October 26, 2016

ENGIE ENERGÍA CHILE REPORTED EBITDA OF US$218 MILLION AND NET INCOME OF US$261 MILLION IN THE FIRST NINE MONTHS OF 2016.

EBITDA REACHED US$76.4 MILLION IN THE THIRD QUARTER OF 2016, WITH A 1.6 PERCENTAGE POINT IMPROVEMENT IN THE EBITDA MARGIN. MEANWHILE, THIRD-QUARTER NET INCOME REACHED US$27.0 MILLION, IN LINE WITH THE THIRD QUARTER OF LAST YEAR.

- **Operating revenues** amounted to US$717.9 million in the first nine months of 2016, a 17% decrease compared to the first nine months of 2015, mainly due to lower fuel prices, which resulted in lower average realized monomic prices in both the regulated and unregulated client segments; and the significant decrease in gas sales, which was an active business during 2015.
- **First-nine months EBITDA** was US$218.4 million, with a 30.4% EBITDA margin, 1.8 percentage points above the margin reported in the first nine months of last year. However, EBITDA decreased 12% as a result of a US$151.3 million, or 17%, decrease in operating revenues, which could not be sufficiently offset by a US$113.9 million, or 16%, decrease in operating costs. However, SG&A expenses decreased significantly by US$11.3 million compared to 9M2015.
- **Net income** amounted to US$260.6 million in the first nine months of 2016, a remarkable increase compared to 9M15, mainly due to the one-time impact caused by the sale of 50% of the TEN project. After isolating the non-recurring effects, 9M16 net income would have been US$68.8 million, a 5% decrease compared to the first nine months of last year. This is mainly explained by the above-described decrease in operating income.

Financial Highlights (in US$ millions)

US$ millions	3Q15	3Q16	Var %	9M15	9M16	Var %
Total operating revenues	**299.6**	**246.8**	***-18%***	**869.2**	**717.9**	***-17%***
Operating income	50.2	41.6	*-17%*	145.5	114.8	*-21%*
EBITDA	**88.0**	**76.4**	***-13%***	**248.8**	**218.4**	***-12%***
EBITDA margin	29.4%	31.0%	***+1.6 pp***	28.6%	30.4%	***+1.8 pp***
Total non-operating results	(11.5)	(3.7)	***-68%***	(34.5)	215.9	
Net income after tax	28.8	27.7	*-4%*	77.0	262.4	*241%*
Net income attributed to controlling shareholders	**27.4**	**27.0**	***-1%***	**72.4**	**260.6**	***260%***
Net income attributed to controlling shareholders without non recurring effects	**27.4**	**27.0**	***-1%***	**72.4**	**68.8**	***-5%***
Net income attributed to minority shareholders	1.5	0.7	*-53%*	4.6	1.8	*-60%*
Earnings per share (US$/share)	0.026	0.026	*-1%*	0.069	0.247	*260%*
Total energy sales (GWh)	2,373	2,247	*-5%*	6,966	6,911	*-1%*
Total net generation (GWh)	2,032	1,930	*-5%*	6,225	6,097	*-2%*
Energy purchases on the spot market (GWh)	387	414	*7%*	893	1,060	*19%*

ENGIE ENERGÍA CHILE S.A. ("EECL") is engaged in the generation, transmission and supply of electricity and the transportation of natural gas in the north of Chile. EECL is the fourth largest electricity generation company in Chile and the largest electricity generation company in the SING, Chile's second largest power grid. As of September 30, 2016, EECL accounted for 46% of the SING's installed capacity. EECL primarily supplies electricity to large mining and industrial customers, and it also supplies the entire electricity needs of EMEL, the sole electricity distribution group in the SING. EECL is currently 52.76% indirectly owned by ENGIE (formerly known as GDF SUEZ). The remaining 47.24% of EECL's shares are publicly traded on the Santiago stock exchange following Codelco's sale of its 40% shareholding interest on January 28, 2011. For more information, please refer to www.engie-energia.cl

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HIGHLIGHTS:

3Q 2016

- **Extraordinary Shareholders' Meeting:** EECL's Board of Directors called for an Extraordinary Shareholders' Meeting to be held on October 28, 2016, to request shareholder authorization to pledge the Company's shares in TEN in favor of the lenders that will be providing a long-term project financing to TEN.

- **The Minister of Energy's visit to the TEN project works:** On September 20, the Minister of Energy, accompanied by regional authorities as well as executives of TEN and its shareholders, Red Eléctrica and Engie Energía Chile, conducted a site visit to follow up the progress of the SIC-SING interconnection project being carried out by Transmisora Eléctrica del Norte (TEN). The project showed an overall progress rate of over 60% as of the end of September, 2016.

- **Filing of the Las Arcillas CCGT project with the Environmental Evaluation Service:** Engie Energía Chile filed an environmental impact study for the Las Arcillas combined-cycle gas turbine ("CCGT") project with the Biobío regional Environmental Evaluation Service. The Las Arcillas CCGT Project is located in the community of Pemuco in the south of Chile and includes a power plant, a gas pipeline and a transmission line.

- **Energy supply auction #2015/01:** On August 17, the CNE conducted a public ceremony to award the power supply contracts resulting from the 2015/01 Energy Supply Auction. This auction comprised an overall energy supply of up to 12,430 GWh/year covering the power supply needs of regulated clients connected to both the SING and the SIC grids for 20 years starting in 2021. On July 27, 84 companies presented their administrative and economic proposals for 5 power supply blocks accounting for approximately one third of the current consumption of regulated clients in the SIC and the SING. The resulting weighted average energy price was US$47.6/MWh.

2Q 2016

- **Confirmation of EECL's BBB credit ratings by S&P and Fitch:** In July 2016 Standard & Poor's and Fitch Ratings confirmed EECL's 'BBB' issuer default ratings, with Stable Outlook. In addition, Fitch Ratings reaffirmed EECL's 'A+(cl)' national-scale credit rating and began rating EECL's stocks, classifying them as *'Primera Clase Nivel 2'* under the national scale.

- **New Transmission Law:** On July 11, the government officially launched the new Electric Transmission Law recently approved by Congress. The main objectives of the recently enacted law are to favor the development of a competitive market facilitating the transportation of energy generated by clean sources to demand centers, while contributing to lower energy prices to homes and businesses through more competition and the entrance of new market players. The law's main contents include: i) a new functional definition of transmission systems; ii) strategic planning for the energy industry and the expansion of transmission systems; iii) remuneration of the transmission systems; iv) route definition; v) open access; vi) safety and security of the electricity industry, and; vii) creation of an independent coordination body for the National Electricity Grid.

- **PPA renewal with El Abra**: On July 1, EECL informed about the execution of two new electricity supply contracts with the El Abra copper mining Company for a total of 110MW out to eleven years starting January 2018. Through these PPAs, EECL will continue to supply electric power to one of the main copper mines in Chile's Antofagasta region. El Abra is controlled by the US group, Freeport-McMoran, through a 51% shareholding, with the Chilean state-owned Codelco holding the remaining 49%.

- **New corporate name**: As agreed at the Extraordinary Shareholders' Meeting held on April 26, 2016, effective June 15, 2016, E.CL S.A. changed its name to Engie Energía Chile S.A. (hereinafter, for purposes of this report, "EECL").

- **Dividend payment**: On May 26, EECL paid the definitive dividend agreed at the April 26 Ordinary Shareholders' Meeting as well as the provisional dividend approved by EECL's Board on the same date. Both dividends reached an aggregate amount of US$70,350,604.

1Q 2016

- **Annual Ordinary Shareholders' Meeting**: On April 26, 2016, the Company's shareholders agreed the following:

  a) **Definitive Dividends:** To pay a definitive dividend of US$6,750,604 on account of 2015's net income, resulting in dividends of US$0.0064089446 per share;

  b) **Board of Directors:** To appoint the following board members: i) Philip de Cnudde, who was subsequently confirmed as Chairman in a Board session; ii) Pierre Devillers; iii) Daniel Pellegrini; iv) Hendrik De Buyserie; v) Mauro Valdés Raczynski; vi) Emilio Pellegrini Ripamonti and vii) Cristián Eyzaguirre Johnston. The respective deputy board members are: i) Dante Dell'Elce; ii) Patrick Obyn; iii) Willem van Twembeke; iv) Pablo Villarino Herrera; v) Gerardo Silva Iribarne; vi) Fernando Abara Elías and vii) Joaquín González Errázuriz.

  c) **Auditors:** To confirm Deloitte Auditores Consultores Limitada as the Company's external auditors.

- **Extraordinary Shareholders' Meeting**: On April 26, 2016, the Company's shareholders approved the change of the Company's legal name from E.CL S.A. to Engie Energía Chile S.A.

- **Provisional Dividend**: On April 26, 2016, in accordance to the Company's current dividend policy of paying the minimum regulatory 30% of annual net income, the Board approved a provisional dividend payment of US$63,600,000, or US$0.0603810972 per share, on account of 2016's net income. This dividend is equal to 30% of the 1Q16 net income and was approved based on the favorable effect of the sale of 50% of TEN over the Company's net income and cash balances.

- **Sale of 50% of the TEN transmission project**: On December 4, EECL reached an agreement with Red Eléctrica Chile SpA ("REC"), a subsidiary of Red Eléctrica Internacional S.A.U. ("REI") and controlled by Red Eléctrica Corporación S.A. ("REE"), Spain, to sell 50% of the share capital issued by Transmisora Eléctrica del Norte S.A. ("TEN"), with EECL retaining the remaining 50%. The transaction was materialized on January 27, 2016. REC paid US$217,560,000 for 50% of the stock and took over half of TEN's debt with EECL in an amount equivalent to approximately US$85.1 million. In such way, EECL received cash funds in an amount of US$303 million, which it will use mainly to finance its ongoing capital-expenditure program. The transaction had a US$148 million effect on EECL's first-quarter 2016 after-tax net income.

