

ENGIE ENERGÍA PERU S.A.

Results 3Q 2019



ÍNDICE
DE BUEN GOBIERNO
CORPORATIVO

cfi. 2017
co

MEJOR
GENERADORA DE
ENERGÍA ESG

cfi. 2016
co

MEJOR
GENERADORA DE
ENERGÍA ESG



PREMIO
NACIONAL
Antonio Brack Egg

EUROMONEY

BEST MANAGED
COMPANIES IN
LATIN AMERICA
2015

RECENT EVENTS

Corporate Governance

In July, for second year in a row, ENGIE Energía Perú has been recognized by “Bolsa de Valores de Lima” and is again a member of the Good Corporate Governance Index (IBGC), which recognizes Peruvian companies with best corporate governance, transparency, equity practices, information integrity and social responsibility.



Panamerican Games

With the objective of raising awareness among the spectators and visitors of Lima 2019 about the importance of solar energy and electric mobility in the country's sustainability, ENGIE joined as Official Sponsor of the Panamerican and Parapanamerican Games Lima 2019, with solar benches in different sites of the games.

An aerial photograph of terraced rice fields, showing a series of green, curved terraces separated by narrow paths. The fields are surrounded by a dense forest on the right and a body of water at the top. The text "KEY MESSAGES" is overlaid in the center in a bold, white, sans-serif font.

KEY MESSAGES

Q3 2019 HIGHLIGHTS

IMPROVING RESULTS DESPITE THE STILL CHALLENGING ENVIRONMENT



The market

- **Total energy generation (SEIN) grew 4.6% in Q3 2019** compared to Q3 2018. As of September, EEP maintained a leading position in the sector, accounting for 19.8% of the total capacity
- Number of free clients in **Q3 2019 increased by 13.6%**, to a total of 75 **free clients** compared to Q3 2018
- **180MW** new contracts and existing expansions signed as of September 2019



Financial results

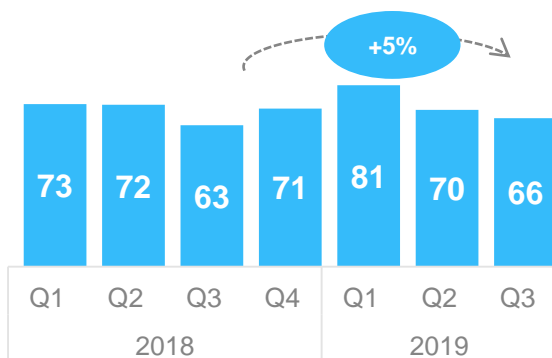
- **9M⁽¹⁾ 2019 EBITDA** reached **217.2MUSD**, a **4% growth** compared to **9M 2018**, while **Net Result** reached **94.9MUSD**, a **16% growth** compared to **9M 2018**
- **Q3 2019 EBITDA** reached **66.3MUSD**, a **5% growth** compared to **Q3 2018**, while **Net Result in this quarter** reached **29.2MUSD**, a **36% growth** compared to **Q3 2018**
- Total debt decreased to **634MUSD** a reduction of 13.2% versus December 2018
- **Net debt / EBITDA (12m): 1.9x @ Sep/2019**

