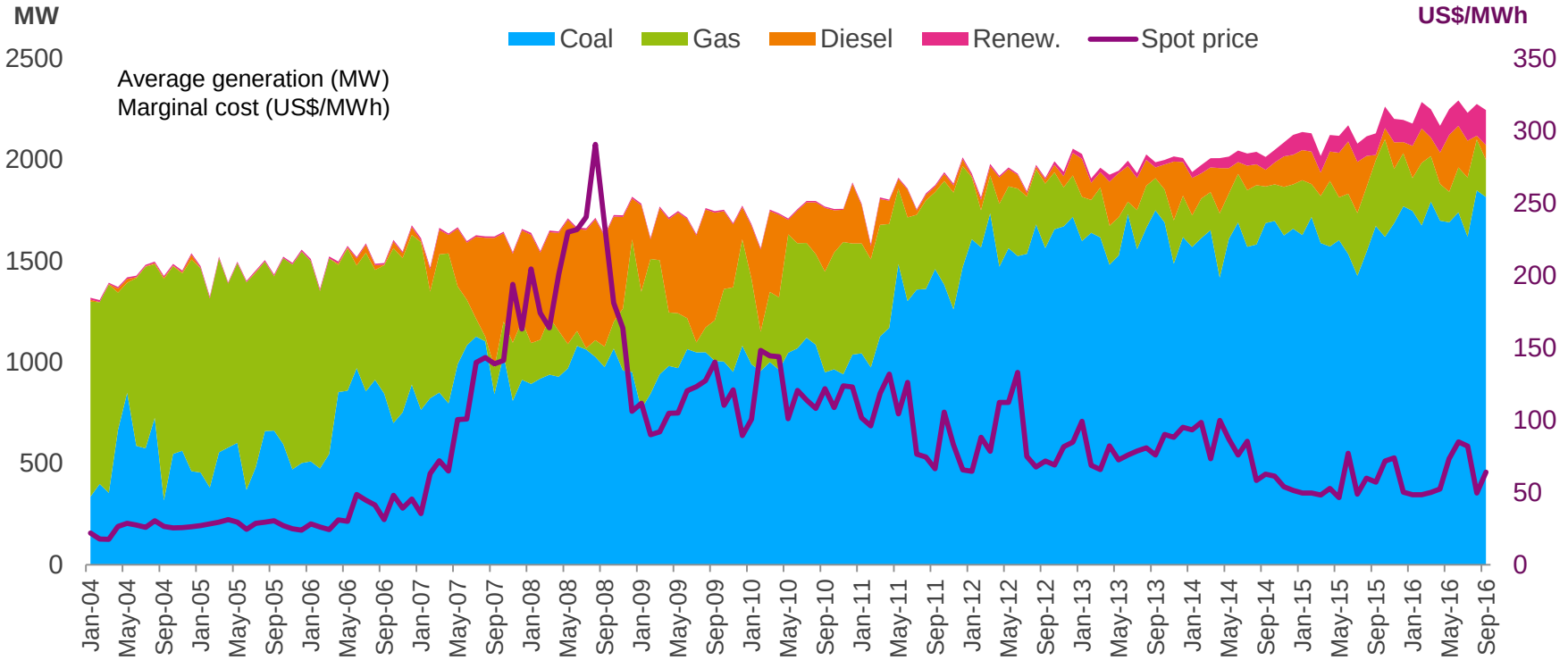
(1) Compounded annual sales growth based on projection by Comisión Nacional de Energía (CNE) as per the Informe Técnico Definitivo Precio Nudo SING/SIC – Abril 2016.

Notes:
- Sources: CNE, CDEC SING and CDEC SIC
- Excludes AES Gener's 643MW Termoandes plant located in Argentina, since it is no longer dispatching electricity to the SING.
- In the SIC, Endesa includes Pangue and Pehuenche.
- AES Gener includes EE Guacolda as well as EE Ventanas, and E. Santiago.

THE SING

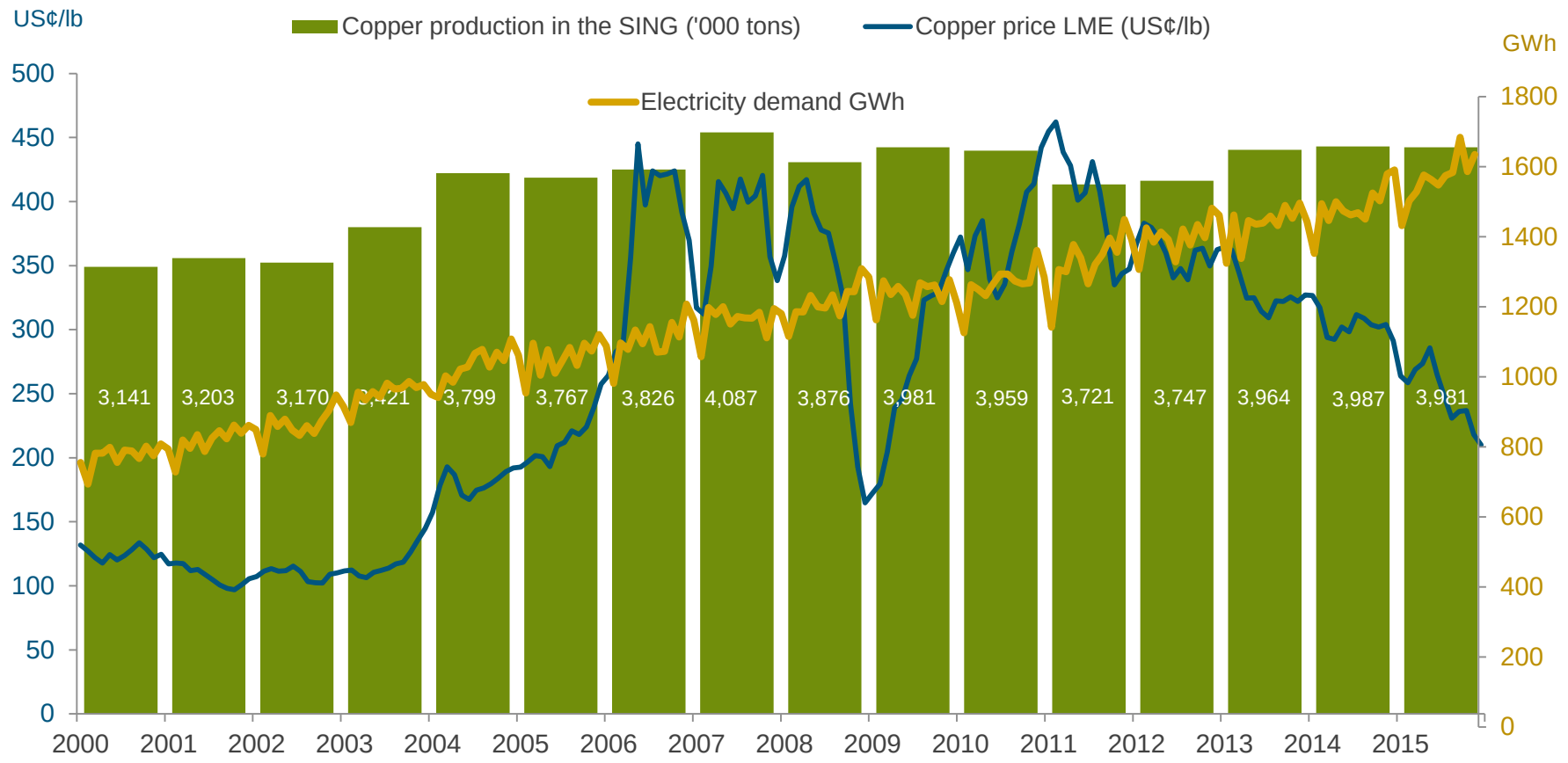
A predominantly thermal system, with growing presence of renewables

- No exposure to hydrologic risk
- Long-term contracts with unregulated clients (mining companies) accounting for 89% of demand (bilateral negotiation of prices and supply terms)
- Maximum demand: ~ 2,555 MW in February 2016; expected 4.7% compounded average annual growth rate for the 2016-2025 period



CHILE, A WORLD-CLASS COPPER PRODUCER

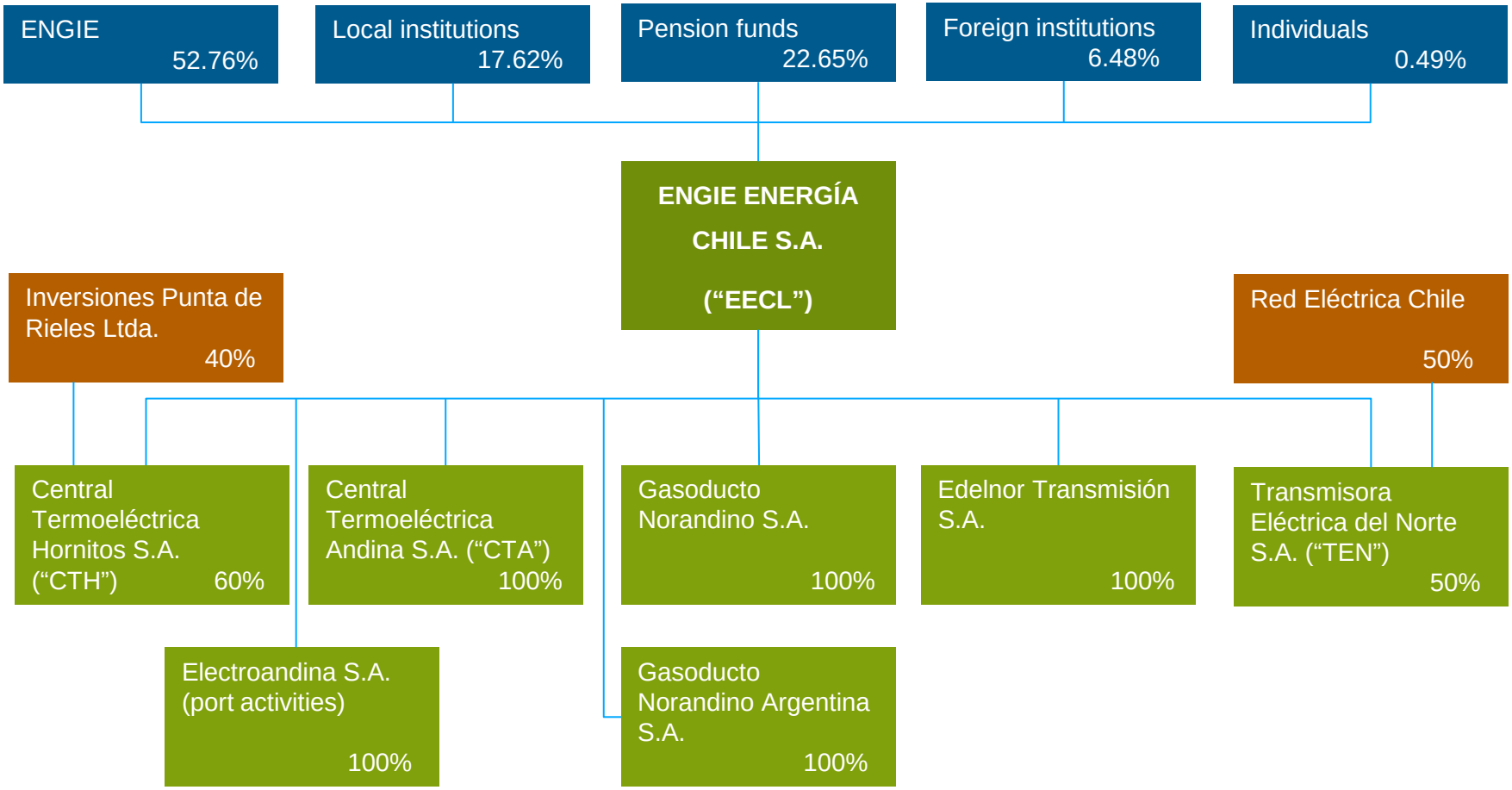
Power demand growth due to declining ore grades and water pumping needs