PROJECT STATUS AS OF SEPTEMBER 30, 2016:

a) **Infraestructura Energética Mejillones Project ("IEM"):** This 375MW coal-fired project is progressing within schedule and budget. The EPC contractor is S.K. Engineering and Construction (Korea) ("SKEC"). The main equipment providers are Doosan-Skoda for the turbine, Doosan for the boiler, and Siemens for the generator. The main SKEC subcontractors are Salfa for civil works, Belfi for marine works and SEIL (Korea) for boiler erection. Construction of the boiler house and pedestals for the steam turbine building are in progress. Likewise, civil works for the control room, as well as the excavations for the water intake, discharge structures and other auxiliary systems are under way. The boiler steam drum was lifted and fixed in its final position, while four coal silos were installed, with final welding works ongoing. The project's overall progress rate was approximately 35% as of the end of September. The IEM project, excluding the new port, will cost approximately US$892 million, of which US$286 million have already been expensed. IEM is scheduled to begin operations in July 2018.

b) **New Port in Mejillones:** This new port is being built by the EPC contractor, Belfi, and is scheduled to be handed over in August 2017 to start the load tests. The port will cost approximately US$122 million, US$60 million of which had been paid as of September 2016. As of that date, the project presented a general state of advance of around 48%.

c) **The TEN project:** This transmission project ceased to be consolidated in EECL's books due to the sale of a 50% ownership stake, and it is now jointly controlled with Red Eléctrica Chile, an indirect subsidiary of Red Eléctrica Corporación (Spain). The project is also progressing according to budget and its critical path is on schedule. As of September 30, the project presented a general state of advance of 63%. The substation foundations and civil works are in progress, presenting different degrees of advance, with the reactors and the first transformers already received on site. Likewise, the towers for the transmission lines are in different states of advance (civil works, testing, material delivery and erection), and the conductor cable stringing works started in June as planned. All of the needed rights of way needed for the transmission line route have been agreed, while more than 90% of the electric concessions have been obtained.

The TEN project considers capital expenditures of approximately US$808 million (at September 30, 2016's exchange rates), US$384 million of which have been invested to date, and is expected to be completed during the third quarter of 2017. TEN is currently structuring a project financing under the advisory of Banco Santander, which is expected to be closed before the end of the year.

It should be noted that in December 2015, the Environmental Assessment Service ("SEA") approved the environmental impact study of the Nueva Cardones-Polpaico 500kV transmission project sponsored by Interchile, an affiliate of the Colombian group ISA, which will strengthen the SIC power transmission system between Nueva Cardones, in Copiapó, and Santiago. In its south end, the TEN project must connect to Interchile's Nueva Cardones substation. In its north end, TEN will be connected to the IEM and CTM power plants in Mejillones. Also, to complete the interconnection and begin receiving trunk revenues, TEN requires to be connected to the SING through the new 3-kilometer transmission line connecting the Los Changos substation to the Kapatur substation. The construction of the Changos-Kapatur and 140-km. Changos-Nueva Crucero Encuentro connections, was recently awarded to Transelec by the Chilean authorities. Transelec signed an EPC contract with EECL for the construction of the 3-kilometer long Changos-Kapatur transmission system.

INDUSTRY OVERVIEW

The company operates in the SING Grid (Sistema Interconectado del Norte Grande or '*Northern Grid*'), Chile's second largest power grid, which serves the country's north and a major portion of its mining industry. Given local conditions, it is predominantly a thermoelectric system, with generation based on coal, natural gas, LNG, and diesel and fuel oil. The system has begun to exhibit growing development of renewable sources, mainly wind and solar.

Marginal Costs

Marginal Costs Crucero 220 kV

(In US$ per MWh)

Period	2015	2016	% Variation YoY
Q1	49.3	48.8	*-1%*
Q2	58.4	70.3	*20%*
July	50.8	82.1	*62%*
August	59.9	49.6	*-17%*
September	57.1	64.0	*12%*
Q3	**55.9**	**65.2**	***17%***
Q4	65.2		
Year	**57.2**	**61.5**	***7%***

Average Operating Cost (SING)

(In US$ per MWh)

Period	2015	2016	% Variation YoY
Q1	47.6	34.3	*-28%*
Q2	49.1	37.0	*-25%*
July	52.1	39.8	*-24%*
August	46.4	33.8	*-27%*
September	39.8	33.2	*-16%*
Q3	**46.1**	**35.6**	***-23%***
Q4	39.9		
Year	**45.7**	**35.6**	***-22%***

Source: CDEC-SING

In the first quarter of 2016, the marginal costs, or spot energy prices, were quite similar to those reported in the first quarter of 2015, averaging US$49/MWh. However, when analyzing the average system cost, which represents the average fuel cost per MWh, a two-digit downward trend persisted, with a 28% inter-annual drop in the first quarter.

A different reality could be observed in the second quarter. Marginal energy costs climbed 20%, when compared to the same quarter the year before, frequently surpassing US$100/MWh during the second half of June.

Average operating costs remained below US$40/MWh during the second quarter, since most of the energy was generated by cost-efficient sources (~90% of the second-quarter energy was produced by renewable sources, gas and coal). Most of the cost-inefficient power was generated with diesel by the Gasatacama gas turbines. Furthermore, through May, AES Gener's Cochrane I power plant was in testing mode; hence its power generation cost was not computed in the calculation of the system's average generation cost.

In the third quarter of 2016, marginal costs increased by two digits year-on-year, with high volatility observed during the quarter. Particularly, the month of July reported the highest level of diesel generation, accounting for two thirds of the third quarter's diesel generation, resulting in an increase in marginal costs. In the third quarter coal generation increased by 10.1% year-on-year, displacing diesel and gas generation, with a consequential reduction in average operation cost.

The apparent contradiction between the higher marginal costs reported throughout 2016 and lower operating costs is largely explained by a change in regulations, as explained in the following paragraphs. Through late 2015, diesel generation did not set the marginal cost or spot price, but rather contributed to explain the so-called system overcosts.

Indeed, in March 2016 the so-called "Servicios Complementarios" or Complementary Services ("SSCC") were implemented, and a new procedure to set the marginal cost became effective. The SSCC superseded the RM 39 mechanism, which had been in place since 2000.

The system over-costs ruled under the RM39 mechanism will no longer be calculated by the CDEC-SING. However, these will be partially remunerated by payments ruled under the SSCC and an increase in marginal cost, as can be seen in the table above.

Lastly, system over-costs caused by transmission limitations and units operating at their technical minimum levels will continue to be calculated by the CDEC-SING under the DS 130 mechanism.

Overcosts

Overcosts

(In US$ millions)

Period	2015 Total	2015 EECL Prorata	2016 Total	2016 EECL Prorrata	% Variation (YoY) Total	% Variation (YoY) EECL Prorata
Q1	35.8	16.0	9.4	4.8	*-74%*	*-70%*
Q2	52.3	27.6	13.6	4.5	*-74%*	*-84%*
July	22.8	12.5	3.6	1.6	*-84%*	*-87%*
August	14.3	7.8	1.8	0.9	*-87%*	*-88%*
September	7.3	3.8	3.5	1.4	*-53%*	*-62%*
Q3	**44.5**	**24.0**	**8.9**	**3.9**	***-80%***	***-84%***
Q4	27.6	14.4				
Year	**160.2**	**82.0**	**32.0**	**13.2**	***-80%***	***-84%***

Source: CDEC-SING

In the first quarter, the system's global over-costs decreased to US$9.4 million, a 74% year-on-year decrease, mainly due to (i) Gas Atacama's revised technical minimum dispatch level and minimum operation time and (ii) lower diesel prices.

In the second quarter of 2016, over-costs maintained the downward trend previously observed, while EECL's pro-rata stake in the over-costs fell to less than US$5 million per quarter.

In the third quarter of 2016, the over-costs exhibited a steeper drop, falling by 80% year-on-year. In the first nine months of 2016, EECL's pro-rata fell to US$13.2 million, accounting for 41% of the system's total over-costs.

Fuel prices

International Fuel Prices Index

	WTI (US$/Barrel)			Brent (US$/Barrel)			Henry Hub (US$/MMBtu)			European coal (API 2) (US$/Ton)		
	2015	**2016**	**% Variation YoY**	**2015**	**2016**	**% Variation YoY**	**2015**	**2016**	**% Variation YoY**	**2015**	**2016**	**% Variation YoY**
Q1	48.5	33.4	*-31%*	53.9	34.5	*-36%*	2.90	1.99	*-31%*	60.5	39.3	*-35%*
Q2	57.8	45.5	*-21%*	62.1	46.0	*-26%*	2.75	2.15	*-22%*	57.8	48.3	*-16%*
Q3	46.5	44.9	*-3%*	50.2	45.8	*-9%*	2.76	2.88	*4%*	54.1	58.8	*9%*
Q4	42.0			43.3			2.12			46.8		
Year	**48.7**	**41.4**	***-15%***	**52.3**	**42.1**	***-19%***	**2.62**	**2.34**	***-11%***	**54.8**	**49.0**	***-11%***

Source: Bloomberg, IEA

During the first quarter of 2016, international fuel prices continued dropping by more than 30%, when compared to the first quarter of 2015.

Through the second quarter of 2016, international fuel prices exhibited a two-digit year-on-year drop; nevertheless, they had a marked rebound compared to the first quarter, increasing by more than 30% in the case of oil.

During the third quarter of 2016, oil prices remained at similar levels compared to the previous quarter; however, Henry Hub and coal prices increased by 34% and 22%, respectively, with HH exceeding the US$3/MMBtu level and coal surpassing US$60/ton. However, annual average prices continued showing a two-digit reduction.