(1) 9M = 9 month

MAIN FINANCIAL RESULTS Q3 / 9M 2019

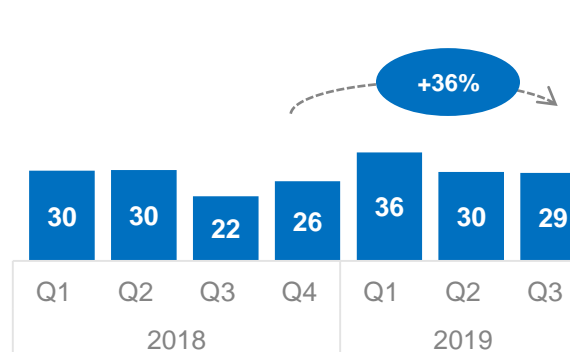
EBITDA Q3

MUSD



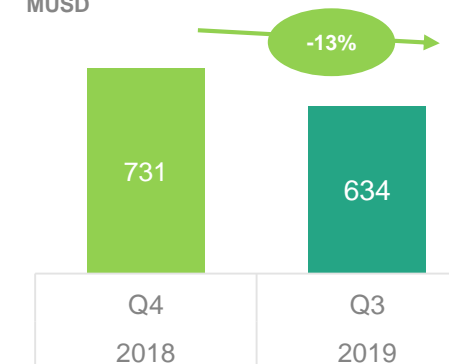
Net Result Q3

MUSD



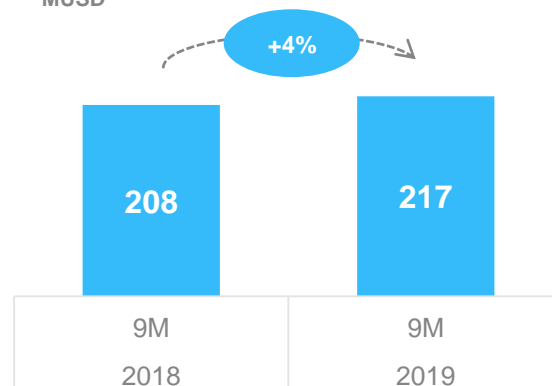
Total Debt

MUSD



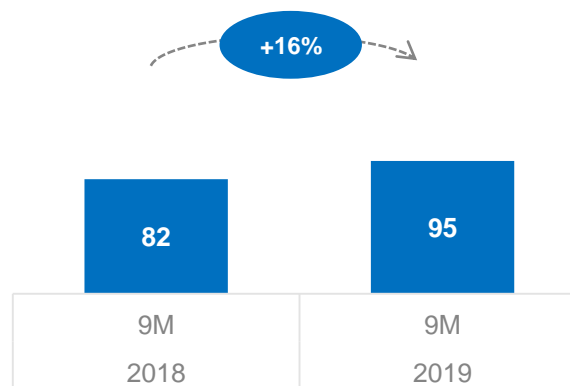
EBITDA 9M

MUSD

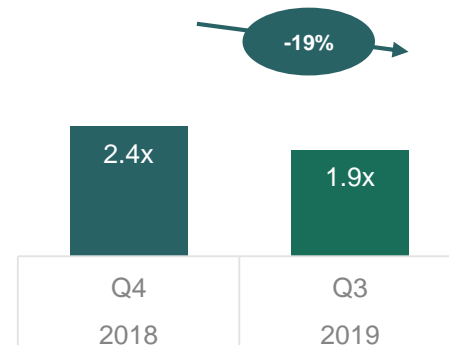


Net Result 9M

MUSD



Net Debt ⁽²⁾ / EBITDA (12m)



(2) Total Debt minus Cash
Note: Restatement by application of IFRS16

ENERGY PRODUCTION AND BALANCE Q3 2019

LOWER THERMAL GENERATION IN Q3 2019 COMPARED TO Q3 2018 AND NET BUYER POSITION IN THE SPOT MARKET

GWh		Q3 2019*		Q3 2018		Δ Q3 2019 vs 2018	9M 2019		9M 2018		Δ 9M 2019 vs 2018	2018	
Yuncán HPP	(H)	150	7%	152	7%	-2%	658	10%	651	10%	1%	890	10%
Quitaracsá HPP	(H)	64	3%	57	3%	13%	415	6%	381	6%	9%	519	6%
Chilca1 CCGT	(T)	1,505	70%	1,528	72%	-2%	3,192	50%	2,196	34%	45%	3,404	40%
Chilca2 CCGT	(T)	125	6%	193	9%	-35%	318	5%	222	3%	43%	370	4%
Ilo21 (Coal)	(T)	9	0%	16	1%	-43%	28	0%	43	1%	-36%	43	1%
Ilo31 (Cold Reserve)	(T)	0	0%	1	0%	-65%	5	0%	3	0%	87%	3	0%
Ilo41 (Nodo)	(T)	1	0%	9	0%	-89%	3	0%	18	0%	-84%	18	0%
Intipampa	(S)	26	0%	25	1%	4%	73	1%	54	1%	35%	87	1%
Auxiliaries		-42	-2%	-43	-2%	-2%	-68	-1%	-66	-1%	4%	-108	-1%
NET GENERATION		1,844	86%	1,919	91%	-4%	4,611	72%	3,463	54%	33%	5,190	61%
COES: NET		308	14%	176	8%	75%	1,779	28%	2,881	45%	-38%	3,296	39%
CLIENTS DEMAND		2,146	100%	2,115	100%	1%	6,403	100%	6,383	100%	0%	8,523	100%

* Preliminary balance

(H) Hydro (T) Thermal (S) Solar

Q3 2019 FINANCIAL RESULTS

(MUSD)	Q3 2019	Q3 2018*	Δ Q3	9M 2019	9M 2018	Δ 9M	FY 2018*	FY 2017*	Δ FY
Revenues	134	129	4%	402	385	4%	521	577	-10%
EBITDA	66	63	5%	217	208	4%	279	329	-15%
Net Result	29	22	36%	95	82	16%	108	129	-16%
Recurrent EBITDA**	66	63	5%	211	208	2%	261	302	-13%
Net Recurrent Result**	29	22	36%	92	82	12%	93	110	-15%
Total Debt	634	777	-18%	634	777	-18%	731	837	-13%
Net Debt	551	711	-22%	551	711	-22%	656	800	-18%
Net Generation GWh	1,844	1,919	-4%	4,611	3,463	33%	5,190	7,624	-32%
Clients Demand GWh	2,146	2,115	1%	6,403	6,383	0%	8,523	8,358	2%
Net Debt / EBITDA 12m	1.9x	2.8x	-31%	1.9x	2.8x	-31%	2.4x	2.4x	-3%