(1) Copper Produced by SING producers calculated as Chile's total copper production less El Teniente, Andina, Salvador, Los Pelambres, Anglo American Sur, Candelaria and Caserones. Source: COCHILCO

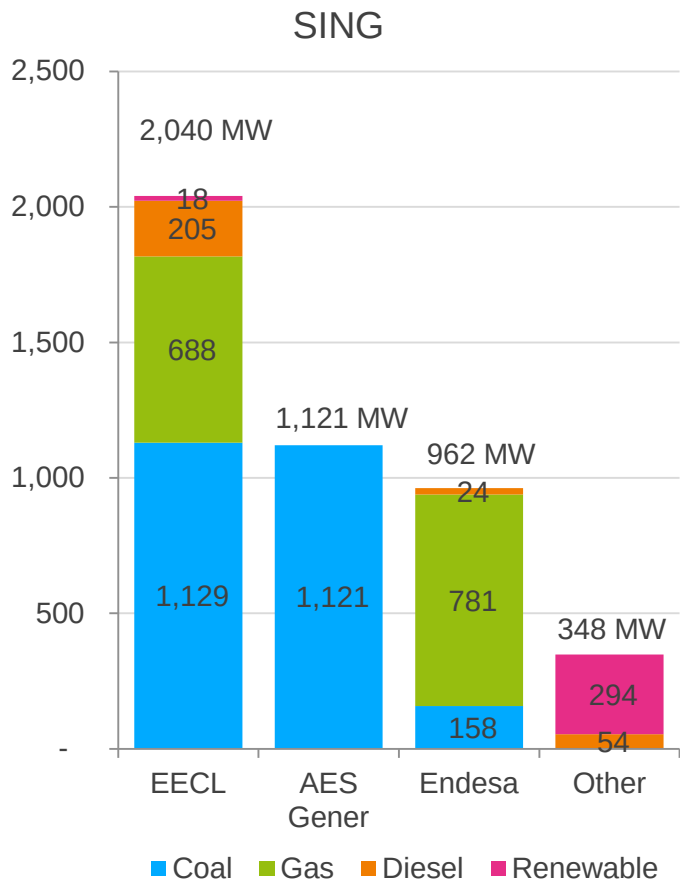
OWNERSHIP STRUCTURE AS OF SEPTEMBER 30, 2016

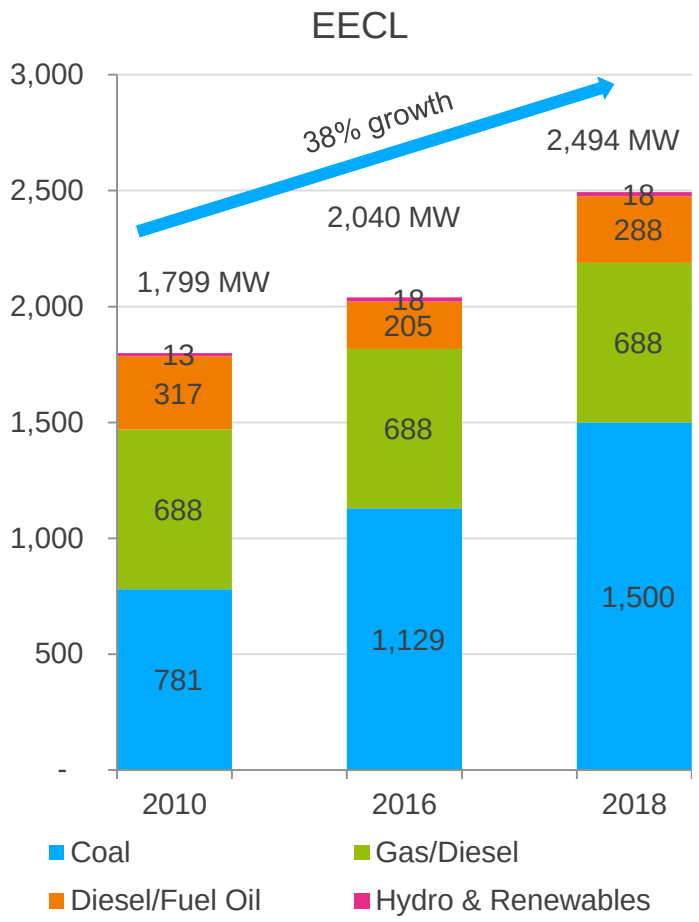
A world-class controller and a diversified ownership base



GROSS INSTALLED CAPACITY

SING and EECL as of September 30, 2016





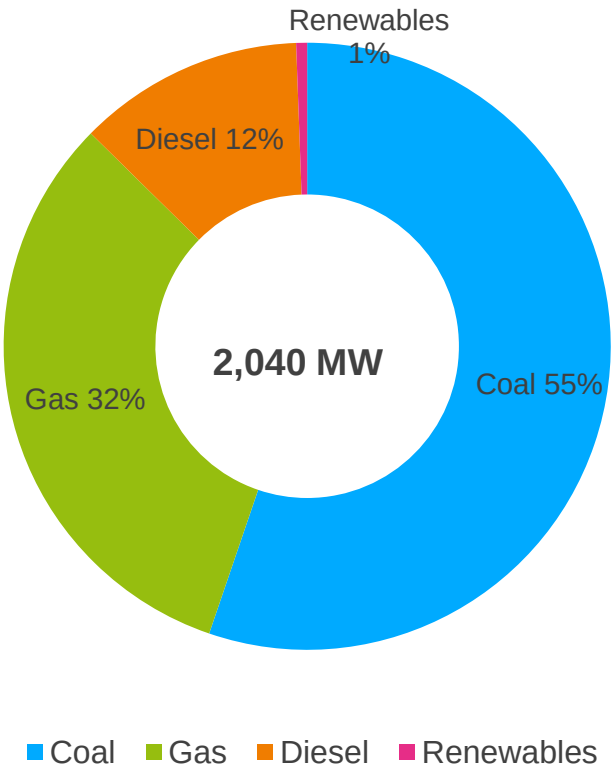
Sources: CNE & CDEC-SING

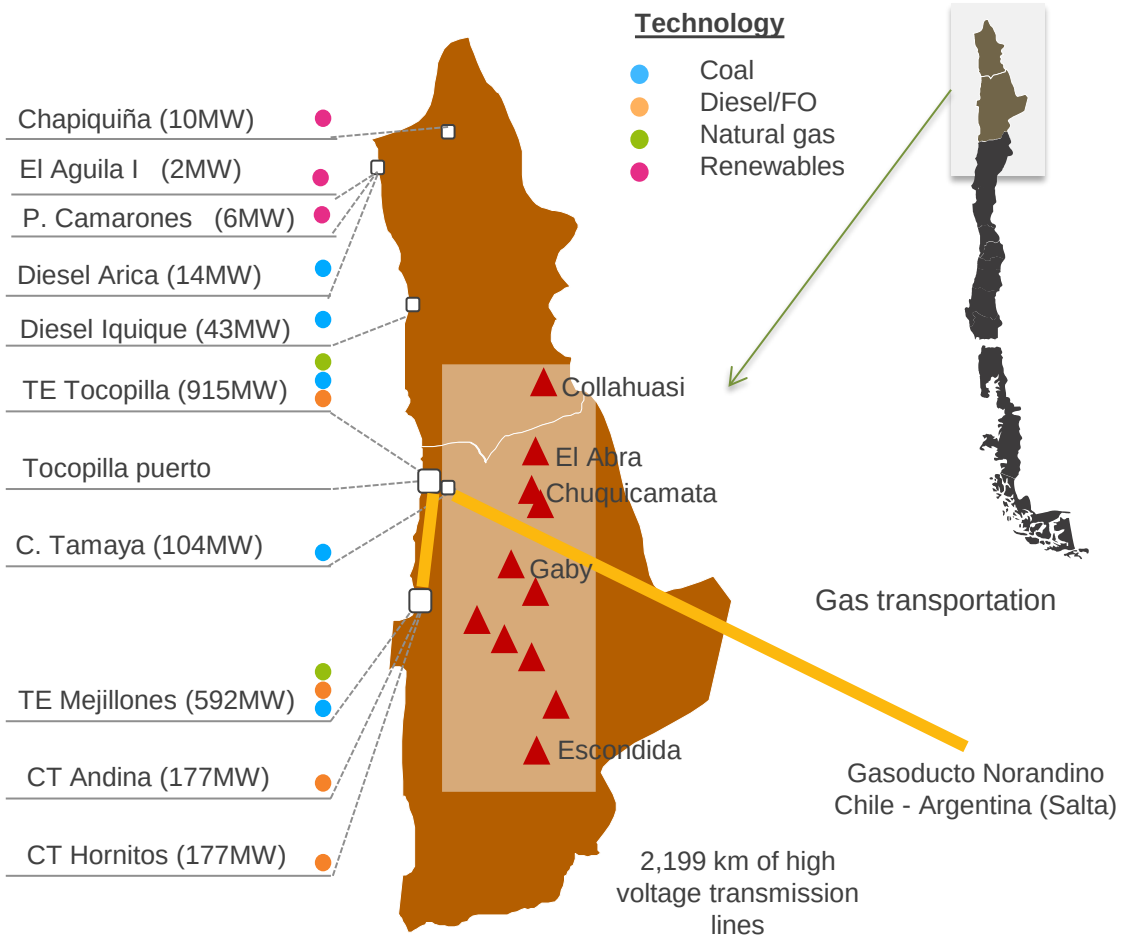
AES Gener excludes Termoandes (located in Argentina and not available for the SING)

INSTALLED CAPACITY AND OPERATING ASSETS

Efficient thermal power plants, port, transmission lines and gas pipelines

Installed Capacity (September 2016)