Generation

The following table provides a breakdown of generation in the SING by fuel type:

Total SING Generation by Fuel Type (in GWh)

	2015							
	1Q 2015		2Q 2015		3Q 2015		9M 2015	
Fuel Type	**GWh**	*% of total*	**GWh**	*% of total*	**GWh**	*% of total*	**GWh**	*% of total*
Coal	3,549	78%	3,431	73%	3,458	73%	10,438	75%
LNG	483	11%	605	13%	710	15%	1,798	13%
Diesel / Fuel oil	305	7%	454	10%	322	7%	1,081	8%
Renewable	188	4%	179	4%	216	5%	584	4%
Total gross generation SING	**4,525**	100%	**4,669**	100%	**4,706**	100%	**13,900**	100%

	2016							
	1Q 2016		2Q 2016		3Q 2016		9M 2016	
Fuel Type	**GWh**	*% of total*	**GWh**	*% of total*	**GWh**	*% of total*	**GWh**	*% of total*
Coal	3,802	78%	3,737	76%	3,807	78%	11,345	78%
LNG	502	10%	402	8%	524	11%	1,427	10%
Diesel / Fuel oil	305	6%	468	10%	197	4%	970	7%
Renewable	278	6%	281	6%	337	7%	896	6%
Total gross generation SING	**4,887**	100%	**4,888**	100%	**4,864**	100%	**14,638**	100%

Source: CDEC-SING

During the first quarter of 2016, the hourly gross power generation averaged 2,237 MW, a 6.7% rise compared to the first quarter of 2015. Gross power generation increased by 8% in response to the increase in demand from new mining operations as well as from existing mining operations which increased their power demand (BHP Billiton's OLAP and OGP1, Sierra Gorda, Antucoya and Esperanza). The coal/gas generation mix remained relatively stable, while the contribution from renewable power reported an increase.

In the second quarter of 2016, the average hourly gross power generation reached 2,237 MW, in line with the first quarter, although it represented a 4.6% increase when compared to the same period the year before. Gross hourly generation peaked at 2,554 MW in the second quarter. Although it was slightly below the 1Q16's 2,558 MW peak, it represented a 7.1% yearly increase. In terms of generation mix, LNG lost 5 percentage points, when compared to the second quarter of last year. The lower LNG-based generation was covered by an increase in coal generation and, to a lesser extent, by renewables.

In the third quarter of 2016, the average hourly gross power generation reached 2,204 MW, a 3.4% year-on-year increase. Gross hourly generation peaked at 2,462 MW in the third quarter, almost the same level reported the year before, but slightly lower than in 2Q16. In terms of generation mix, coal continued increasing its contribution, and so did renewables.

The SING's electricity production broken down by company was as follows:

Generation by Company (in GWh)

2015

Company	1Q 2015 GWh	1Q 2015 % of total	2Q 2015 GWh	2Q 2015 % of total	3Q 2015 GWh	3Q 2015 % of total	9M 2015 GWh	9M 2015 % of total
AES Gener	1,536	34%	1,532	33%	1,674	36%	4,742	34%
Celta	267	6%	263	6%	244	5%	774	6%
GasAtacama	276	6%	423	9%	384	8%	1,083	8%
EECL (with 100% of CTH)	2,267	50%	2,274	49%	2,195	47%	6,736	48%
Other	179	4%	177	4%	209	4%	565	4%
Total gross generation SING	**4,525**	100%	**4,669**	100%	**4,706**	100%	**13,900**	100%

2016

Company	1Q 2016 GWh	1Q 2016 % of total	2Q 2016 GWh	2Q 2016 % of total	3Q 2016 GWh	3Q 2016 % of total	9M 2016 GWh	9M 2016 % of total
AES Gener	1,661	34%	1,968	40%	2,158	44%	5,787	40%
Celta	257	5%	31	1%	5	0%	294	2%
GasAtacama	294	6%	458	9%	156	3%	907	6%
EECL (with 100% of CTH)	2,411	49%	2,114	43%	2,082	43%	6,606	45%
Other	265	5%	316	6%	463	10%	1,044	7%
Total gross generation SING	**4,887**	100%	**4,888**	100%	**4,864**	100%	**14,638**	100%

Source: CDEC-SING

During the first quarter of 2016, EECL reported a 6.4% year-on-year increase in electricity generation and remained as the industry leader, accounting for 49% of the system's generation. The increase was largely owed to an increase in gas generation, followed by a 4% increase in coal generation. In the first quarter, EECL's U-16 400MW combined-cycle turbine in Tocopilla was out for maintenance for 9 days, while the 175MW CTM2 coal unit in Mejillones was unavailable for planned maintenance during 21 days.

In the second quarter, EECL's generation decreased by 7%, when compared to the second quarter of last year, due to the planned maintenance of the CTM1 (166MW) and CTH (170MW) coal-fired plants, a longer-than-expected outage of the CTM3 251MW CCGT, and the TG3 (38MW) diesel turbine. The CTM3 CCGT was unavailable during most of the second quarter, while CTH was out of service during the entire month of June. CTM1 had a 10-day outage, and TG3 was unavailable through most of May and June.

During the third quarter of 2016, EECL's generation decreased by 5.2% year-on-year, and its share of the system's generation fell by 3.8 percentage points as AES Gener gained market share in terms of generation with its new Cochrane I coal-fired plant. A 131 GWh decrease in EECL's coal generation compared to 3Q15, was explained by lower generation in the Tocopilla's complex, partially offset by higher generation in Mejillones given the low comparison base of CTM1's production. Regarding major maintenance, the U14 (136 MW) coal-fired plant was out for 14 days and the U15 (132 MW) coal-fired plant was unavailable for planned maintenance during 36 days. In addition, CTH and CTM3 came back in operation on July 8 and 18, respectively, after their major maintenance.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

The following discussion is based on our consolidated financial statements for the nine-month periods ended September 30, 2016 and 2015. These financial statements have been prepared in U.S. dollars in accordance with IFRS, and should be read in conjunction with the financial statements and the notes thereto published by the Superintendencia de Valores y Seguros (www.svs.cl).

3Q 2016 compared to 2Q 2016 and 3Q 2015

Operating Revenues

Quarterly Information (In US$ millions)

	3Q 2015		2Q 2016		3Q 2016		% Variation	
Operating Revenues	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Unregulated customers sales………………….	186.3	*77%*	165.9	*75%*	162.9	*75%*	*-2%*	*-13%*
Regulated customers sales……………………	50.8	*21%*	43.9	*20%*	41.5	*19%*	*-5%*	*-18%*
Spot market sales…………………………….	6.3	*3%*	12.8	*6%*	12.8	*6%*	*0%*	*104%*
Total revenues from energy and capacity sales……	**243.4**	*81%*	**222.5**	*93%*	**217.3**	*88%*	***-2%***	***-11%***
Gas sales…………………………..	30.3	*10%*	2.2	*1%*	3.7	*1%*		*-88%*
Other operating revenue……………………….	25.8	*9%*	15.4	*6%*	25.8	*10%*	*67%*	*0%*
Total operating revenues………………….	**299.6**	*100%*	**240.2**	*100%*	**246.8**	*100%*	***3%***	***-18%***
Physical Data (in GWh)								
Sales of energy to unregulated customers (1)……	1,786	*75%*	1,691	*72%*	1,685	*75%*	*0%*	*-6%*
Sales of energy regulated customers……	478	*20%*	476	*20%*	471	*21%*	*-1%*	*-2%*
Sales of energy to the spot market…………….	109	*5%*	168	*7%*	91	*4%*	*-46%*	*-17%*
Total energy sales………………………….	**2,373**	*100%*	**2,336**	*100%*	**2,247**	*100%*	***-4%***	***-5%***
Average monomic price unregulated customers(U.S.$/MWh)(2)	**101.6**		**96.1**		**98.9**		***3%***	***-3%***
Average monomic price regulated customers (U.S.$/MWh)(3)	**106.2**		**92.2**		**88.3**		***-4%***	***-17%***

(1) Includes 100% of CTH sales.

(2) Calculated as the quotient between unregulated and spot revenues from energy and capacity sales and unregulated and spot physical energy sales.

(3) Calculated as the quotient between regulated revenues from energy and capacity sales and regulated physical energy sales.

Energy and capacity sales reached US$217.3 million in the third quarter, representing a 2% decrease from the second quarter, due mainly to a price decrease in the regulated client segment.

In terms of the sales mix, sales to regulated distribution companies decreased compared to the previous quarter, mainly due to a lower tariff applied beginning May and which will remain in effect through March 2017. Physical spot sales decreased as well given the entrance of new cost-efficient coal-fired power plants in the system (Cochrane 1).

Demand from some unregulated clients increased slightly compared to the second quarter mainly due to increased demand from Radomiro Tomic, Antucoya, Chuqui-Gaby and the El Tesoro-Esperanza mines, which was offset by lower demand from Xstrata Copper, Cerro Colorado, El Abra and Cerro Dominador.

Energy and capacity sales decreased 11% when compared to the third quarter of 2015, reporting a US$26.1 million drop, mainly due to lower physical sales to unregulated clients and lower prices charged to distribution companies.

Physical sales decreased 4.3% (102 GWh), mainly due to lower sales to unregulated clients.

The year-on-year comparison shows an 84 GWh physical sales decrease in the unregulated client segment due to the end of the SQM contract and lower demand from El Abra and Xtrata Copper. This was partially offset by demand from the new Antucoya client and increased demand from the Esperanza-El Tesoro mines, among others.