* Restatement by application of IFRS

** Does not include commercial penalty fees and impairment of assets

NON-RECURRENT EVENTS IN 9M 2019

1. Non-core assets sale

- Inventory and assets

Total non recurrent events

EBITDA 9M 2019	Net Result 9M 2019
+5.8MUSD	+3.3MUSD
+5.8MUSD	+3.3MUSD

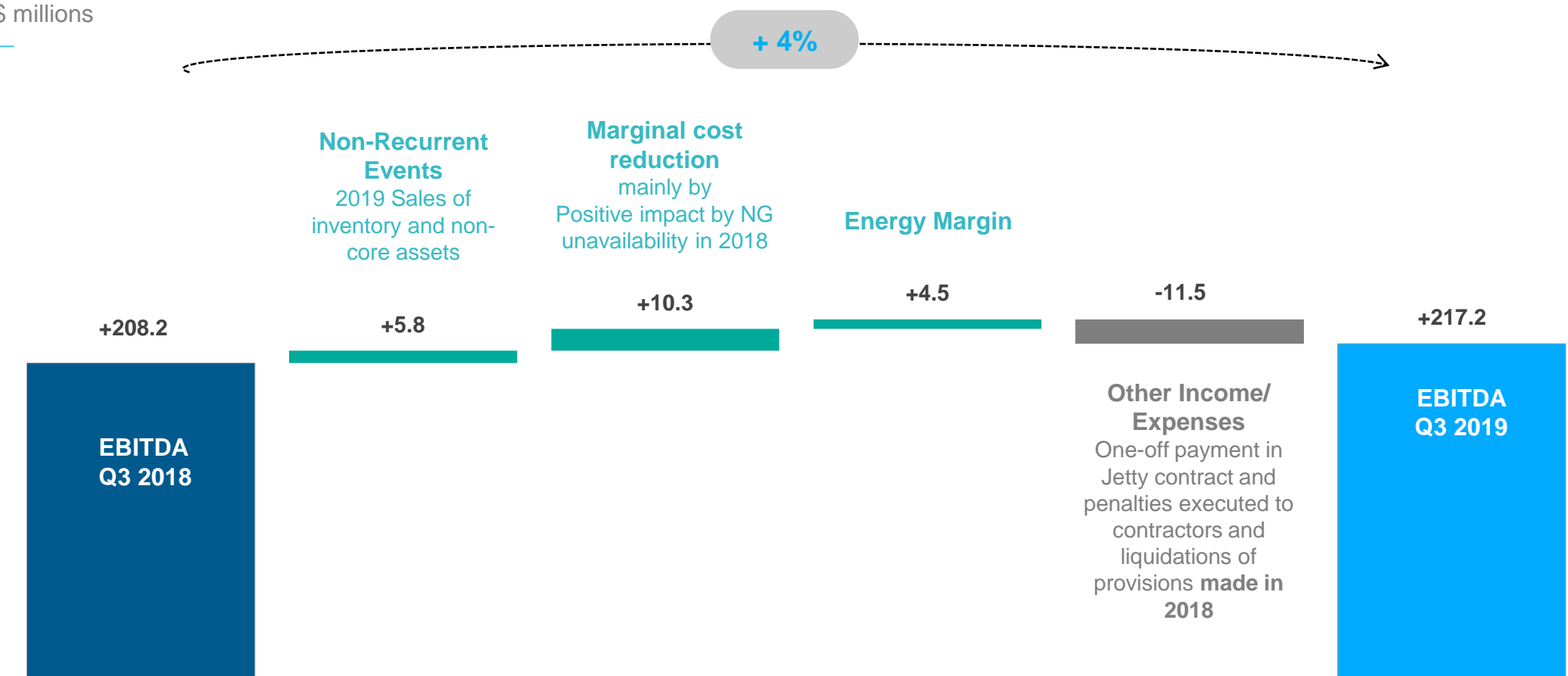
As a result of this non recurrent event, already reported in Q1 2019, 9M 2019 Recurrent EBITDA reached 211MUSD and Net Recurrent Result attained 92MUSD