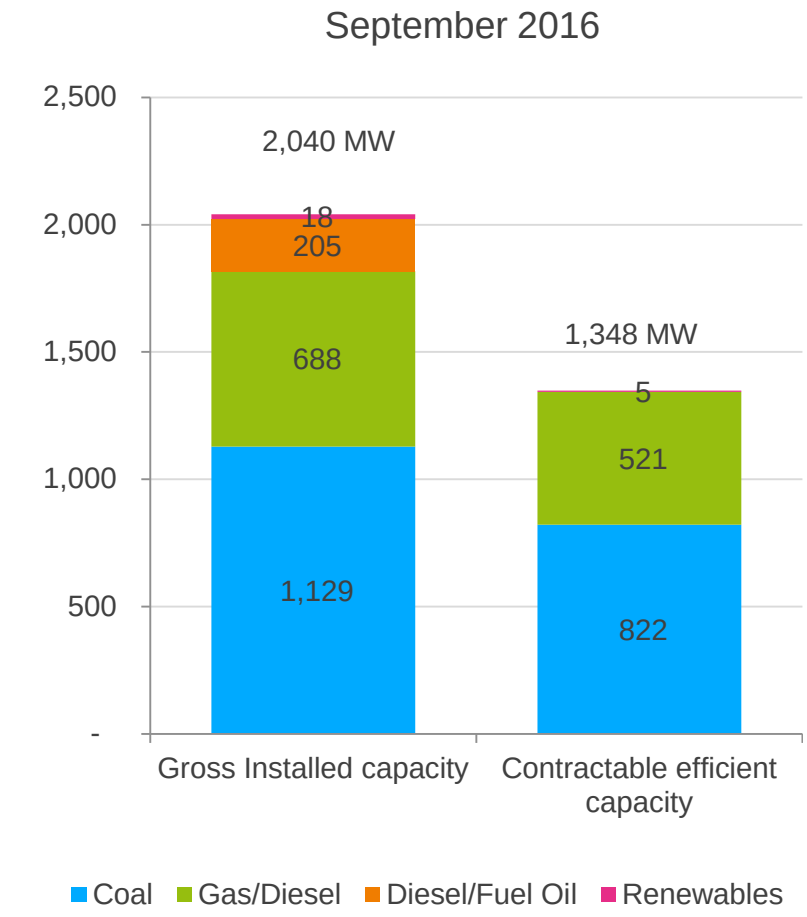


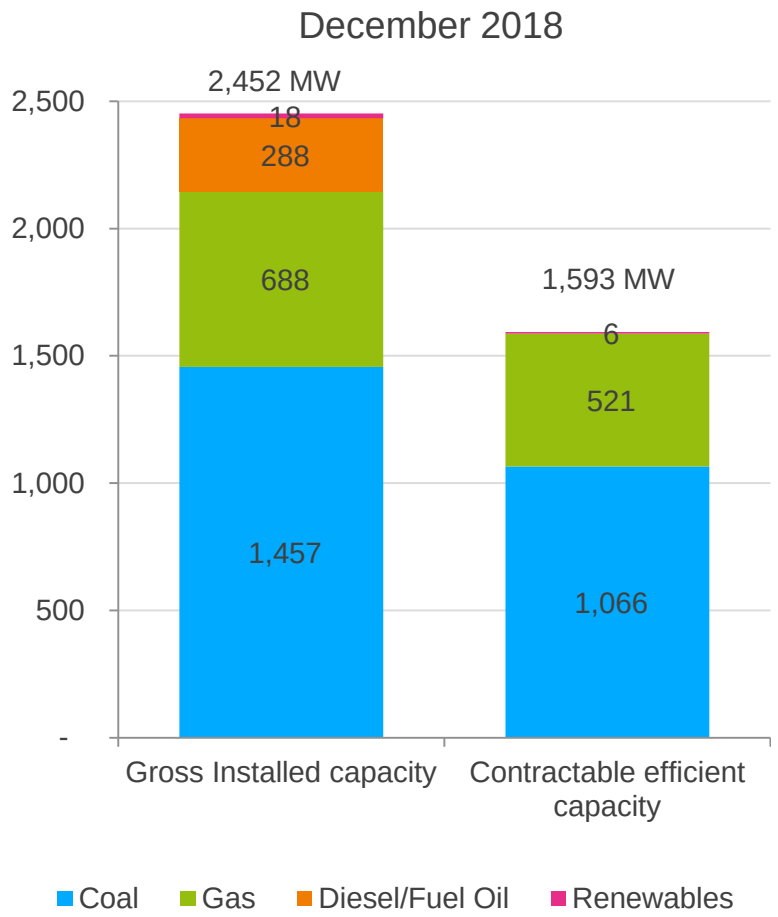


Sources: CNE & CDEC-SING

CONTRACTABLE EFFICIENT CAPACITY

IEM to contribute additional capacity in 2018





Source: Engie Energía Chile

"Contractable" efficient capacity is measured as net installed capacity of coal, gas and renewable plants *minus* spinning reserve, estimated maintenance, degradation & outage rates, and transmission losses

SIC DISTRIBUTION COMPANIES AUCTION

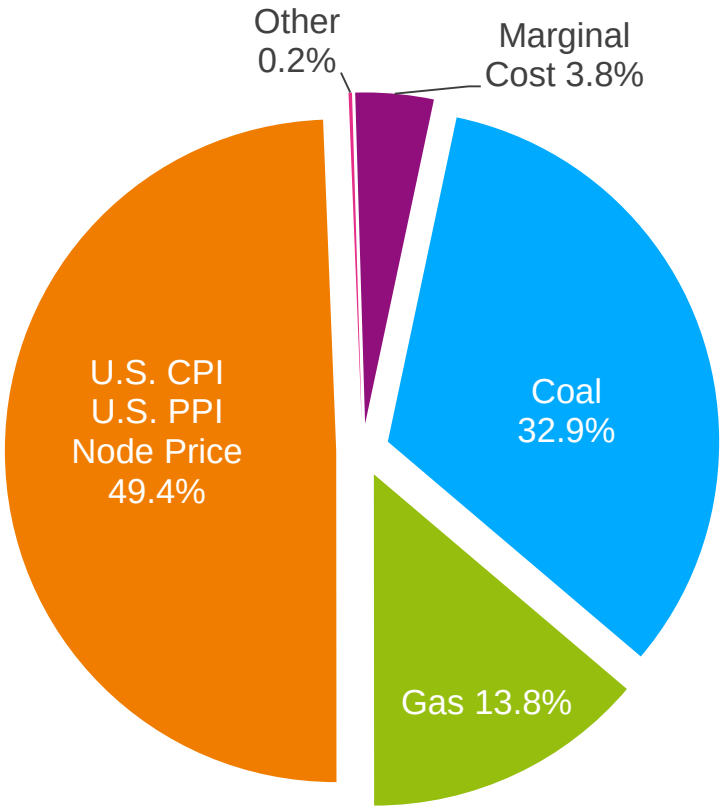
A larger, more balanced commercial portfolio was secured

- In December 2014, EECL secured 15-year sale contracts to supply electricity to distribution companies in the SIC:
  - Up to 2,016 GWh in 2018, equivalent to 230 MW-average
  - Up to 5,040 GWh per year between 2019-2032, equivalent to 575 MW-average
  - Monomic price: US$ 111.4/MWh (until March 2017)
- This will represent a significant increase in contracted sales, a more diversified client portfolio, and access to the SIC, Chile's main market and three times larger than the SING.
- To meet these commitments, EECL took the following main initiatives to expand its generation capacity:
  - Construction of a new US$1.1 billion coal-fired plant (IEM1) and associated port;
  - New 15-year LNG supply contracts for use at its existing combined-cycle units (2 LNG cargoes in 2018, 3 LNG cargoes per year as from 2019 onwards)

PPA PORTFOLIO INDEXATION

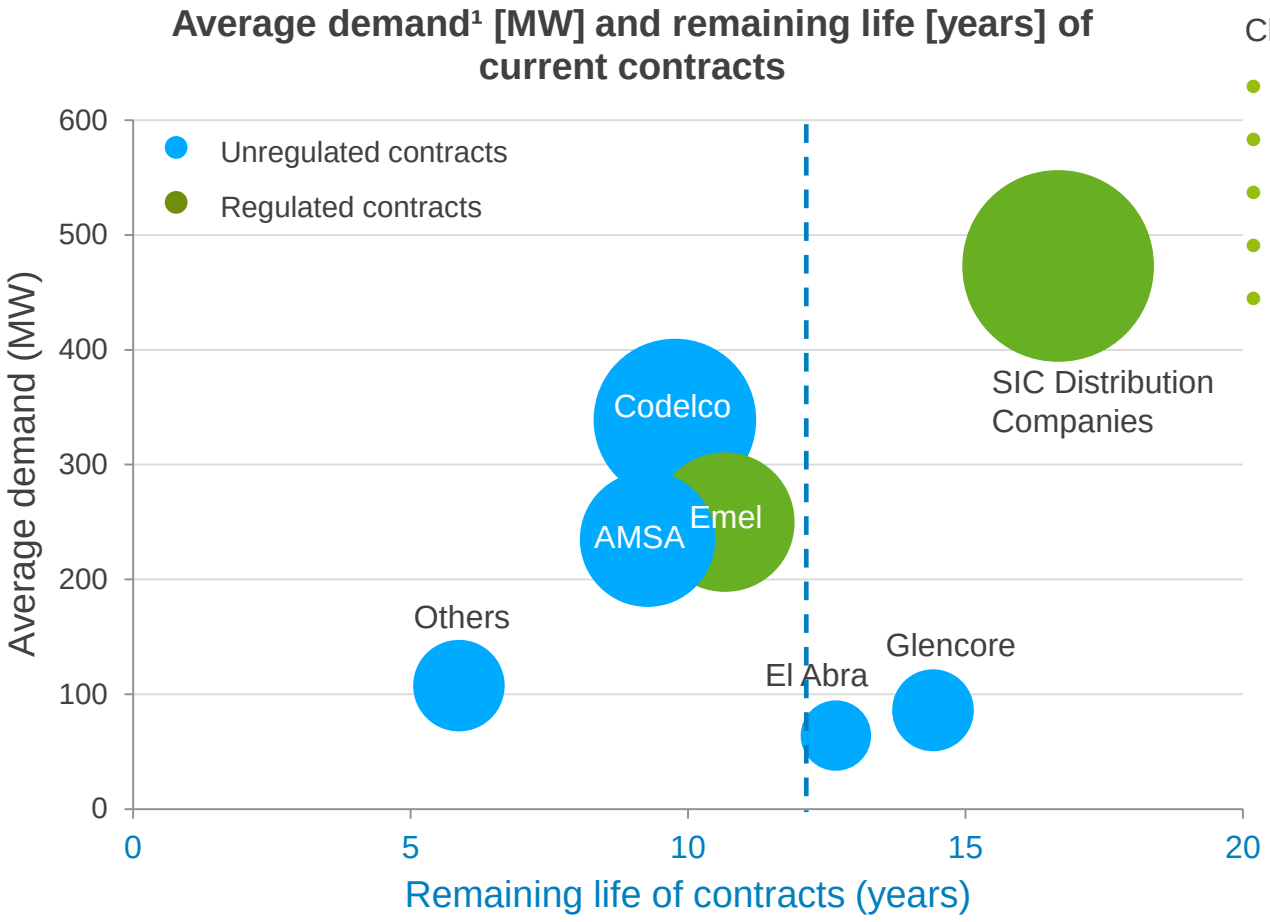
Matched with cost structure

Overall indexation applicable to electricity and capacity sales (as of September 2016)



LONG-TERM CONTRACTS WITH CREDITWORTHY CLIENTS

With average remaining life of 12.0 years



Clients' international credit ratings:

- Codelco: A+
- Freeport-MM (El Abra): BB
- Antofagasta PLC (AMSA + Zaldívar): NR
- Glencore (Lomas Bayas, Alto Norte): BBB-
- EMEL: AA-(cl)

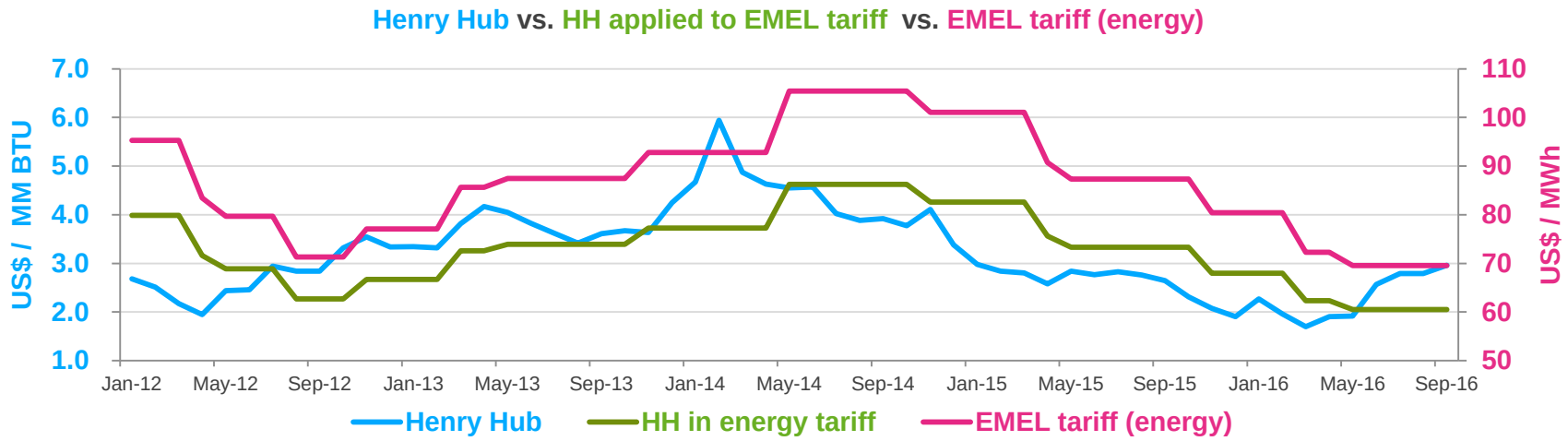
Source: EECL

[1] Average demand based on actual 2-year records, except for new contracts for which an average 85% load factor has been assumed and distribution companies in the SIC for which average contracted demand has been used.

PPA PORTFOLIO INDEXATION

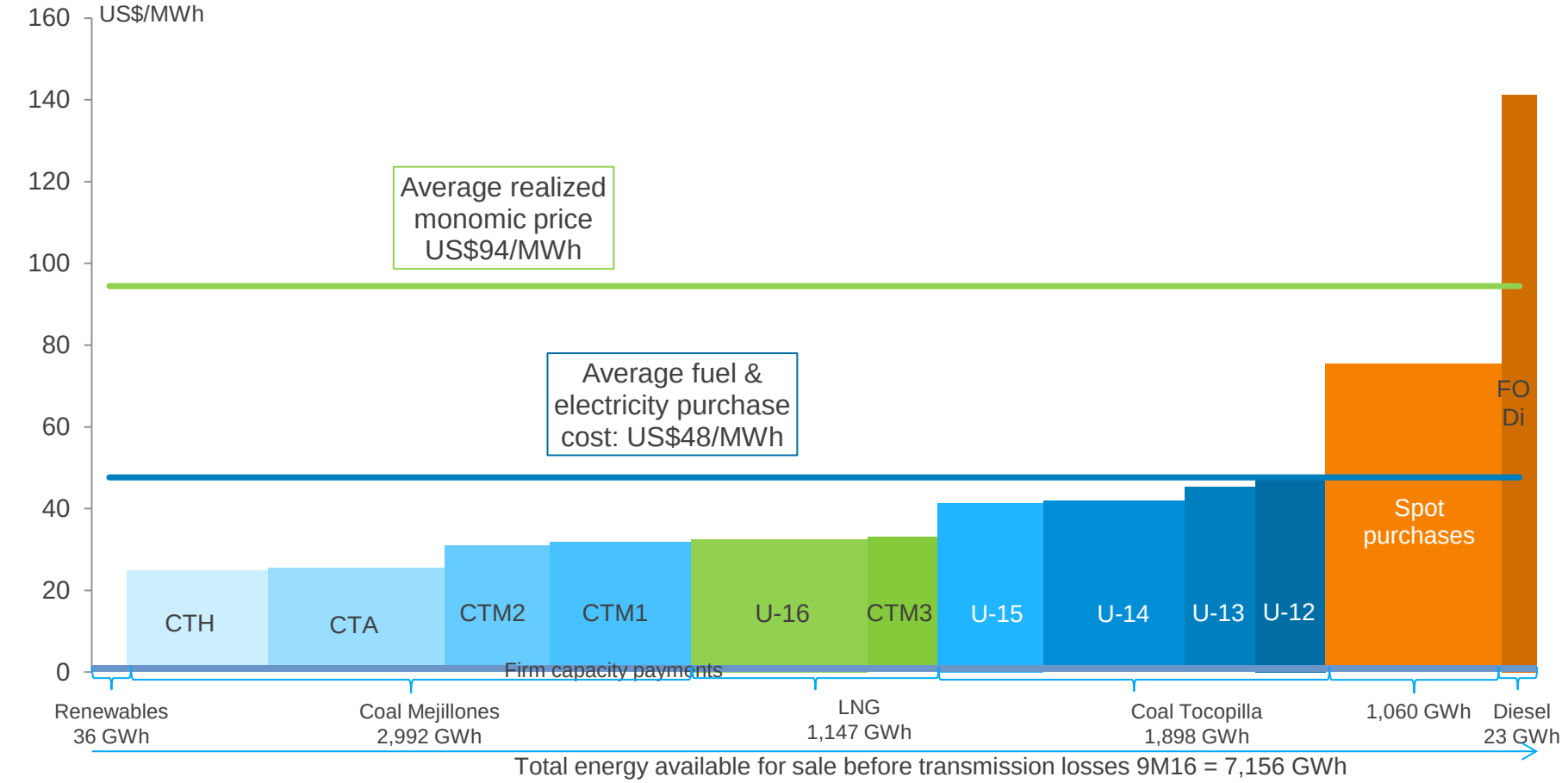
Distribution company tariff indexed to H.H. and U.S. CPI

- EMEL PPA tariffs fixed for 6-month periods (May and November changing to February and August per Res.641)
  - The tariff is set in US dollars and converted to CLP at the average observed CLP/USD rate of March and September of each year (changing to November and May per Res.641).
- Capacity tariff per node price published by the National Energy Commission ("CNE")
- Energy tariff: ~40% US CPI, ~60 % Henry Hub gas price ("HH"):
  - Based on average HH reported in months n-3 to n-6
  - Immediate tariff adjustment triggered in case of any variation of 10% of more



ENERGY SUPPLY CURVE – 9M16

Supply curve based on generation costs and purchases from the spot



- Generation and operating costs of each unit based on actual data declared to CDEC-SING
- Average realized monomic price, spot purchase costs and average cost per MWh based on EECL's accounting records and physical sales per CDEC data.
- Average fuel & electricity purchase cost per MWh sold includes the LNG regasification cost
- System over-costs paid to other generators represented an average cost of US$1.4 per each MWh withdrawn by EECL to supply demand under its PPAs.

GENERATION OVERCOSTS IN THE SING

Strong reduction in the last year

- Starting March 2016, the Complementary Services (“Servicios Complementarios”) became effective, superseding RM39, one of the mechanisms ruling the so-called “overcosts” (“sobrecostos”) stemming from the SING’s operational characteristics:
  - Units that cannot operate under a technical minimum level;
  - A higher spinning reserve required to prevent black-outs;
  - Units operating in test mode.
- Overcosts generated by units operating at their technical minimum level continue to be ruled by Supreme Decree 130/2012 (“DS130”). These units do not set the spot price, but their operating cost is paid pro-rata by generation companies;
- Overcosts in the SING decreased 80% (-US$128.3 million) in 9M16 vs. 9M15 due mainly to lower fuel prices, the entrance of new power plants and revised operating parameters of existing units.
- EECL’s stake in the SING’s overcosts decreased by US$69 million.

OVERCOSTS IN THE SING IN US$ MILLION

	2015		2016		2016 vs. 2015	
	Total	EECL Prorata	Total	EECL Prorata	Total	EECL Prorata
1Q	35.8	16.0	9.4	4.8	(26.4)	(11.2)
2Q	52.3	27.6	13.6	4.5	(38.7)	(23.1)
3Q	44.5	24.0	8.9	3.9	(35.6)	(20.1)
4Q	27.6	14.4				
FY	160.2	82.0	32.0	13.2	(128.3)	(68.8)

~58% of prorata cost passed through to prices

Source: CDEC-SING
CLP figures converted to USD at the average monthly observed FX rate.

03

Projects

INFRAESTRUCTURA ENERGÉTICA MEJILLONES (“IEM”)

A major project with strict environmental standards

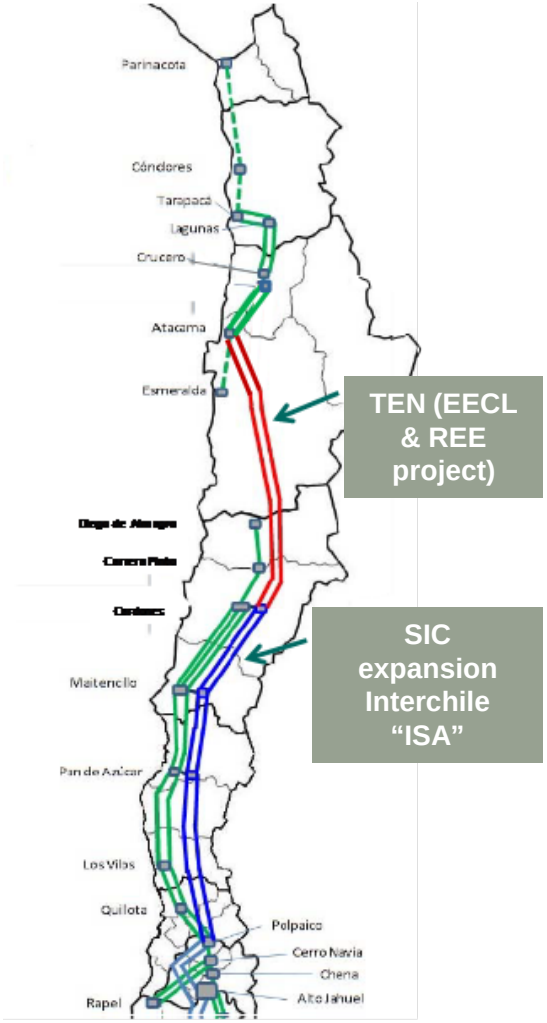
- Pulverized coal-fired power plant in Mejillones
- 375MW gross capacity; 320MW net capacity
- 90% plant factor
- Mechanized port suitable for cape-size carriers
- Developed to supply SIC distribution companies
- ~US$1.0 billion investment including port and associated infrastructure
- Turnkey EPC contracts with:
  - IEM plant: SK Engineering and Construction (Korea)
  - Port: BELFI (Chile)
- Construction began in March 2015. Scheduled completion dates:
  - IEM: July 2018
  - Port: May 2017 (ready for load testing)