Sales to distribution companies, or regulated clients, amounted to US$41.5 million, representing an 18% decrease compared to 3Q15 as a result of lower prices. The average Henry Hub index used in the calculation of the EMEL tariff fell from US$3.33/MMBtu in the tariff prevailing during the third quarter of last year to US$2.05/MMBtu used in the April 2016 tariff setting process which was effective during the 3Q16. Likewise, when comparing with the immediately preceding quarter, sales to distribution companies fell by 5.3% since the relevant Henry Hub index used in the energy tariff in effect during the first quarter (US$2.80/MMBtu) was substantially higher than the US$2.05/MMBtu used in the third quarter.

Physical sales to the spot market, corresponding to our CTA subsidiary, reached 91 GWh, a decrease compared to both the 168 GWh sold in the second quarter and the 97 GWh sold in the third quarter of last year. CTH was a net buyer on the spot market in the 3Q16, although it had reported net spot sales of 12 GWh in the 3Q15. The spot market sales and purchase items also include the retroactive annual firm capacity price and monthly energy adjustment payments per the reliquidations made by the SING dispatch center (CDEC-SING).

Small quantities of gas sales have been reported in 2016, as opposed to last year, when the company recorded gas sales of US$30.3 million in the third quarter. The most relevant item in the Other operating revenue account is composed of sub-transmission tolls and regulatory transmission revenues, which accounted for 71% of the total amount in the 3Q16. In addition, this item includes port and maintenance services, among others.

Operating Costs

Quarterly Information (In US$ millions)

	3Q 2015		2Q 2016		3Q 2016		% Variation	
Operating Costs	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Fuel and lubricants………………………………	(87.2)	35%	(74.4)	37%	(75.4)	37%	1%	-13%
Energy and capacity purchases on the spot market……………………………	(44.8)	18%	(41.0)	20%	(32.4)	16%	-21%	-28%
Depreciation and amortization attributable to cost of goods sold…………………………….	(37.3)	15%	(33.3)	16%	(33.6)	16%	1%	-10%
Other costs of goods sold……………………	(71.6)	29%	(48.9)	24%	(55.3)	27%	13%	-23%
Total cost of goods sold………………..	**(240.9)**	97%	**(197.6)**	97%	**(196.8)**	96%	***0%***	***-18%***
Selling, general and administrative expenses…	(8.7)	3%	(5.1)	3%	(8.4)	4%	64%	-3%
Depreciation and amortization in selling, general and administrative expenses…………	(0.5)	0%	(1.2)	1%	(1.2)	1%	1%	122%
Other operating revenue/costs……………………….	0.8	0%	0.6	0%	1.2	-1%		
Total operating costs…………………..	**(249.3)**	100%	**(203.3)**	100%	**(205.2)**	100%	***1%***	***-18%***
Physical Data (in GWh)								
Gross electricity generation								
Coal………………………………………….	1,791	82%	1,749	83%	1,660	80%	-5%	-7%
Gas…………………………………………..	386	18%	343	16%	401	19%	17%	4%
Diesel Oil and Fuel Oil…………………….	6	0%	11	1%	7	0%	-35%	23%
Hydro/Solar……………………………………….	12	1%	10	0%	14	1%	31%	10%
Total gross generation…………………	**2,195**	100%	**2,114**	100%	**2,082**	100%	***-2%***	***-5%***
Minus Own consumption………………..	(163)	-7%	(167)	-8%	(152)	-7%	-9%	-7%
Total net generation……………………	**2,032**	**84%**	**1,947**	**81%**	**1,930**	**82%**	***-1%***	***-5%***
Energy purchases on the spot market………..	387	**16%**	468	**19%**	414	**18%**	-12%	7%
Total energy available for sale before transmission losses………………………	**2,419**	**100%**	**2,415**	**100%**	**2,344**	**100%**	***-3%***	***-3%***

Gross electricity generation decreased both year-on-year and when compared to the second quarter of 2016. There was higher availability of gas units compared to the previous quarter; however, the lower dispatch and major maintenance of the U14 and U15 units in Tocopilla resulted in lower coal-based generation. Gas-based generation increased year-on-year, while the overall decrease is attributed to coal-based generation. The contribution of coal generation (80% in 3Q16) decreased when compared to both the 2Q16 and the 3Q15.

The fuel cost item remained unchanged in the third quarter, as compared to the second quarter, even at the level of each sub-item; that is, coal, LNG and hydrated lime. The US$11.7 million year-on-year fuel cost decrease was composed of lower use and prices of coal and gas (-US$14.7 million), partially offset by higher hydrated lime costs. Hydrated lime has begun to be used in Mejillones since July 2016, in addition to the Tocopilla complex, which began to use hydrated lime in July 2015.

The spot electricity purchase cost item decreased by US$8.6 million compared to 2Q16 because of lower physical purchases and lower average prices. This account also includes EECL's share of system over-costs; however, their significance has decreased substantially since December 2015. The US$12.4 million decrease in the spot electricity and capacity purchases item compared to 3Q15 resulted mainly from a US$21.6 million decrease in over-costs, partially offset by a US$9.2 million increase in spot energy purchase volumes and prices.

Depreciation costs remained flat compared to 2Q16, although they decreased by US$3.7 million compared to 3Q15 due to the end of the depreciation period of certain assets.

Other direct operating costs included, among others, operating and maintenance costs and cost of fuels sold. The US$6.4 million increase in this item as a whole, when compared to the second quarter, was explained by greater tolls. The comparison with the third quarter of 2015 shows a US$16.3 million decrease primarily explained by lower costs of re-gassed LNG sold, as this business decreased significantly in 2016. A decrease in third-party service costs and severance payments, slightly offset by higher transmission tolls, also contributed to explain the decrease in the other operating costs item in the third quarter of 2016.

SG&A expenses increased by US$3.3 million compared to the second quarter given an exceptional low level of SG&A expenses reported in the second quarter due to a reversal of legal expense provisions. When compared to the third quarter of last year, SG&A expenses remained virtually unchanged.

The Other operating revenue/cost item includes recoveries and provisions and miscellaneous income, and its value is relatively low.

Electricity Margin

Quarterly Information (In US$ millions)

	2015				2016			
	1Q15	2Q15	3Q15	9M15	1Q16	2Q16	3Q16	9M16
Electricity Margin								
Total revenues from energy and capacity sales………	**243.4**	**239.4**	**243.4**	**726.2**	**212.6**	**222.5**	**217.3**	**652.4**
Fuel and lubricants…………………..	(96.5)	(84.4)	(87.2)	(268.0)	(85.9)	(74.4)	(75.4)	(235.7)
Energy and capacity purchases on the spot market……	(30.2)	(33.9)	(44.8)	(109.0)	(21.0)	(41.0)	(32.4)	(94.4)
Gross Electricity Profit	**116.7**	**121.0**	**111.4**	**349.1**	**105.7**	**107.1**	**109.4**	**322.3**
Electricity Margin	*48%*	*51%*	*46%*	*48%*	*50%*	*48%*	*50%*	*49%*

The electricity margin, or the gross profit from the electricity generation business, increased by US$2.3 million when compared to the immediately preceding quarter. In percentage terms, it also increased to 50% given the reduction in spot energy purchases both in physical and monetary terms. When compared with the third quarter of last year, the electricity margin decreased by US$2.0 million, but in percentage terms it expanded by 4.0 points.

In general, revenues from energy and capacity sales have remained relatively stable throughout 2016, although they have stayed below the levels reported in 2015, and so have fuel costs given the decline in fuel prices. However, costs have not always decreased as much as revenues. The lower gross electricity profit is partly explained by the narrower margins on some contracts with unregulated clients due to lower tariff indexation factors, such as PPI and Brent. Also, the need to use hydrated lime to comply with new emissions standards since late June 2015 in the Tocopilla complex and since July 2016 in Mejillones has prevented fuel costs from dropping as much as fuel prices have.

Operating Results

Quarterly Information (in US$ millions)

EBITDA	**3Q 2015**		**2Q 2016**		**3Q 2016**		**% Variation**	
	Amount	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Total operating revenues………………………	299.6	*100%*	240.2	*100%*	246.8	*100%*	*3%*	*-18%*
Total cost of goods sold……………………	(240.9)	*-80%*	(197.6)	*-82%*	(196.8)	*-80%*	*0%*	*-18%*
Gross income…………………………	**58.7**	*20%*	**42.6**	*18%*	**50.0**	*20%*	***17%***	***-15%***
Total selling, general and administrative expenses and other operating income/(costs).	(8.4)	*-3%*	(5.8)	*-2%*	(8.4)	*-3%*	*46%*	*0%*
Operating income…………………	**50.2**	*17%*	**36.9**	*15%*	**41.6**	*17%*	***13%***	***-17%***
Depreciation and amortization…….…………	37.8	*13%*	34.5	*14%*	34.8	*14%*	*1%*	*-8%*
EBITDA………………………………	**88.0**	*29.4%*	**71.3**	*29.7%*	**76.4**	*31.0%*	***7%***	***-13%***

3Q16 EBITDA reached US$76.4 million, above the 2Q16 figure, due in part to transmission tolls as well as sales of gas and gas transportation, which resulted in an increase in operating income despite the exceptionally low SG&A expenses in the second quarter. EBITDA dropped 13% year-on-year due to the sharp decrease in gas sales revenue compared to last year and, to a lesser extent, to higher hydrated lime costs, which could not be fully offset by the decrease in fuel costs and system over-costs. Despite the EBITDA decrease, the EBITDA margin reported a 1.6 percentage-point increase.