FINANCIAL UPDATE

EBITDA 9M: 2019 VS. 2018 **+9.1 MUSD**

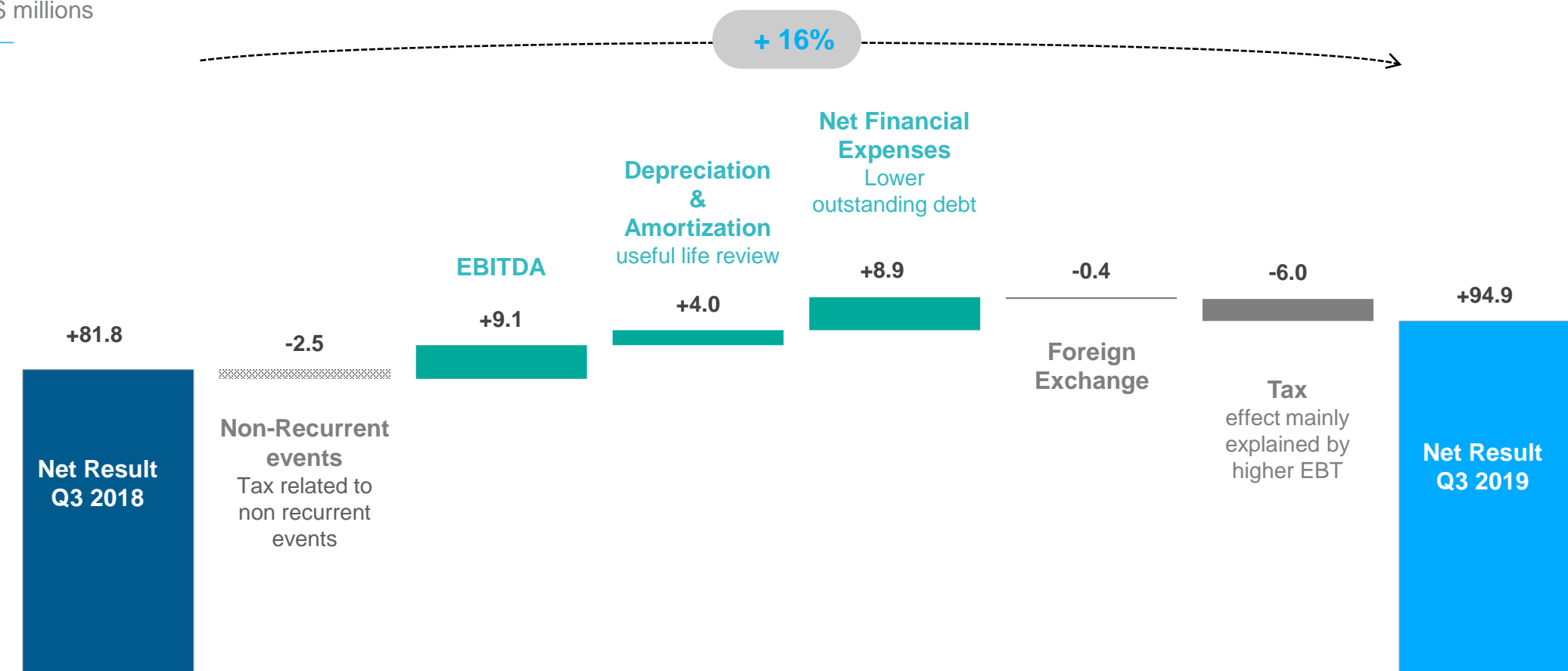
By effect
In US\$ millions



Marginal cost reduction and higher energy margin explains EBITDA improvement

NET RESULT 9M: 2019 VS. 2018 +13.1 MUSD

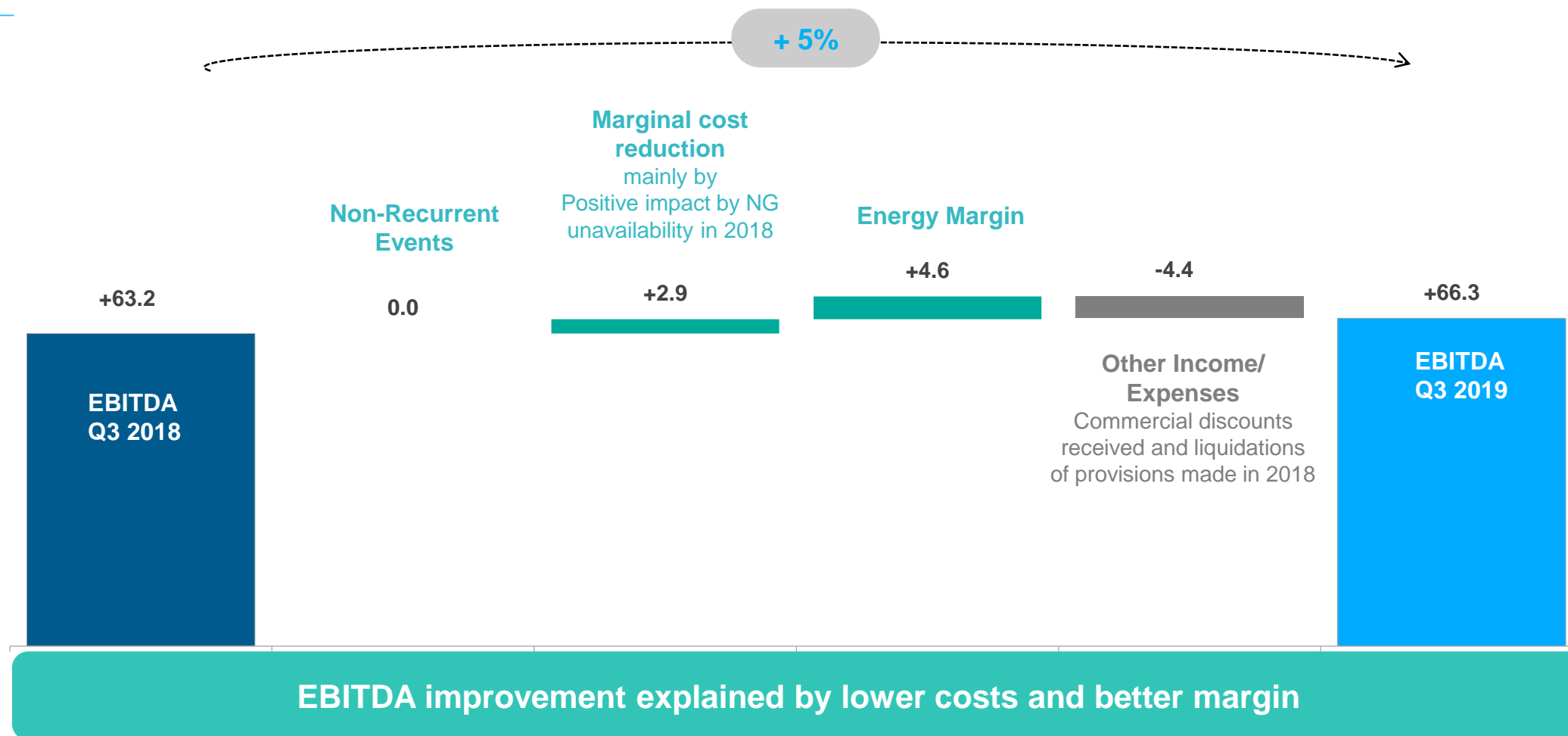
By effect
In US\$ millions



Increase in operating result and lower financial expenses have driven net result improvement