INFRAESTRUCTURA ENERGÉTICA MEJILLONES (“IEM”)
Is progressing according to budget and schedule

- Status as of September 30, 2016
  - — Procurement:
    - Marine steel structure delivered on-site
    - Various pressure parts being shipped and delivered on-site
    - Steam turbine packing ongoing, shipment planned for October/November
  - — Construction:
    - Boiler steam drum lifted and fixed in final position
    - 4 coal silos installed and final welding works ongoing
  - — Permits:
    - Environmental Impact Study (EIS) approved, with a new minor modification submitted through an Environmental Impact Declaration (EID
    - Land owned by EECL; approved marine & port concessions owned by 100%-owned CTA subsidiary
  - — Key contractual protections:
    - Advance payment, performance and retention money bonds, securing EPC contractor obligations including delay and performance liquidated damages
    - PPAs with SIC distribution companies consider up to 24-month delay in PPA start-up under certain force-majeure circumstances
    - Construction insurance package

TRANSMISORA ELÉCTRICA DEL NORTE ("TEN")

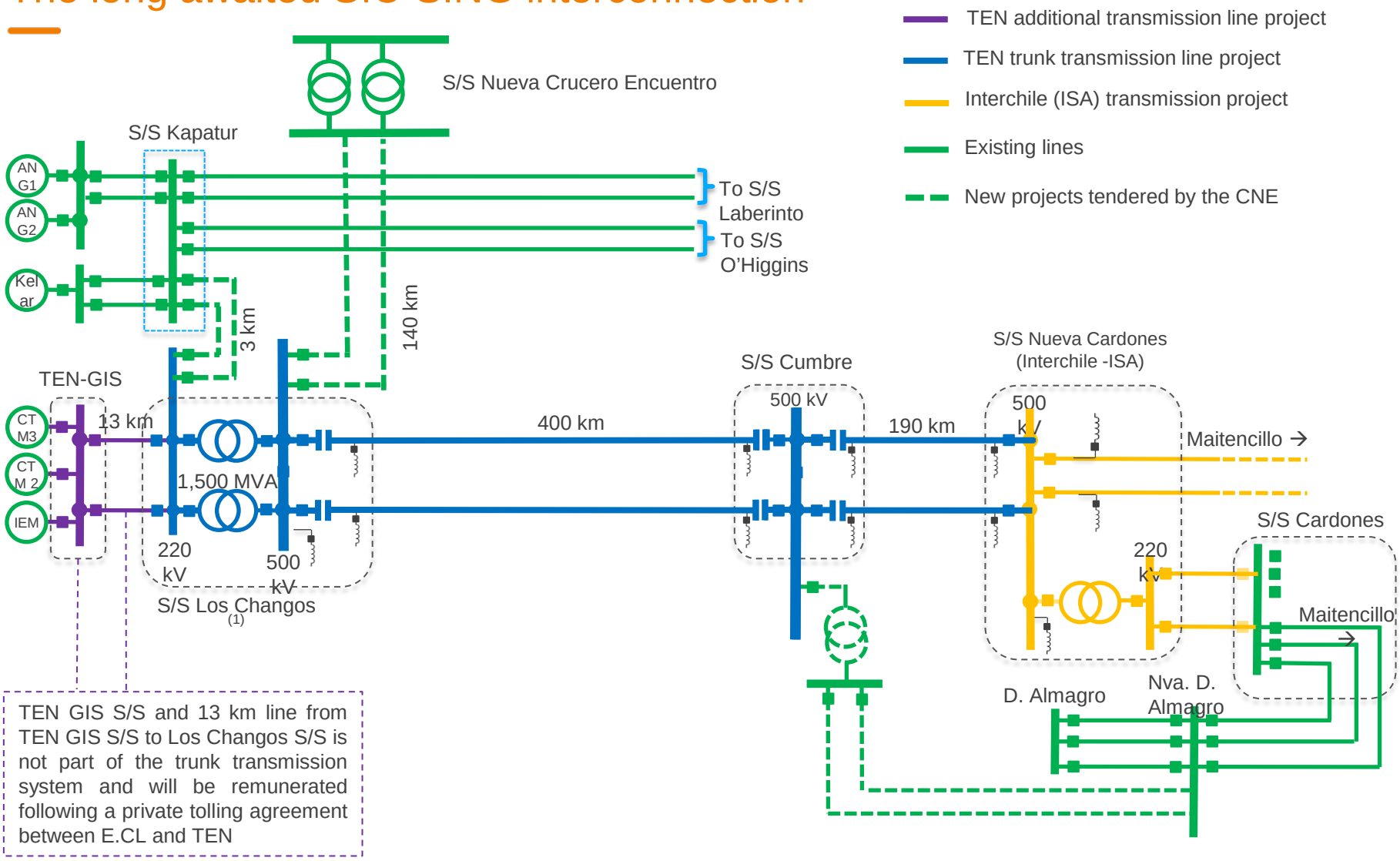
The long awaited SIC-SING interconnection



- TEN, a 50/50 joint venture between EECL and Red Eléctrica (Spain)
- Double circuit, 500 kV, alternate current (HVAC), 1,500 MW, 600-km long transmission line
- Key part of the "trunk" transmission system interconnecting the SIC and SING grids
- ~US$ 800 million CAPEX (including engineering costs, easement payments, contingencies, etc.) as of September 2016
- Two EPC contracts with GE (former Alstom Grid) for substations and Sigdo Koppers for transmission lines
- Regulated revenues for the trunk transmission system already defined by the authorities for the first regulatory period
- Financing:
  - 50% sale to Red Eléctrica completed in January 2016
  - Project financing in progress
- Scheduled completion date: September 2017
- Legal deadline to start operations (Decree #158): December 31, 2017

TRANSMISORA ELÉCTRICA DEL NORTE ("TEN")

The long awaited SIC-SING interconnection



TRANSMISORA ELÉCTRICA DEL NORTE ("TEN")

The long awaited SIC-SING interconnection

- Status as of September 30, 2016
  - Relevant events:
    - Red Eléctrica acquired 50% of TEN's share capital for US$217.6 million plus 50% of TEN's debt with EECL
    - TEN's trunk revenues were defined as described in next slide
    - Interchile (ISA) N.Cardones-Polpaico transmission line project (TEN's south-end connection to the SIC) is progressing
    - EECL signed an EPC contract to build Transelec's 3-km long Changos-Kapatur line, which is a condition precedent for TEN to begin receiving trunk transmission revenue
    - As of September 30, 2016, the project's overall progress rate was > 60%
  - Construction: Critical path on schedule and within the approved budget:
    - Substations: Excavation and foundation concrete pouring; testing of main equipment; first reactors and transformers arriving on site
    - Lines: All tower tests successfully completed. Tower civil works, material delivery and erection in progress. Conductor cable stringing works started
  - Rights of way and concessions:
    - 100% of the rights of way agreed
    - More than 90% of electric concessions obtained

TRANSMISORA ELÉCTRICA DEL NORTE ("TEN")

Tariff setting

VI	Indexation		AVI	COMA	VATT	AVI	COMA	VATT
In MUSD @ Oct 2013 FX Rates	In CLP to Chile CPI	In USD to US CPI	(In MUSD @ Oct 2013 FX Rates)			(In MUSD @ September 2016 FX Rates)		
738.3	41%	59%	75.1	10.2	85.3	72.2	8.8	81.0

$$A.V.I_{n,k} = A.V.I_{n,0} \cdot \left(\alpha_j \cdot \frac{IPC_k}{IPC_0} \cdot \frac{DOL_0}{DOL_k} + \beta_j \cdot \frac{CPI_k}{CPI_0} \right)$$

$$COMA_{n,k} = COMA_{n,0} \cdot \frac{IPC_k}{IPC_0} \cdot \frac{DOL_0}{DOL_k}$$

α_j	41%	β_j	59%
IPC_0	100.90	IPC_k	113.86
CPI_0	233.55	CPI_k	241.43
CLP/USD_0	500.81	CLP/USD_k	658.02

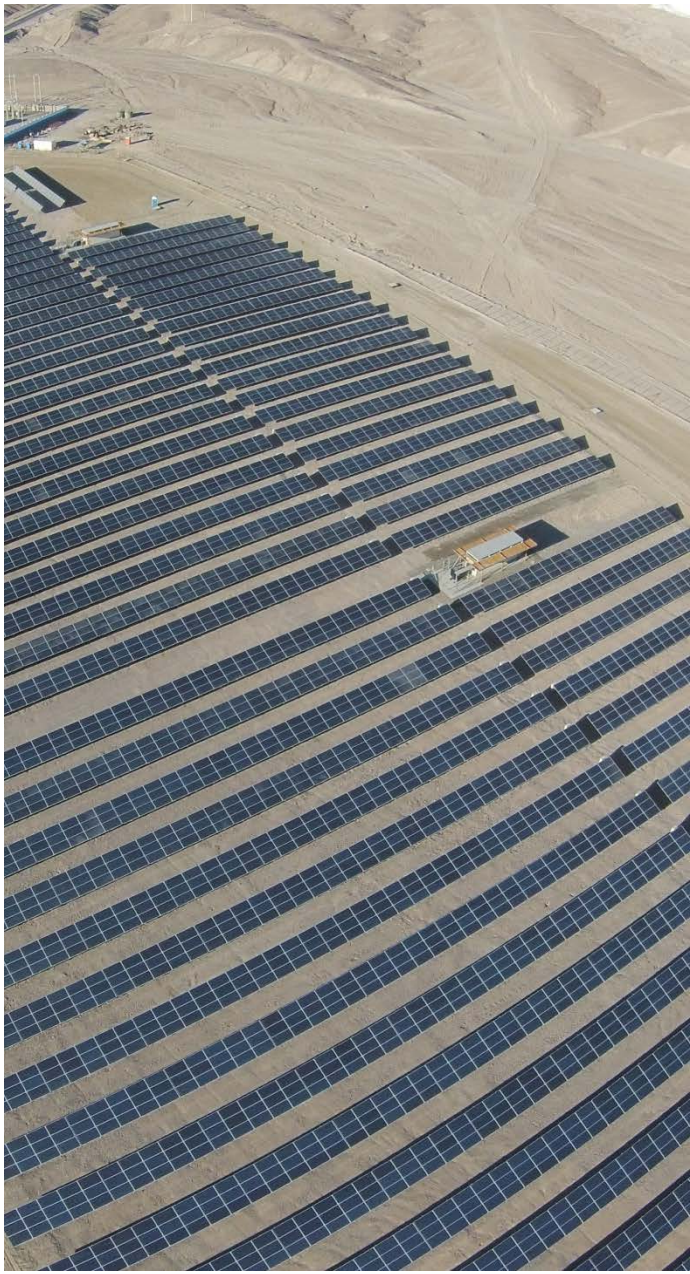
TEN's annual revenues (values at September 30, 2016 exchange rates):

	AVI	US$ 72.2 million
+	COMA	US$ 8.8 million
=	**VATT**	**US$ 81.0 million**

+ Additional tolling fees payable by EECL on TEN's non-trunk assets

RENEWABLE ENERGY PROJECTS
Several initiatives in different stages

- Pampa Camarones I began commercial operations in September:
  - PV Plant 1st stage (6MW) ready and injecting to the SING
  - Approved environmental permits for up to 300MW
- El Águila II (34MW) is under study:
  - Approved environmental permit
- Calama wind farm is under study:
  - Approved environmental permits for up to 309MW in three nearby sites
  - Over 3,400 hectares secured and wind assessment performed
- Other initiatives in SIC and SING on early screening phase for the potential development of mini-hydro, wind and solar-based projects.