Financial Results

Quarterly Information (In US$ millions)

	3Q 2015		**2Q 2016**		**3Q 2016**		**% Variation**	
Non-operating results	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**% of total**	**QoQ**	**YoY**
Financial income……….………………………	0.6	*0%*	0.6	*0%*	0.5	*0%*	*-16%*	*-15%*
Financial expense………………………………	(8.1)	*-3%*	(8.0)	*-3%*	(6.8)	*-1%*	*-15%*	*-16%*
Foreign exchange translation, net……………	(5.5)	*-2%*	0.2	*0%*	1.3	*0%*		
Share of profit (loss) of associates accounted for using the equity method	-		(0.4)		0.3	*0%*		
Other non-operating income/(expense) net…	1.5	*1%*	0.5	*0%*	0.9	*0%*		
Total non-operating results……………	**(11.5)**	*-5%*	**(7.2)**	*-3%*	**(3.7)**	*-1%*		
Income before tax……………………. ………	38.8	*17%*	29.7	*12%*	37.9	*5%*	***28%***	***-2%***
Income tax………………………………………	(9.9)	*-4%*	(8.3)	*-3%*	(10.2)	*-1%*		
Net income from continuing operations after taxes …	28.8	*12%*	21.4	*9%*	27.7	*4%*	*30%*	*-4%*
Net income attributed to controlling shareholders…….	**27.4**	*12%*	**21.6**	*9%*	**27.0**	*4%*	***25%***	***-1%***
Net income attributed to minority shareholders……….	1.5	*1%*	(0.2)	*0%*	0.7	*0%*		
Net income to EECL's shareholders	**27.4**	*12%*	**21.6**	*9%*	**27.0**	*4%*	***25%***	***-1%***
Earnings per share……………………..	**0.017**		**0.020**		**0.026**			

Interest expense increased slightly compared to 2Q16 due to interest expense related to the re-liquidation of transmission tolls reported in the second quarter. When compared to the third quarter of 2015, interest expense decreased by US$1.3 million due to the capitalization of interest expense in the IEM project.

Foreign-exchange gains reached US$1.3 million, above the US$0.2 million gain in the 2Q16. They represented a turnaround from the foreign-exchange loss reported in the 3Q15, when a sudden depreciation of the

Chilean peso affected the valuation of certain assets denominated in currencies other than the US dollar --the company's functional currency--, such as accounts receivable, advances to suppliers, and value-added tax credit.

The account labelled 'Share of profit (loss) of associates accounted for using the equity method' showed a small gain due to the proportional result in the jointly-controlled TEN project company. TEN reported moderate income due to foreign-exchange results, which offset SG&A expenses that cannot be accounted for as capital expenditures. It should be noted that TEN was de-consolidated from EECL's accounts in the first quarter of 2016; hence, no account comparison against the 3Q15 can be provided.

Other net non-operating income amounted to US$0.9 million in the third quarter and corresponded mainly to income in the sale of EECL's former office in Santiago.

Net Earnings

The applicable income tax rate for 2016 is 24%, up from 22.5% in 2015.

In the third quarter of 2016, net income after taxes reached US$27 million, in line with the 3Q15, as improved non-operating results offset the decrease in operating income.

The comparison with 2Q16's net income is positive due to both a US$4.7 million increase in operating results and a US$3.5 million improvement in non-operating results, which led to higher before-tax income.

It should be noted that minority interest corresponding to CTH's 40%-owner was a small loss in the second quarter since the plant was out of service during most of June 2016. Minority interest returned to blue figures in the third quarter.

9M 2016 compared to 9M 2015

Operating Revenues

For the 9-month period ended September 30 (in US$ millions)

	9M 2015		9M 2016		Variation	
Operating Revenues	**Amount**	**% of total**	**Amount**	**% of total**	**Amount**	**%**
Unregulated customers sales…………………..	548.6	*76%*	485.4	*74%*	*-63.2*	*-12%*
Regulated customers sales…………………….	157.8	*22%*	133.1	*20%*	*-24.7*	*-16%*
Spot market sales……………………………..	19.8	*3%*	33.9	*5%*	*14.1*	*71%*
Total revenues from energy and capacity sales……	**726.2**	*84%*	**652.4**	*91%*	***-73.8***	*-10%*
Gas sales…………………………..	71.9	*8%*	6.1	*1%*	*-65.8*	*-92%*
Other operating revenue……………………….	71.2	*8%*	59.4	*8%*	*-11.7*	*-16%*
Total operating revenues………………….	**869.2**	*100%*	**717.9**	*100%*	***-151.3***	*-17%*
Physical Data (in GWh)						
Sales of energy to unregulated customers (1)……	5,259	*75%*	5,113	*74%*	*-145.8*	*-3%*
Sales of energy regulated customers……	1,407	*20%*	1,430	*21%*	*22.9*	*2%*
Sales of energy to the spot market…………….	300	*4%*	368	*5%*	*68.1*	*23%*
Total energy sales………………………….	**6,966**	*100%*	**6,911**	*100%*	***-54.8***	*-1%*
Average monomic price unregulated customers(U.S.$/MWh)(2)	**102.2**		**94.7**		***-7.5***	*-7%*
Average monomic price regulated customers (U.S.$/MWh)(3)	**112.1**		**93.1**		***-19.0***	*-17%*

(1) Includes 100% of CTH sales.

(2) Calculated as the quotient between unregulated and spot revenues from energy and capacity sales and unregulated and spot physical energy sales.

(3) Calculated as the quotient between regulated revenues from energy and capacity sales and regulated physical energy sales.

Energy and capacity sales reached US$652.4 million in the first nine months of 2016, representing a 10.2% decrease compared to the same period of 2015, due to the price indexation to declining fuel prices. As a reference, international European coal prices fell 11%, while the Henry Hub gas index reported a similar drop. Spot energy sales increased, as opposed to sales to both regulated and unregulated clients, which exhibited a decrease.

Physical energy sales decreased marginally. The slight decrease in physical sales to unregulated clients was primarily explained by decreased demand from El Abra and the end of the SQM and Michilla contracts, partly offset by increased demand from Antucoya, Radomiro Tomic, and Chuquicamata, among others.

Sales to distribution companies, or regulated clients, amounted to US$133.1 million, representing a 16% decrease compared to the first nine months of 2015 as a result of lower prices. The average Henry Hub index used in the calculation of the EMEL tariff fell from US$4.26/MMBtu and US$3.33/MMBtu, applied through September 2015, to US$2.80/MMBtu and US$2.05/MMBtu effective during the first nine months of 2016. Physical energy sales to distribution companies continued showing an upward trend, rising 2% year-on-year.

In the first nine months of 2016, physical sales to the spot market corresponded entirely to our CTA subsidiary, whereas in the first nine months of 2015 CTH also reported 51 GWh in spot sales. The spot market sales and purchase items also include the retroactive annual firm capacity price and monthly energy adjustment payments per the re-liquidations made by the SING dispatch center (CDEC-SING).

Small gas sales volumes to Solgas were reported in the first nine months of 2016, as opposed to last year, when the company recorded more than US$71 million in gas sales, largely attributed to gas sales to other generation companies. The most relevant item in the Other operating revenue account is composed of sub-transmission tolls and regulatory transmission revenues, which accounted for almost 54% of this item. In addition, this item includes port and maintenance services and connection rights, among others.

Operating Costs

For the 9-month period ended September 30 (in US$ millions)

	9M 2015		9M 2016		Variation	
Operating Costs	Amount	% of total	Amount	% of total	Amount	%
Fuel and lubricants……………………………	(268.0)	37%	(235.7)	39%	-32.3	-12%
Energy and capacity purchases on the spot market……………………………	(109.0)	15%	(94.4)	16%	-14.6	-13%
Depreciation and amortization attributable to cost of goods sold…………………………….	(101.6)	14%	(100.7)	17%	-0.9	-1%
Other costs of goods sold…………………….	(216.1)	30%	(150.1)	25%	-66.1	-31%
Total cost of goods sold………………..	**(694.7)**	96%	**(580.9)**	96%	***-113.9***	***-16%***
Selling, general and administrative expenses…	(33.0)	5%	(20.3)	3%	-12.6	-38%
Depreciation and amortization in selling, general and administrative expenses…………	(1.7)	0%	(3.0)	0%	1.3	78%
Other operating revenue/costs……………………….	5.7	-1%	1.1	0%	4.6	-81%
Total operating costs…………………..	**(723.6)**	100%	**(603.1)**	100%	***-120.6***	***-17%***
Physical Data (in GWh)						
Gross electricity generation						
Coal………………………………………….	5,442	81%	5,302	80%	-140.2	-3%
Gas…………………………………………..	1,197	18%	1243	19%	46.2	4%
Diesel Oil and Fuel Oil…………………….	61	1%	25	0%	-35.1	-58%
Hydro/Solar…………………………………….	37	1%	36	1%	-0.8	-2%
Total gross generation…………………	**6,736**	100%	**6,606**	100%	***-129.9***	***-2%***
Minus Own consumption………………..	(511)	-8%	(510)	-8%	1.5	0%
Total net generation…………………….	**6,225**	***87%***	**6,097**	***85%***	***-128.4***	***-2%***
Energy purchases on the spot market………..	893	***13%***	1,060	***15%***	166.4	19%
Total energy available for sale before transmission losses………………………	**7,118**	***100%***	**7,156**	***100%***	***38.0***	***1%***

Gross electricity generation reported a slight decline, with a relatively stable fuel mix as compared to the first nine months of 2015.

The contraction of international fuel prices resulted in a 12% drop (US$32.3 million) in the fuel cost item, mainly due to the coal and, to a lesser extent, the LNG items, which together accounted for fuel cost savings of approximately US$48 million. This was partially offset by the use of hydrated lime in the gas emission reduction processes in the Tocopilla complex since mid-2015 and in the Mejillones CTM1 and CTM2 plants since mid-2016.

The spot electricity purchase costs item decreased by two digits despite the increase in physical purchases, largely because this item includes payments of system over-costs, which have fallen sharply since the last quarter of 2015. Indeed, after excluding system over-costs, spot energy and capacity purchases increased by US$28 million due to increases in both spot prices and physical purchases.