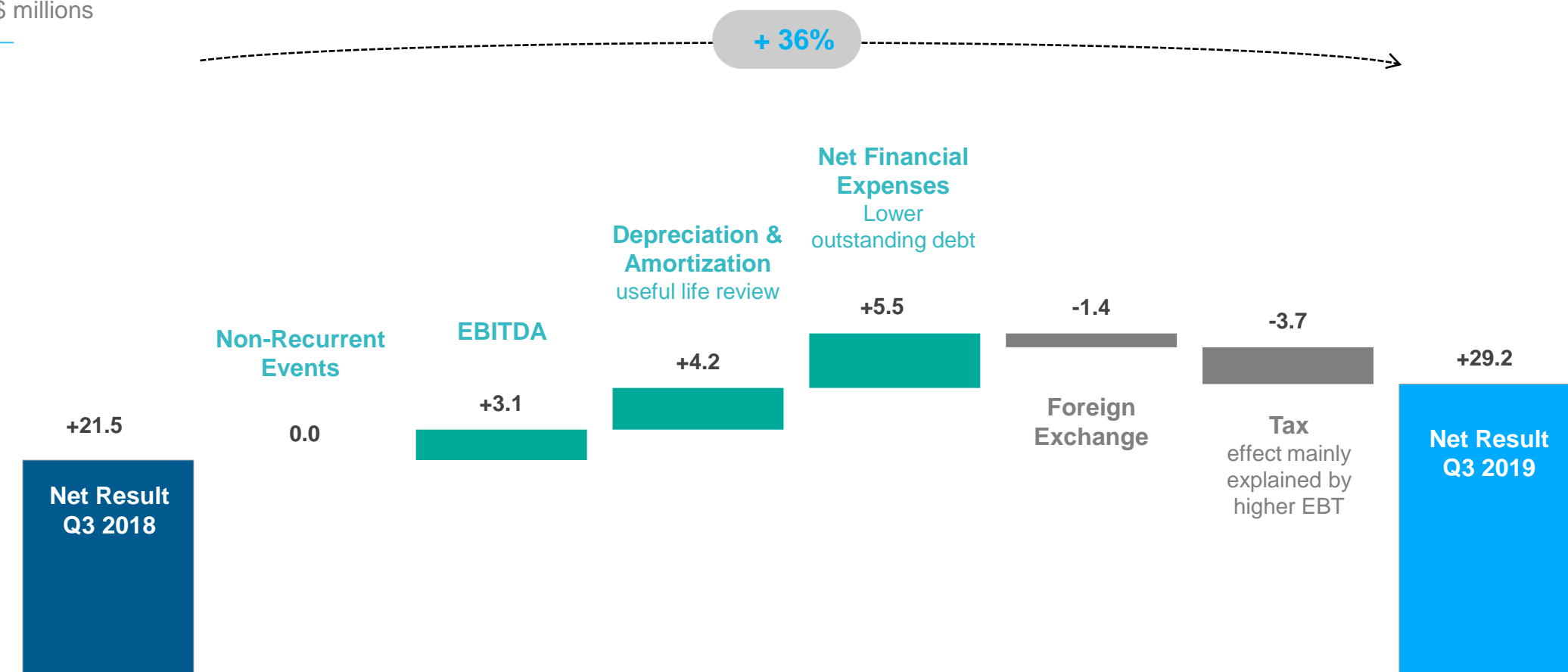
EBITDA Q3: 2019 VS. 2018 +3.1 MUSD

By effect
In US\$ millions



NET RESULT Q3: 2019 VS. 2018 +7.7 MUSD

By effect
In US\$ millions

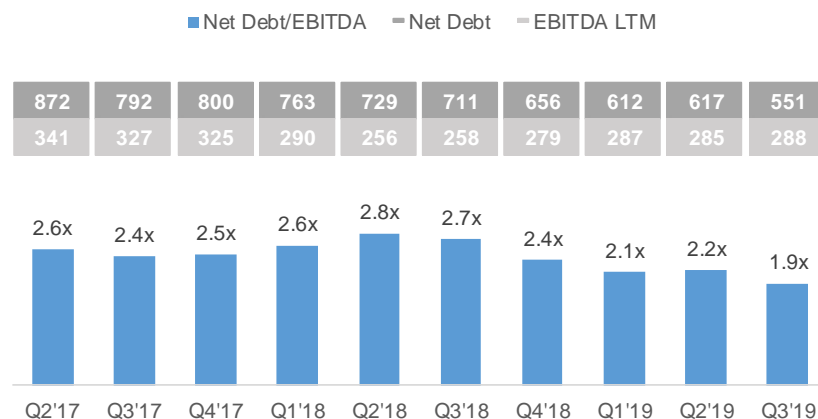


Increase in operating result and lower financial expenses have driven net result improvement