PROJECTS UNDER STUDY

Las Arcillas CCGT, a long-term initiative in early socialization stage

- Combined-Cycle Gas Turbine (CCGT) project, with gross installed capacity of 480 MW
- Located in Pemuco, Southern Chile (“SIC”)
- In a preliminary development and early socialization stage
- Environmental impact assessment (“EIA”) filed in September, 2016, with the “Servicio de Evaluación Ambiental (SEA)”
- Gas procurement and transportation alternatives under study
- US$ 450 million CAPEX
- Long-term initiative, subject to positive outcome of feasibility studies and committed offtake through PPAs

CAPITAL EXPENDITURE PROGRAM

An intensive CAPEX program is ongoing

CAPEX (US$ million)	2015	9M16	4Q16e	2017e	2018e	TOTAL
EECL-Current business	88	37	24	86	84	319
IEM (including port)	109	237	126	384	158	1,014
TOTAL	**197**	**274**	**150**	**470**	**242**	**1,333**

TEN CAPEX (US$ million)	2015	9M16	4Q16e	2017e	2018e	TOTAL
TEN CAPEX (100%)	160	210	54	370		794(*)
EECL Equity contr. (10%)	16	21	5	37		79

— Notes:

- The TEN transmission line project is being developed off-balance sheet; EECL's equity contribution is assumed to be equal to 10% of the total investment amount (50% ownership; 80:20 debt-to-equity ratio)
- Without assuming any new CAPEX for renewable projects
- CAPEX figures without VAT (IVA) and interests during construction. (*) US$14 million were invested in TEN prior to 2015

CAPEX FINANCING PROGRAM
A responsible plan is underway

- EECL is committed to maintaining its strong investment grade rating
- EECL has a flexible dividends policy; pay-out has been reduced to cope with the required investments
- IEM and new port: financed within EECL's balance sheet, with a mix of funding sources, in the following order of priority:
  - Available cash (US$153 million as of September 2016) and cash flow from operations
  - New senior debt, mostly a US$270 million, 5-year, Committed Revolving Credit Facility closed on September 30, 2015 with five top-tier banks (undrawn as of 09/30/16)
  - Other (e.g., non-core asset sales proceeds; subordinated or hybrid debt or capital injection)
- TEN: is being developed in a 50/50 partnership, with a non-recourse project finance in process
  - Long-term, non-recourse debt: ~80%
  - Equity: ~20% (10% from EECL, 10% from Red Eléctrica)

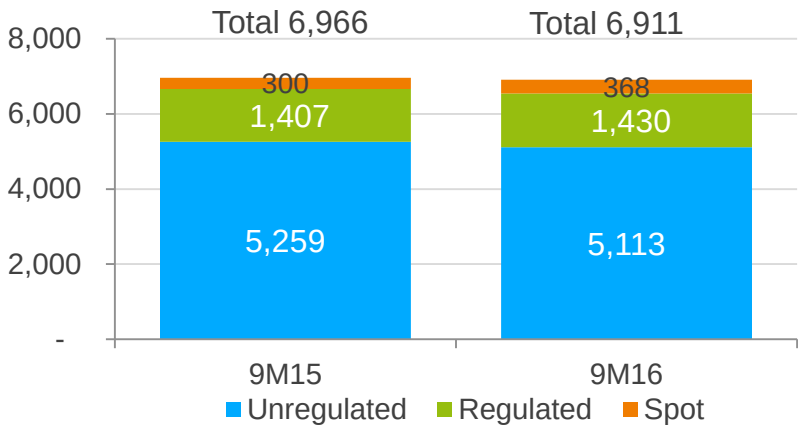
04

Financial Results

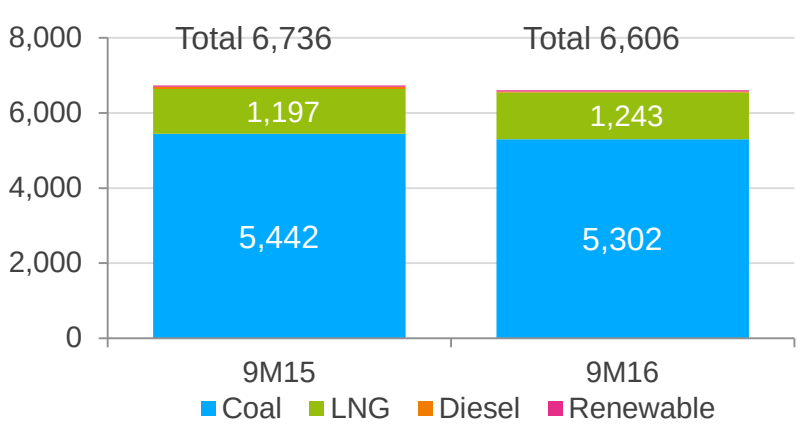
FINANCIAL RESULTS

Slow physical growth and declining energy prices

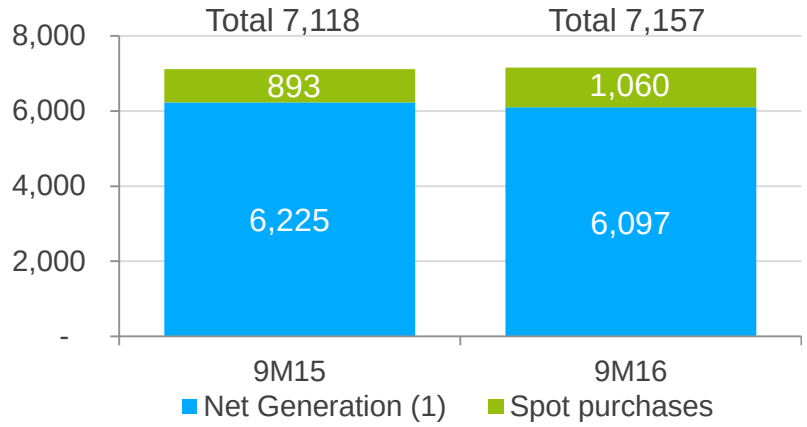
Electricity sales (GWh)



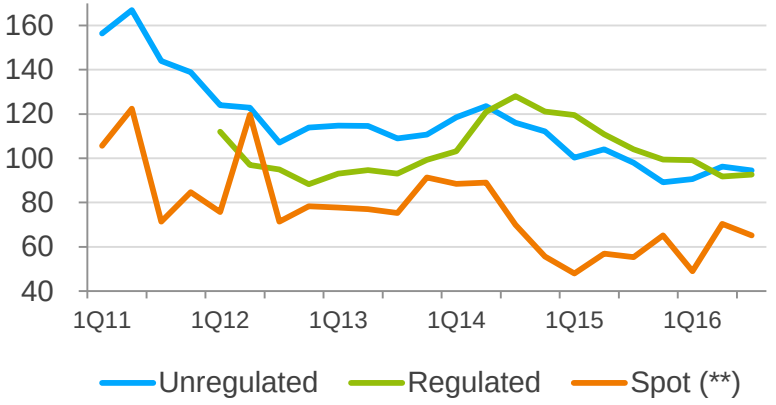
Gross electricity generation (GWh)



Electricity available for sale (GWh)



Average monomic prices (US$/MWh)



(1) Net generation = gross generation minus self consumption
(2) Electricity available for sale before transmission losses

(**) The spot price curve corresponds to monthly averages and does not include overcosts ruled under RM39 or DS130. It does not necessarily reflect the prices for EECL's spot energy sales/purchases.

FINANCIAL RESULTS

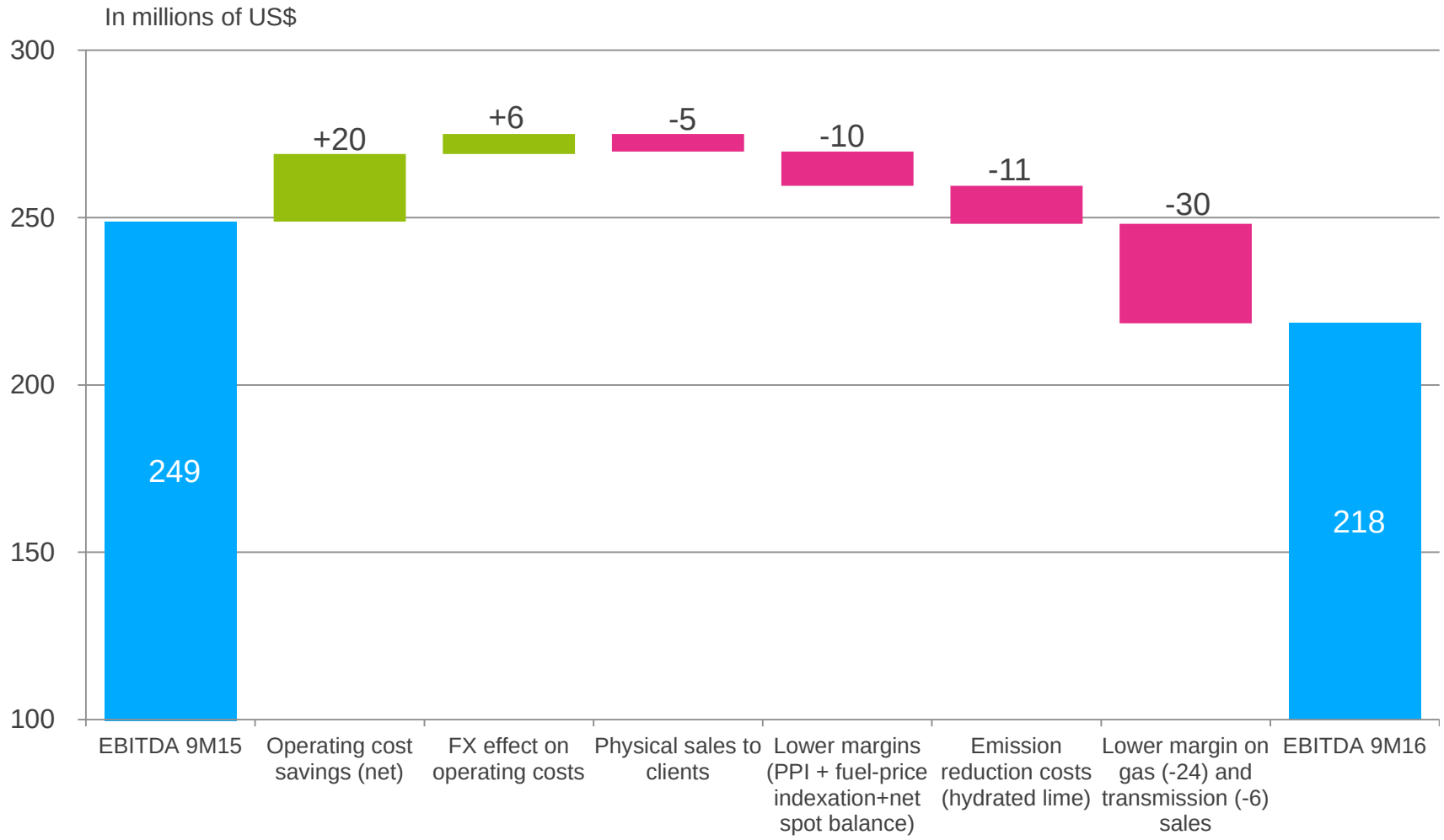
Non-recurring income offset narrower operating margins