Depreciation costs remained virtually unchanged.

Other direct operating costs included, among others, operating and maintenance costs, cost of fuel sold and sub-transmission tolls related to the EMEL contract, with the latter covered by revenues from sub-transmission tolls. This item, as a whole, decreased by US$66 million when compared to the first nine months of 2015, mainly due to the absence of costs related to re-gassed LNG sales revenue to other generation companies, followed by lower re-liquidation expenses on transmission tolls.

SG&A expenses decreased by a significant US$12.6 million, in part attributed to the effect of the 6% depreciation of the Chilean peso on peso-denominated costs (CLP 680/USD average in 9M16 vs. CLP 640/USD in 9M15), together with lower expenses related to legal contingencies, lower employee-related expenses, and lower consultancy and third-party services associated to the cost control program currently in effect at the company.

The Other operating revenue/cost item includes recoveries and provisions and miscellaneous income, and its value is relatively low. During the first nine months of 2015, however, the company reported a US$4.5 million provision reversal associated to the end of an arbitration proceeding with SQM.

Operating Results

For the 9-month period ended September 30 (in US$ millions)

EBITDA	**9M 2015**		**9M 2016**		**Variation**	
	Amount	**% of total**	**Amount**	**% of total**	**Amount**	**%**
Total operating revenues………………………	869.2	*100%*	717.9	*100%*	*-151.3*	*-17%*
Total cost of goods sold……………………	(694.7)	*80%*	(580.9)	*81%*	*-113.9*	*-16%*
Gross income………………………….	**174.4**	*20%*	**137.0**	*19%*	***-37.4***	***-21%***
Total selling, general and administrative expenses and other operating income/(costs).	(28.9)	*3%*	(22.2)	*3%*	*-6.7*	*-23%*
Operating income…..……………….	**145.5**	*17%*	**114.8**	*16%*	***-30.7***	***-21%***
Depreciation and amortization……...…………	103.3	*12%*	103.6	*14%*	*0.4*	*0%*
EBITDA………………….…………………	**248.8**	*28.6%*	**218.4**	*30.4%*	***-30.4***	***-12%***

9M16 EBITDA reached US$218.4 million, 12% below 9M15's figure, due to the sharp decrease in gas sales revenue and the decrease in gross electricity profits explained by narrower margins on sales to unregulated clients, higher costs related to emission reduction processes, and a reduction in net transmission toll re-liquidation revenue. However, the EBITDA margin exhibited a 1.8 percentage-point increase due to the reduction in SG&A expenses resulting from ongoing cost-control efforts, which have contributed to soften the impact of lower revenues.

Financial Results

For the 9-month period ended September 30 (in US$ millions)

	9M 2015		9M 2016		Variation	
Non-operating results	Amount	% of total	Amount	% of total	Amount	%
Financial income…………..………………………	1.5	*1%*	1.7	*0%*	*0.2*	*13%*
Financial expense……………..…………………	(27.7)	*-12%*	(22.6)	*-3%*	*5.0*	*-18%*
Foreign exchange translation, net……………	(9.7)	*-4%*	2.4	*0%*	*12.1*	
Share of profit (loss) of associates accounted for using the equity method	-		53.8	*7%*		
Other non-operating income/(expense) net…	1.4	*1%*	180.6	*25%*		
Total non-operating results…………….	**(34.5)**	*-14%*	**215.9**	*30%*		
Income before tax……………………. ………	111.0	*46%*	330.7	*46%*	***219.7***	***198%***
Income tax………………………………………	(34.1)	*-14%*	(68.3)	*-10%*	*-34.2*	
Net income from continuing operations after taxes …	77.0	*32%*	262.4	*37%*	*185.5*	*241%*
Net income attributed to controlling shareholders…….	**72.4**	*30%*	**260.6**	*36%*	***188.2***	***260%***
Net income attributed to minority shareholders……….	4.6	*2%*	1.8	*0%*	*-2.8*	*-60%*
Net income to EECL's shareholders	**72.4**	*30%*	**260.6**	*36%*	***188.2***	***260%***
Earnings per share……………………..	**0.069**		**0.247**			

Financial income increased slightly due to the higher average cash balances during the first nine months of 2016 following the sale of 50% of TEN. The US$5.0 million decrease in financial expenses was owed mainly to the capitalization of interest expense in the IEM project.

Foreign-exchange gains reached US$2.4 million in the first nine months of 2016, which compares favorably with the US$9.7 million foreign-exchange loss reported in the first nine months of 2015. The 2015 FX translation loss was explained by the effects of a sharp depreciation of the Chilean peso on certain assets denominated in pesos or currencies other than the U.S. dollar, the company's functional currency. These assets include, among others, client accounts receivable, advances to suppliers, advances to TEN in local currency and value-added tax credit. The latter has reported an increasing balance along with the progress in the construction of the IEM project. It should be noted that most of the foreign-exchange differences have no effect on cash flows, particularly in the case of accounts receivable, which remain temporarily exposed to foreign currency fluctuations as they are invoiced in Chilean pesos, although the actual payment is made in U.S. dollars, at which time the foreign-exchange difference is reversed.

The 'Share of profit (loss) of associates accounted for using the equity method' account included income related to the fair valuation of EECL's remaining 50% shareholding in TEN. This represented a US$53.8 million increase in net income, net of the negative mark-to-market valuation of foreign-exchange derivatives taken by TEN to hedge its exposure against FX risk, which EECL had to expense at the time of TEN's de-consolidation.

Other net non-operating income of US$180.6 million is explained almost entirely by the following non-recurring ítems: (i) Income from the sale of 50% of TEN's shares (US$187 million); (ii) sale of a converting substation to SQM (US$13 million); (iii) Tamaya fuel-oil plant impairment (US$18 million); and, (iv) expensing of project development costs (US$4 million).

Net Earnings

The applicable income tax rate for 2016 is 24%, up from 22.5% in 2015. The increase in income taxes in the first nine months of 2016 is mainly attributed to the income on the sale of 50% of TEN.

In the first nine months of 2016, net income after taxes reached an exceptional US$260.6 million due to the sale of 50% of TEN. For comparison purposes, when isolating the non-recurring effects, the 9M16 net income would have been US$68.8 million, a 5% decrease compared to the first nine months of last year. This is mainly explained by the US$30.4 million EBITDA decrease and the tax-rate increase, all of which was partially offset by improved FX results and lower financial expense.

Liquidity and Capital Resources

As of September 30, 2016, EECL reported strong liquidity, with consolidated cash balances of US$152.8 million. This amount compares with a total nominal financial debt[1] of US$750 million, with no debt maturing within one year. The company has two committed revolving credit facilities to support its liquidity in times of active investment in capital expenditures. It has a 3-year local-currency facility with Banco De Chile for the equivalent of approximately US$48 million, and a US$270 million 5-year revolving credit facility with five international banks: Mizuho, BBVA, Citibank, Caixabank, and HSBC. These facilities remained undrawn as of the end of September, 2016.

For the 9-month period ended September 30 (in US$ millions)

Cash Flow	**2015**	**2016**
Net cash flows provided by operating activities…	210.1	151.1
Net cash flows used in investing activities………	(270.9)	(49.9)
Net cash flows provided by financing activities..	(26.2)	(91.2)
Change in cash………………...………….	**(87.1)**	**9.9**

Cash Flow from Operating Activities

In the first nine months of 2016, cash flows generated from operating activities reached approximately US$192.9 million, which after payment of income taxes (US$11.1 million) and interest expenses on the 144-A notes (US$30.7 million), amounted to US$151.1 million.

Cash Flow Used in Investing Activities

In the first nine months of 2016, cash from investing activities amounted to US$49.9 million, resulting from the following main items:

i. Proceeds from the sale of 50% of TEN's shares: US$217.56 million;
ii. Proceeds from the sale of 50% of TEN's advances minus new cash advances made to TEN: US$15.64 million;
iii. Proceeds from asset sales (SQM substation and the former offices in Santiago): US$19.53 million;
iv. Capital expenditures: US$273.7 million.
v. Net interest and investments: US$2.2 million

(1) Nominal amounts differ from the debt amounts recorded under the IFRS methodology in the Financial Statements, which considers deferred financial expenses and mark-to-market valuations on derivative transactions.

Capital Expenditures

Cash used in capital expenditures included US$186 million in the Infraestructura Energética Mejillones ("IEM") coal-fired plant project; US$50 million in the new port project; and US$7.8 million in major maintenance programs, among others.

Our capital expenditures in the first nine months of 2016 amounted to US$273.7 million, slightly below US$268.3 million in the first nine months of 2015, as shown in the following table.

For the 9-months period ended September 30 (in US$ millions)

CAPEX	**2015**	**2016**
CTA ……………………………………………….	-	1.0
CTA (New Port) ……………………………………..	10.8	50.4
CTH ………………………………………………	0.3	0.2
Central Tamaya……………………………………….	0.5	-
IEM …………………………………………………	55.4	186.4
TEN ………………………………………………	116.7	-
Overhaul power plants & equipment maintenance and refurbishing…………………	45.1	2.5
Environmental improvement works………………	12.1	2.0
Solar plant………………………………………………..	11.1	9.1
Overhaul equipment & transmission lines …………………	-	7.8
Others……………………………………………	16.3	14.2
Total capital expenditures……………………….	**268.3**	**273.7**

Cash Flow from Financing Activities

No relevant financing cash flows took place in the first nine months of 2016 except for dividend payments totaling US$91.2 million, as detailed below:

i. Provisional dividend for US$8 million paid in January 2016 on account of 2015's net income.
ii. Definitive dividend for US$6.75 million paid in May 2016 on account of 2015's net income.
iii. Provisional dividend for US$63.6 million paid on account of 2016's net income. It is worth noting that the 1Q16's net income was positively impacted by the sale of 50% of TEN.
iv. Payment of US$13.6 million in dividends to the minority shareholder in Inversiones Hornitos (CTH).
v. Exchange differences and retentions in favor of the Company for US$0.8 million

Contractual Obligations

The following table sets forth the maturity profile of our debt obligations as of September 30, 2016.