SOLID FINANCIAL DISCIPLINE

OPTIMIZING COSTS, DIVERSIFYING FINANCIAL SOURCES & LIMITING RISKS

Net Debt / EBITDA



Credit Rating – Apr 2019



AAA.pe
Stable

30/04/2019



AAA.pe
Stable

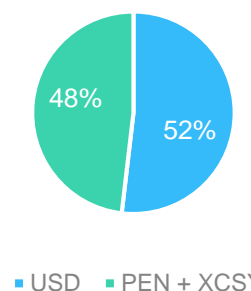
22/05/2019

*Moody's Local Pe

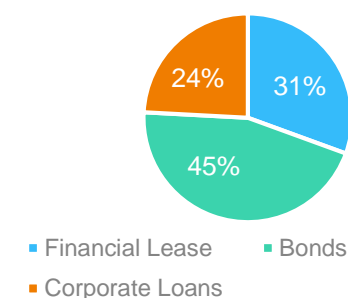
Debt Breakdown - As of September 2019

634 MUSD

By Currency



By Source

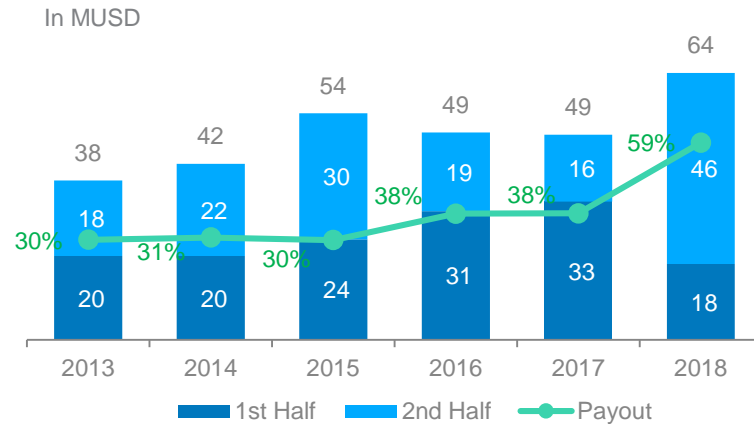


Local capital market as an important partner

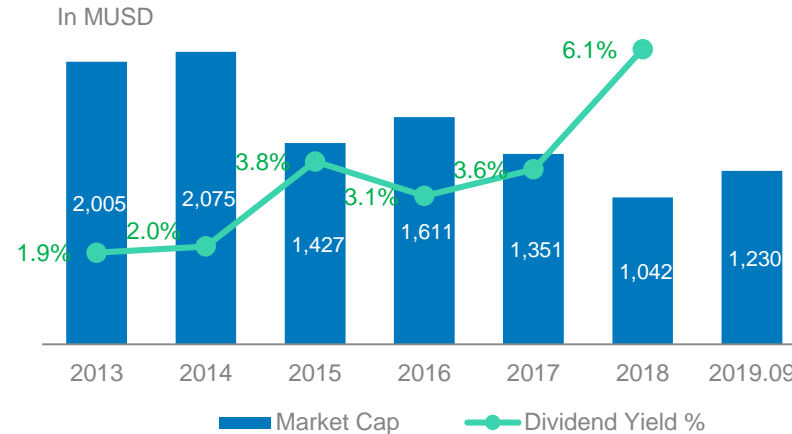
- First program for up to 400MUSD started in 2007 with total issuances of ~150MUSD (outstanding ~75MUSD)
- Third program for up to 500MUSD started in 2015 :
 - 2016 → 1st issuance of 250MPEN @ 7.125% (10 yr)
 - 2017 → 2nd issuance of 79MPEN @ 6.0% (7 yr)
 - 2017 → 3rd issuance of 251MPEN @ 6.53% (10 yr)
 - 2018 → 4th issuance of 230MPEN @ 6.7188% (10 yr)