Income Statement (US$ millions)	9M15	9M16	% Var.
Operating revenues	869.2	717.9	*-17%*
Operating income (EBIT)	145.5	114.8	*-21%*
EBITDA	248.8	218.4	*-12%*
Net income	72.4	260.6	*+260%*
Average realized monomic sale price (US$/MWh)	104.2	94.4	*-9%*

- Operating revenues decreased 17% mainly due to the 10% decrease in average prices explained by lower indices used in the PPAs (fuel prices, PPI, CPI), as well as lower gas sales
- EBITDA decreased 12% to US$218.4 million as a result of the following main factors:
  - (+) Lower operating costs attributed to cost savings and favorable FX impact (CLP depreciation)
  - (-) Lower margins due to partial mismatch in indexation of PPAs, particularly the EMEL PPA
  - (-) Higher emission-reduction costs
  - (-) Lower gas sales
- Net income reached US$260.6 million mainly due to non-recurring income on asset sales (50% of TEN)

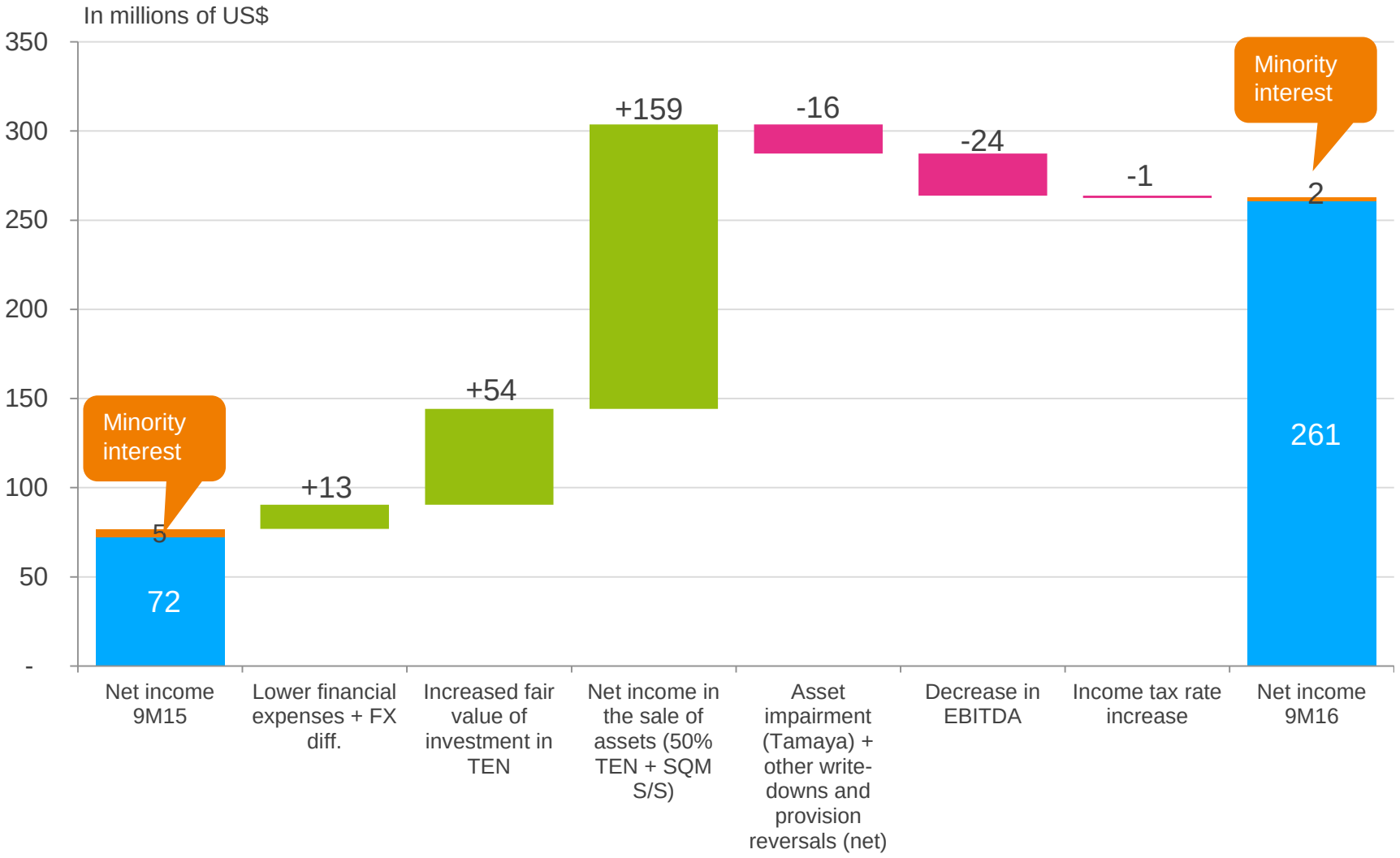
EBITDA COMPARISON 9M16 vs. 9M15

Cost reductions helped offset effect of lower prices and lower gas sales



NET INCOME COMPARISON 9M16 vs. 9M15

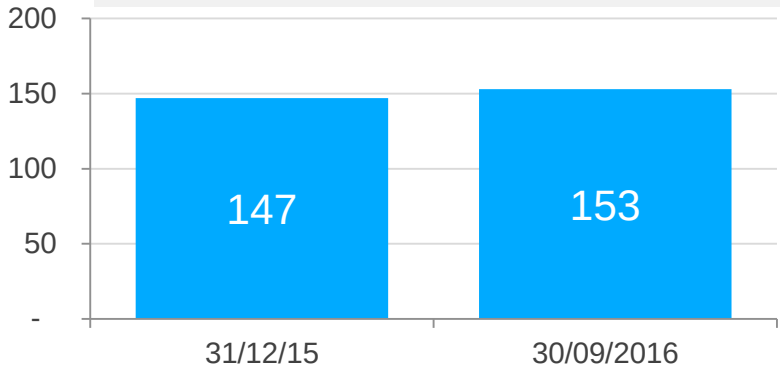
Positively impacted by non-recurrent income on the sale of 50% of TEN



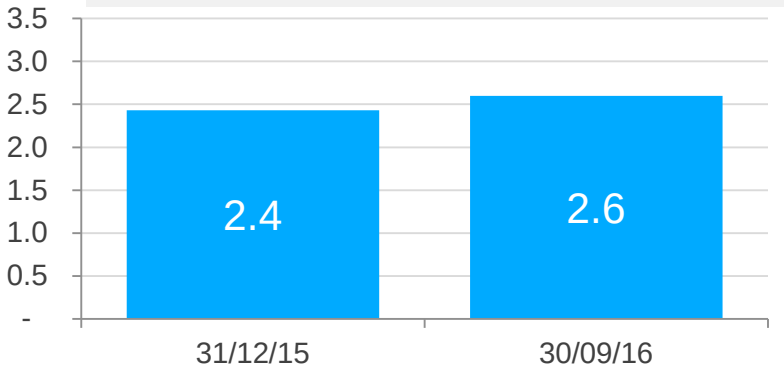
FINANCIAL RESULTS

Strong liquidity and low leverage ratios

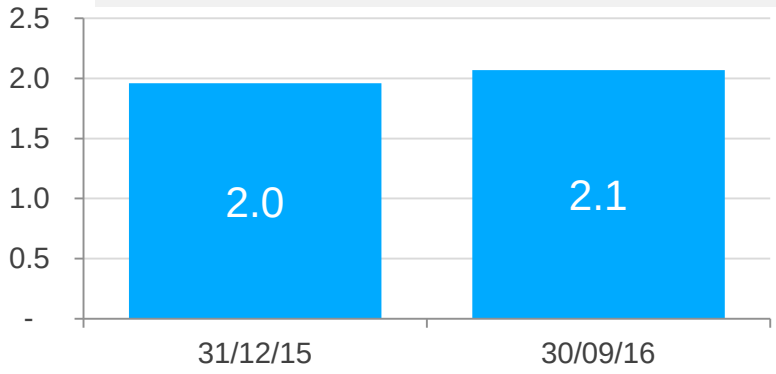
Available cash (in millions of US$)



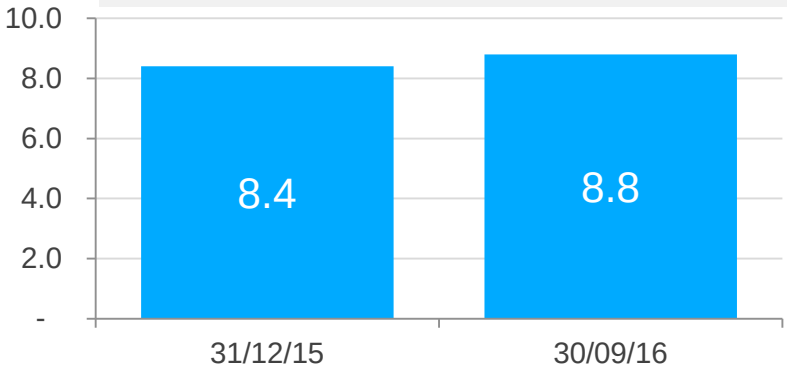
Gross debt / LTM[1] EBITDA (years)



Net debt / LTM[1] EBITDA (years)



LTM[1] EBITDA / Gross interest exp. (x)