Contractual Obligations as of 9/30/16

Payments Due by Period (in US$ millions)

	Total	< 1 year	1 - 3 years	3 - 5 years	More than 5 years
Bank debt……………………………	-	-	-	-	-
Bonds (144 A/Reg S Notes)………	750.0	-	-	-	750.0
Deferred financing cost…………..	(22.3)	(2.6)	-	-	(19.7)
Accrued interest…………………	7.4	7.4	-	-	-
Mark-to-market swaps	1.8	1.7	-	-	0.2
Total	**736.9**	**6.4**	**-**	**-**	**730.5**

The bonds include our US$400 million, 10-year, 5.625% 144-A/Reg.S notes maturing January 15, 2021 and our 144 A /Reg S issue for a total amount of US$350 million with a single principal payment in January 2025 and a 4.5% p.a. coupon rate.

In December 2014, EECL signed a committed revolving liquidity facility with Banco de Chile for an amount of up to UF 1,250,000 (approximately US$48 million) to support the company's liquidity. As of September 30, 2016, EECL had not made any drawings under this facility.

On June 30, 2015, EECL signed a long-term senior unsecured revolving credit facility agreement with five international banks (Mizuho, BBVA, Citibank, Caixabank and HSBC), that will allow the company to draw loans in a flexible manner in an aggregate amount of up to US$270 million with maximum maturity date of June 30, 2020. The execution of this revolving credit facility, represents the fulfillment of the first milestone of the company's announced financing plan, and will provide EECL with financial flexibility to finance its expansion in the transmission and generation businesses. The facility draws a commitment fee on the unused portion of the line and a floating interest rate equal to 90-day LIBOR plus a margin on any drawn amounts. As of September 30, 2016, EECL had not made any disbursements under this facility.

Dividend Policy

Our dividend policy consists of paying the minimum legal required amounts (30%), although higher amounts may be approved if the company's conditions so allow. Our dividend payment for each year is proposed by our Board of Directors based on the year's financial performance, the size of our available cash balance and anticipated financing requirements for capital expenditures and investments in the following years. The dividend payment proposed by our Board is subsequently approved at a Shareholders' Meeting as established by law.

On April 26, 2016, at the Annual Ordinary Shareholders Meeting, our shareholders approved the Board's proposal to pay a definitive dividend of US$6,750,604 on account of 2015's net income, resulting in dividends of US$0.0064089446 per share.

On April 26, 2016, in accordance to EECL's current dividend policy of paying the minimum regulatory 30% of annual net income, as confirmed by the shareholders in the April 26 Annual Shareholders' Meeting, the Board approved a provisional dividend payment of US$63,600,000, or US$0.0603810972 per share, accounting for approximately 30% of 1Q16's net income.

Both dividends were paid on May 26, 2016, in Chilean pesos using the peso-dollar observed rate published by the Official Gazette on May 20. Eligible shareholders were those recorded in the share registry before midnight of the fifth business day prior to May 26, 2016.

The record of dividends paid since 2010 is shown in the following table:

Cash Dividends paid by Engie Energía Chile S.A.

Payment Date	Dividend Type	Amount (in US$ millions)	US$ per share
May 4, 2010	Final (on account of 2009 net income)	77.7	0.07370
May 4, 2010	Additional (on account of 2009 net income)	1.9	0.00180
May 5, 2011	Final (on account of 2010 net income)	100.1	0.09505
Aug 25 2011	Provisional (on account of 2011 net income)	25.0	0.02373
May 16 2012	Final (on account of 2011 net income)	64.3	0.06104
May 16 2013	Final (on account of 2013 net income)	56.2	0.05333
May 23 2014	Final (on account of 2013 net income)	39.6	0.03758
Sept 30,2014	Provisional (on account of 2014 net income)	7.0	0.00665
May 27 ,2015	Final (on account of 2014 net income)	19.7	0.01869
Oct 23 ,2015	Provisional (on account of 2015 net income)	13.5	0.01280
Jan 22, 2016	Provisional (on account of 2015 net income)	8.0	0.00760
May 26, 2016	Final (on account of 2015 net income)	6.8	0.00641
May 26, 2016	Provisional (on account of 2016 net income)	63.6	0.06038

Hedging Policy

Our hedging policy intends to protect the company from certain risks to which we are exposed, as follows:

Business Risk and Commodity Hedging

Our business is subject to the risk of variations in the availability of fuels and their prices. Our policy is to hedge as much as possible against these risks through the indexation of the energy tariffs incorporated in our PPAs, and the fuel mix taken into consideration in the tariffs. The tariff of the EMEL contract, which became effective at the beginning of 2012, is readjusted semiannually according to the Henry Hub and the U.S. CPI indices. The company signed a long-term LNG purchase contract indexed to Henry Hub to supply the EMEL PPA; however, there is a mismatch between the Henry Hub index used to define the EMEL tariff (4-month average prior to the tariff fixing, which takes place every six months) and the Henry Hub index prevailing at the time each LNG shipment is made. Over the long run, the lag in the tariff readjustment has a negligible effect on results. Furthermore, this risk is mitigated by the EMEL tariff's automatic indexation triggered any time the price formula reports a fluctuation of 10% or more. EECL participates in the gas trading business, particularly sales of gas to third parties. Given the time differences between the shipment purchase, which normally takes place at a given point in time; and the fuel sales, which may occur throughout the year, in 2015, the company decided to engage in swap contracts with financial institutions to hedge its cash flows and operating results against commodity price volatility.

Currency Hedging

Given that most of our revenues and costs are denominated in U.S. dollars and that we seek to incur debt in U.S. dollars, we face limited exposure to foreign exchange risk. Our main costs denominated in Chilean pesos are personnel and administrative expenses, which account for approximately 10% of our total operating costs. In addition, as the construction of our IEM, port and other projects progresses, the balance of the VAT credit account, which is denominated in pesos and is adjusted by inflation, has been building up, resulting in increasing exposure to fluctuations in the USD/CLP exchange rate. Also, a percentage of the advances made to our TEN affiliate is made in local currency. In the specific case of the EMEL contract, the price is calculated in dollars and is converted to pesos at an exchange rate which remains fixed over a six-month period, as opposed to unregulated contracts, which provide for monthly tariff adjustments. Invoicing and payments under the EMEL contract are made monthly in pesos using the contractual foreign exchange rate that is adjusted every six months. The company is therefore exposed to the difference between the prevailing exchange rate on the payment date and the foreign-exchange used to calculate the invoiced amount. The Board of Directors has approved foreign-currency hedging strategies to hedge the company's cash flows against the foreign-currency risk stemming from this contract. Likewise, the company and its CTA subsidiary signed foreign-currency derivative contracts to hedge the UF and EUR cash flows per the EPC contracts with S.K. Engineering and Construction and Belfi, respectively, to avoid variations in cash flows and the final value of the investment as a result of foreign currency fluctuations out of management's control.

Interest Rate Hedging

We seek to maintain a significant portion of our long-term debt at fixed rates in order to minimize interest-rate exposure. As of September 30, 2016, 100% of our financial debt, for a principal amount of US$750 million, was at fixed rates. Loans under the 5-year revolving credit facility will draw a variable interest rate based on 90-day LIBOR. As of this date, EECL has not requested any drawings under this facility.

As of September 30, 2016

Contractual maturity date (in US$ millions)

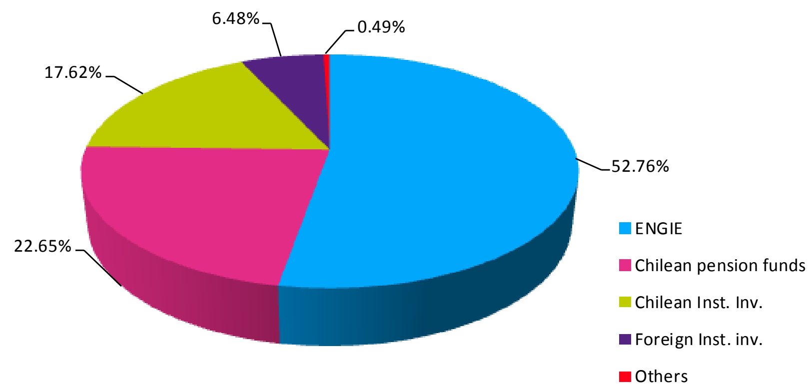
	Average interest rate	2016	2017	2018	2019	Thereafter	Grand Total
Fixed Rate							
(US$)	5.625% p.a.	-	-	-	-	400.0	400.0
(US$)	4.500% p.a.	-	-	-	-	350.0	350.0
Total		**-**	**-**	**-**	**-**	**750.0**	**750.0**

Credit Risk

In the normal course of business, and when investing our cash, we are exposed to credit risk. In our regular electricity generation business, we deal mostly with financially strong mining companies, which report low level of credit risk. However, these companies are exposed to variations in commodity prices, particularly copper. Although our clients have demonstrated significant resilience to down-cycles, our company closely follows up this exposure through its commercial counterparty risk policy. We also sell electricity to the only regulated client in the SING, which provides electricity supply to residential and commercial clients in the region. Our cash management policy is to invest in investment-grade institutions only and only within the short term. We also measure our counterparty risk when dealing with derivatives, and we have individual counterparty limits to manage our exposure.