SHAREHOLDER RETURN

DIVIDENDS PAID



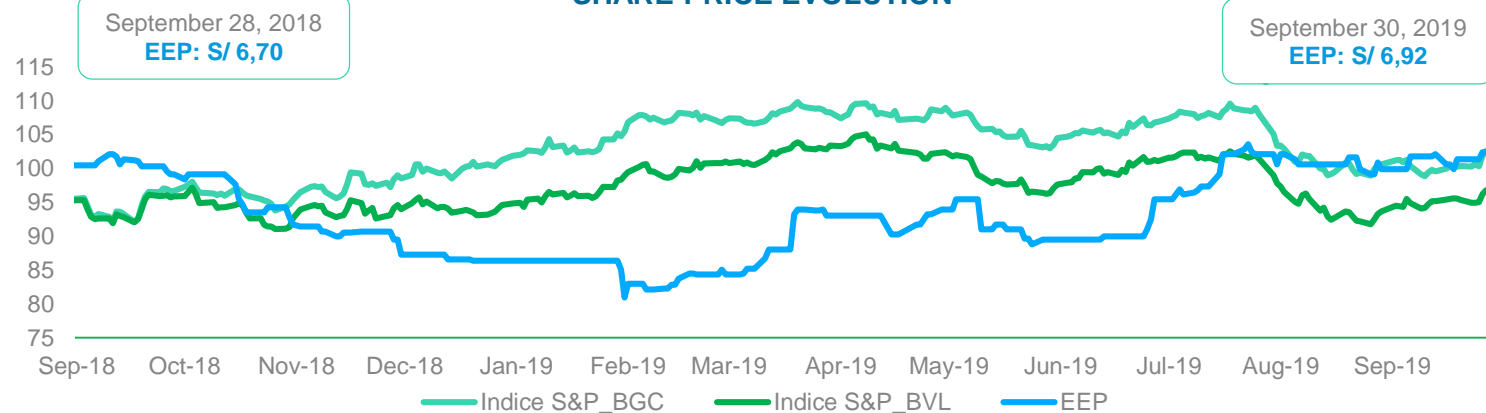
MARKET CAP & DIVIDEND YIELD



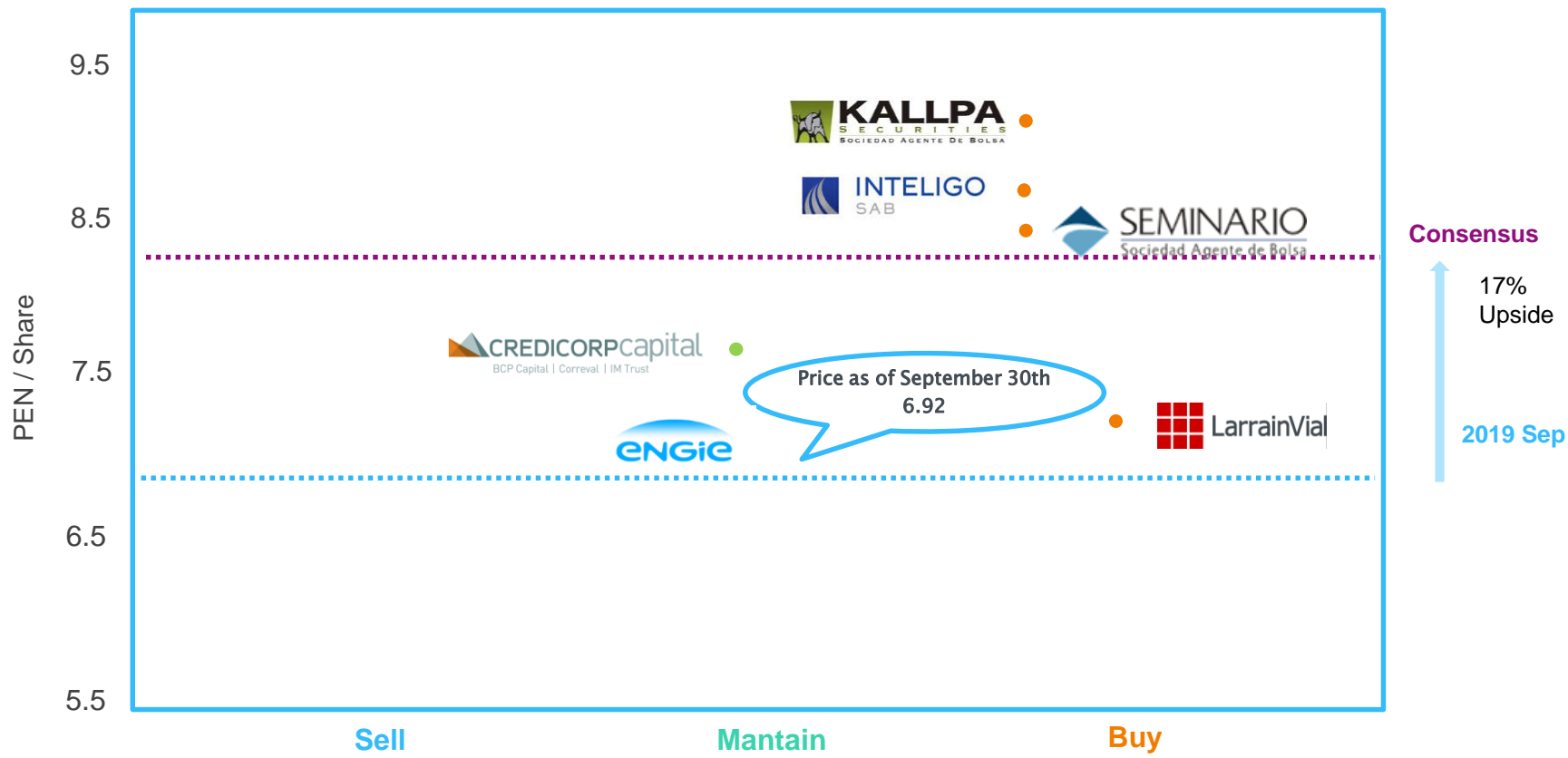
FINANCIAL MARKET DATA – SEPTEMBER 2019

Number of shares issued	601,307,011
Share price (PEN) – 30/09/2019	6.92
VWAP (3m) – (PEN)	6.75
52 week – high – (PEN)	7.00
52 week – low – (PEN)	5.47
Market Cap (MUSD)	1,230
Enterprise Value (EV) (MUSD)	1,782
EV / EBITDA	6.2x
Price to Book Value (P/B)	1.1x
Price / Earnings ratio (P/E)	10.1x
Daily avg. trading volume (Msh)	0.10
EV: Market Cap + Net Debt	
P/B: Market Cap / Book Value of Equity	

SHARE PRICE EVOLUTION



EQUITY ANALYST VIEW (AS OF SEPTEMBER 2019)



	Credicorp	Larrain	Kallpa	Inteligo	Seminario	Consensus
Target price	7.8	7.0	8.7	8.5	8.4	8.1
Recommendation	● Maintain	● Buy	● Buy	● Buy	● Buy	
Date	April 2019	Mar 2019	July 2019	July 2019	September 2018	

EEP LEADING PLAYER WITH STRONG PORTFOLIO OF ASSETS



One of the leading players



Low Co2 generation base



Diversified & decentralized portfolio of generation sources



292.5 km of transmission lines



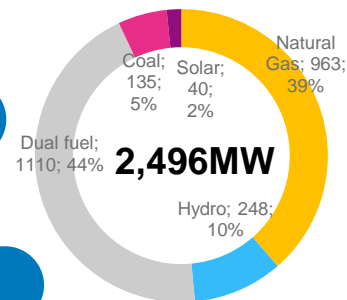
Value added customer solutions



22 years operating in the country & listed since 2005



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



Chilca Complex

- ChilcaUno – (2006 – 2012)
852MW - Natural Gas
- ChilcaDos – (2016)
111MW - Natural Gas



Ilo Complex

- Ilo41 (2016, Nodo)
610MW - Dual Fuel
- Ilo31 (2013, Cold Reserve)
500MW - Dual Fuel
- Ilo21 (2000)
135MW - Coal



Intipampa (2018)
• Solar 40MW



Yuncán (2005)
• Hydro 134MW

Quitaracsa (2015)
• Hydro 114MW



THANKS

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