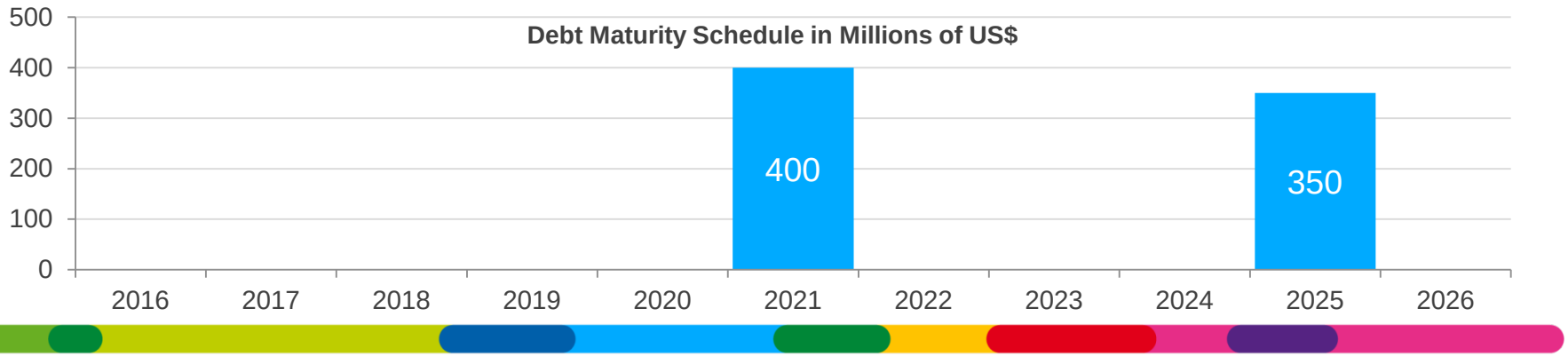
(1) LTM = Last twelve months

DEBT BREAKDOWN

Long-term maturity, with no exposure to FX or interest-rate risk

- US$750 million in 144-A/Reg-S notes at EECL corporate level. Bullet, unsecured with no financial covenants:
  - 5.625%, US$400 million 144-A/Reg-S notes maturing January 2021 (YTM = 2.729% as of September 30, 2016)
  - 4.500%, US$350 million 144-A/Reg-S notes maturing January 2025 (YTM = 3.635% as of September 30, 2016)
- 5-year Revolving Credit Facility for US$270 million maturing September 2020 (undrawn)
  - Bullet, unsecured, only balance sheet covenants (Minimum Equity, Net Financial Debt/Equity)
  - Club deal: Mizuho, Citi, BBVA, HSBC, Caixa
- Committed credit line in local currency (~US$50 million) maturing December 2017 (undrawn)
  - Banco de Chile; bullet, unsecured, only balance sheet covenants (Minimum Equity, Net Financial Debt/Equity)

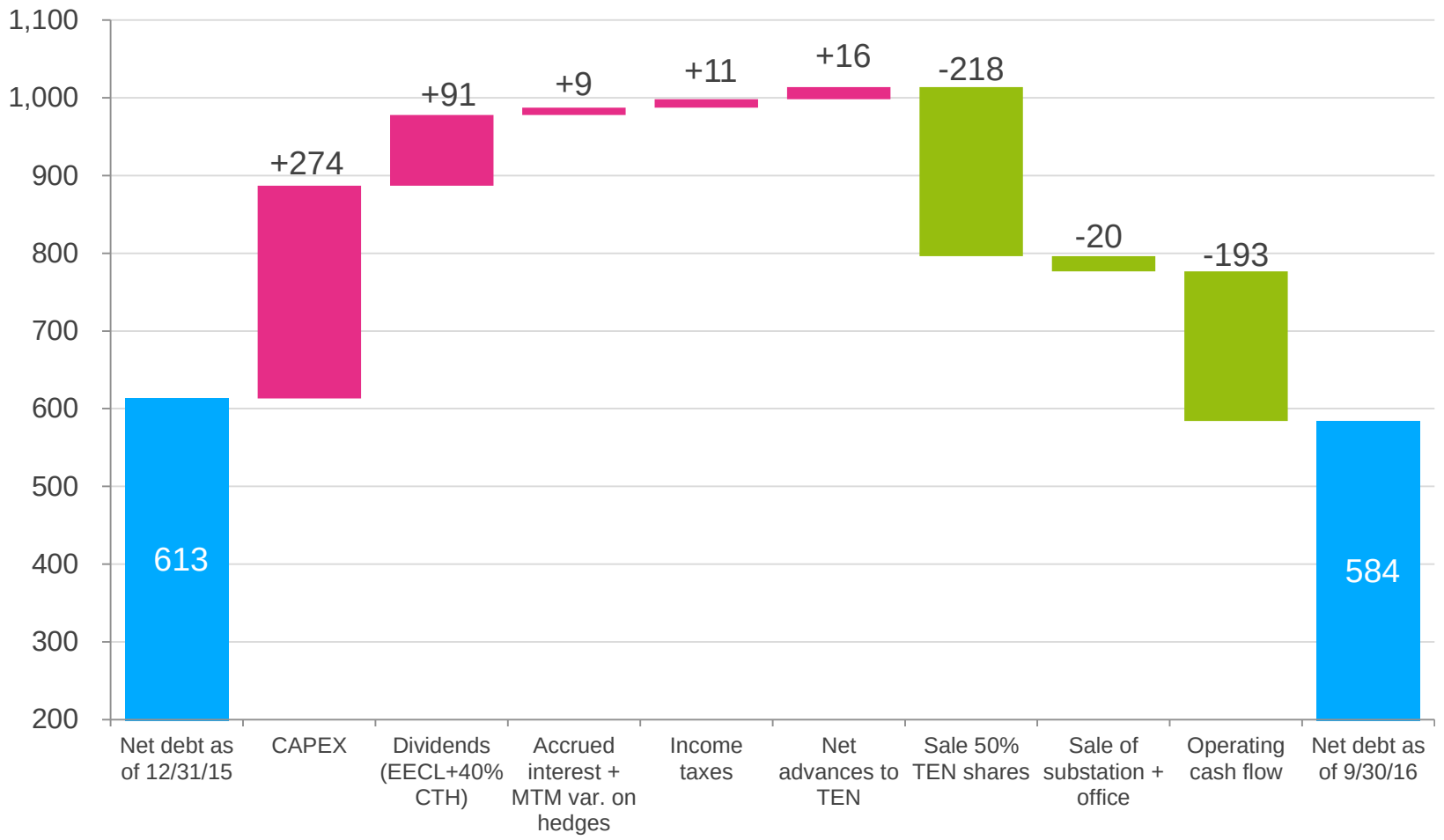
EECL debt figures	Average coupon:	5.1%	Average life:	6.2y	Duration:	4.8y



NET DEBT EVOLUTION 9M16

Asset sale proceeds + operating cash flow financed CAPEX and dividends

In millions of US$



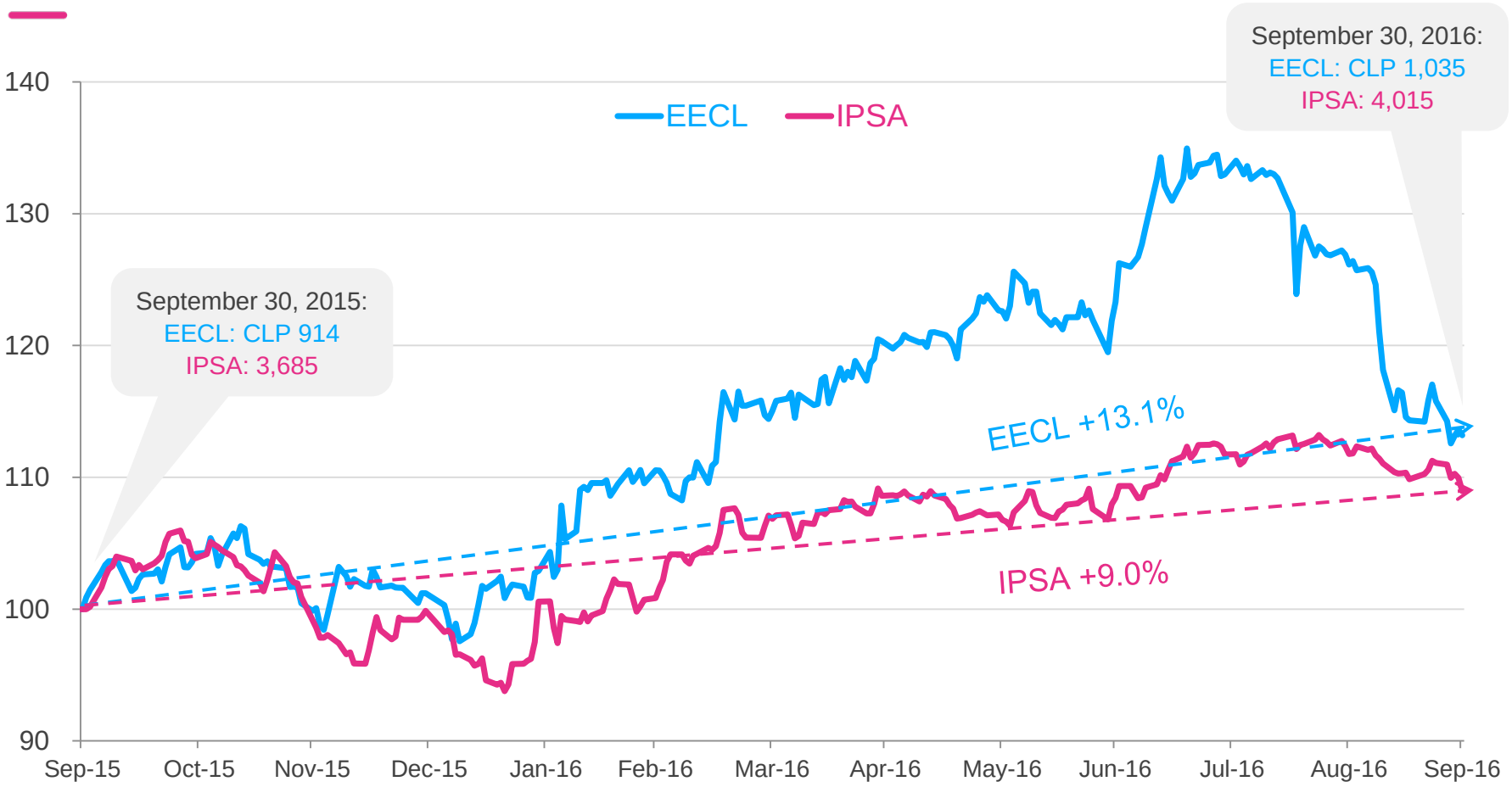
DIVIDENDS

Flexible dividend policy to cope with CAPEX financing requirements

- Flexible dividend policy: Minimum legal required amount (30% of annual net income) is paid, although higher payout ratios may be approved in function of (among others) anticipated capital expenditures:
  - Payout ratio in recent years:
    - 2012 & 2013: 100%
    - 2014 & 2015: 30%
- Subject to proper Board and/or Shareholders approvals, the company intends to pay two provisional dividends, plus a definitive dividend paid in May of the following year.
- 30% of 2015's net income was paid as dividends:
  - US$13.5 million (provisional) in October 2015;
  - US$8.0 million (provisional) in January 2016;
  - US$6.7 million (definitive) in May 2016.
- On April 26, 2016, the shareholders confirmed the current 30% dividend payout to help finance the company's aggressive expansion plan.
- On May 26, 2016, EECL paid a US$63.6 million provisional dividend (~30% of 1Q16's net income).

EECL SHARE PRICE EVOLUTION LTM (*)

EECL has outperformed the IPSA despite lower performance of the Utility index



(*) EECL share price including dividend distribution adjustments

RATINGS

Strong investment-grade ratings reaffirmed

International ratings			
	Rating	**Perspective**	**Date last review**
Standard & Poor's	BBB	Stable	July 2016
Fitch Ratings	BBB	Stable	July 2016

National ratings				
	Rating	**Perspective**	**Shares**	**Date last review**
Feller Rate	A+	Stable	1st Class Level 2	January 2016
Fitch Ratings	A+	Stable	1st Class Level 2	July 2016

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