OWNERSHIP STRUCTURE AS OF SEPTEMBER 30, 2016

Number of shareholders: 1,886



TOTAL NUMBER OF SHARES: 1,053,309,776

APPENDIX 1

PHYSICAL DATA AND SUMMARIZED QUARTERLY FINANCIAL STATEMENTS

Physical Sales

Physical Sales (in GWh)

	2015				2016			
	1Q15	**2Q15**	**3Q15**	**9M15**	**1Q16**	**2Q16**	**3Q16**	**9M16**
Physical Sales								
Sales of energy to unregulated customers.	1,724	1,749	1,786	5,259	1,737	1,691	1,685	5,113
Sales of energy to regulated customers	463	466	478	1,407	483	476	471	1,430
Sales of energy to the spot market………	149	42	109	300	109	168	91	368
Total energy sales…………………………	**2,335**	**2,258**	**2,373**	**6,966**	**2,328**	**2,336**	**2,247**	**6,911**
Gross electricity generation								
Coal………………………………………….	1,826	1,825	1,791	5,442	1,893	1,749	1,660	5,302
Gas…………………………………………..	404	407	386	1,197	499	343	401	1,243
Diesel Oil and Fuel Oil…………………….	23	31	6	61	7	11	7	25
Renewable……………………………………….	13	11	12	37	12	10	14	36
Total gross generation…………………	**2,267**	**2,274**	**2,195**	**6,736**	**2,411**	**2,114**	**2,082**	**6,606**
Minus Own consumption………………..	(168)	(181)	(163)	(511)	(191)	(167)	(152)	(510)
Total net generation……………………	**2,099**	**2,093**	**2,032**	**6,225**	**2,220**	**1,947**	**1,930**	**6,097**
Energy purchases on the spot market………..	291	216	387	893	178	468	414	1,060
Total energy available for sale before transmission losses………………………	**2,390**	**2,309**	**2,419**	**7,118**	**2,397**	**2,415**	**2,344**	**7,156**

Quarterly Income Statement

Quarterly Income Statement (in US$ millions)

IFRS								
Operating Revenues	**1Q15**	**2Q15**	**3Q15**	**9M15**	**1Q16**	**2Q16**	**3Q16**	**9M16**
Regulated customers sales………………………	55.4	51.6	50.8	157.8	47.7	43.9	41.5	133.1
Unregulated customers sales…………………..	181.9	180.4	186.3	548.6	156.7	165.9	162.9	485.4
Spot market sales………………………………..	6.2	7.3	6.3	19.8	8.2	12.8	12.8	33.9
Total revenues from energy and capacity sales……………………………	**243.4**	**239.4**	**243.4**	**726.2**	**212.6**	**222.5**	**217.3**	**652.4**
Gas sales…………………………..	18.4	23.1	30.3	71.9	0.1	2.2	3.7	6.1
Other operating revenue……………………….	25.8	19.5	25.8	71.2	18.2	15.4	25.8	59.4
Total operating revenues………………….	**287.6**	**282.0**	**299.6**	**869.2**	**230.9**	**240.2**	**246.8**	**717.9**
Operating Costs								
Fuel and lubricants………………………………	(96.5)	(84.4)	(87.2)	(268.0)	(85.9)	(74.4)	(75.4)	(235.7)
Energy and capacity purchases on the spot	(30.2)	(33.9)	(44.8)	(109.0)	(21.0)	(41.0)	(32.4)	(94.4)
Depreciation and amortization attributable to cost of goods sold..	(31.4)	(32.9)	(37.3)	(101.6)	(33.8)	(33.3)	(33.6)	(100.7)
Other costs of goods sold…………………….	(69.5)	(75.0)	(71.6)	(216.1)	(45.8)	(48.9)	(55.3)	(150.1)
Total cost of goods sold………………..	**(227.6)**	**(226.3)**	**(240.9)**	**(694.7)**	**(186.5)**	**(197.6)**	**(196.8)**	**(580.9)**
Selling, general and administrative expenses…	(11.4)	(12.8)	(8.7)	(33.0)	(6.8)	(5.1)	(8.4)	(20.3)
Depreciation and amortization in selling, general and administrative expenses…	(0.6)	(0.6)	(0.5)	(1.7)	(0.6)	(1.2)	(1.2)	(3.0)
Other revenues………...……………………….	0.2	4.8	0.8	5.7	(0.7)	0.6	1.2	1.1
Total operating costs…..………………	**(239.4)**	**(234.9)**	**(249.3)**	**(723.6)**	**(194.6)**	**(203.3)**	**(205.2)**	**(603.1)**
Operating income…..………………	**48.2**	**47.1**	**50.2**	**145.5**	**36.3**	**36.9**	**41.6**	**114.8**
EBITDA………………..………………	**80.1**	**80.6**	**88.0**	**248.8**	**70.7**	**71.3**	**76.4**	**218.4**
Financial income………..………………………	0.3	0.6	0.6	1.5	0.6	0.6	0.5	1.7
Financial expense…………..…………………	(10.9)	(8.7)	(8.1)	(27.7)	(7.8)	(8.0)	(6.8)	(22.6)
Foreign exchange translation, net……………	1.9	(6.2)	(5.5)	(9.7)	0.8	0.2	1.3	2.4
Share of profit (loss) of associates accounted for using the equity method	-	-	-	-	53.9	(0.4)	0.3	53.8
Other non-operating income/(expense) net………………………	0.0	(0.1)	1.5	1.4	179.3	0.5	0.9	180.6
Total non-operating results……………	**(8.7)**	**(14.4)**	**(11.5)**	**(34.5)**	**226.8**	**(7.2)**	**(3.7)**	**215.9**
Income before tax…………………..………	39.5	32.8	38.8	111.0	263.1	29.7	37.9	330.7
Income tax………………………………………	(9.8)	(14.4)	(9.9)	(34.1)	(49.8)	(8.3)	(10.2)	(68.3)
Net income from continuing operations after taxes …….	29.7	18.4	28.8	77.0	213.3	21.4	27.7	262.4
Net income attributed to controlling shareholders……………….	**27.3**	**17.7**	**27.4**	**72.4**	**212.0**	**21.6**	**27.0**	**260.6**
Net income attributed to minority shareholders……………….	2.5	0.7	1.5	4.6	1.3	(0.2)	0.7	1.8
Net income to EECL's shareholders…….	**27.3**	**17.7**	**27.4**	**72.4**	**212.0**	**21.6**	**27.0**	**260.6**
Earnings per share…………………….. (US$/share)	**0.026**	**0.017**	**0.026**	**0.069**	**0.201**	**0.020**	**0.026**	**0.247**

Quarterly Balance Sheet

Quarterly Balance Sheet (in U.S.$ millions)

	2015	2016
	31/Dec/15	30/Sep/16
Current Assets		
Cash and cash equivalents (1)	147.0	152.8
Other financial assets	1.5	2.5
Accounts receivable	125.9	280.2
Recoverable taxes	39.1	24.5
Current inventories	173.5	182.3
Other non financial assets	24.2	27.4
Current assets for sale	247.9	-
Total current assets	**758.9**	**669.7**
Non-Current Assets		
Property, plant and equipment, net	1,972.7	2,139.9
Other non-current assets	379.0	438.6
TOTAL ASSETS	**3,110.6**	**3,248.2**
Current Liabilities		
Financial debt	19.0	6.4
Other current liabilities	219.2	227.9
Liabilities included in assets for sale	35.3	-
Total current liabilities	**273.5**	**234.3**
Long-Term Liabilities		
Financial debt	741.1	730.5
Other long-term liabilities	270.6	261.0
Total long-term liabilities	**1,011.7**	**991.5**
Shareholders' equity	1,729.0	1,936.4
Minority' equity	96.3	86.0
Equity	**1,825.4**	**2,022.4**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**3,110.6**	**3,248.2**

(1) Includes short-term investments classified as available for sale.

APPENDIX 2

Financial Ratios

	FINANCIAL RATIOS				
			Dec/15	**Sep/16**	**Var.**
LIQUIDITY	Current ratio (current assets / current liabilities)	(times)	2.77	2.86	***3%***
	Quick ratio ((current assets - inventory) / current liabilities)	(times)	2.14	2.08	***-3%***
	Working capital (current assets – current liabilities)	MMUS$	485.4	435.4	***-10%***
LEVERAGE	Leverage ((current liabilities + long-term liabilities) / networth)	(times)	0.70	0.61	***-14%***
	Interest coverage * ((EBITDA / interest expense))	(times)	8.41	8.79	***5%***
	Financial debt –to- LTM EBITDA*	(times)	2.43	2.61	***7%***
	Net financial debt – to - LTM EBITDA*	(times)	1.96	2.07	***5%***
PROFITABILITY	Return on equity* (LTM net income attributed to the controller / net worth attributed to the controller)	%	5.4%	14.6%	***168%***
	Return on assets* (LTM net income attributed to the controller / total assets)	%	3.0%	8.7%	***187%***

*LTM = Last twelve months

CONFERENCE CALL 3Q16

Engie Energía Chile is pleased to inform you that it will conduct a conference call to review its results for the period ended September 30, 2016, on Thursday, October 27th, 2016, at 11:00 a.m. (USA-NY) – 12:00 p.m. (Chilean Time)

hosted by:
Carlos Freitas, CFO Engie Energía Chile S.A.

To participate, please dial: **1(412) 317-6776**, international or **1230-020-5802 (toll free Chile)** or 1(877) 317-6776 (toll free US).
To join the conference, please state the name of the conference (**Engie Energía Chile**); no other Conference ID will be requested. Please connect approximately 10 minutes prior to the scheduled starting time.

To access the phone replay, please dial **1 (877) 344-7529** / 1 **(412) 317-0088**
Passcode I.D.: 10094036, a conference call replay will be available until Nov 8th, 2016.