



9th Annual Andean Conference 2015 LarraínVial
March 17-19, 2015

AGENDA

1. OVERVIEW
2. OPERATIONS
3. FINANCIALS
4. PROJECTS
5. OUR PRIORITIES

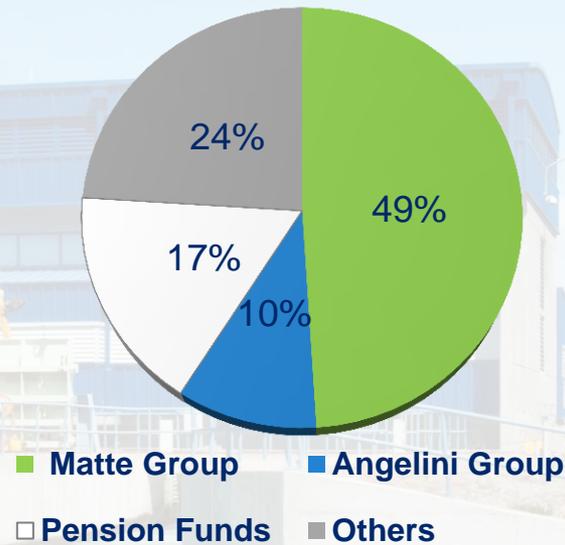
OVERVIEW

Main Figures

As of Dec14 (US\$ million)

- Assets: 6,400
- Equity: 3,400
- Mkt Cap: 5,000
- EBITDA LTM: 537
- Net Debt: 1,061

Ownership



Intern. Ratings

- Fitch: BBB
- S&P: BBB- (-)

Local Ratings

- Fitch: A+
- Humphreys: AA-

COLBUN IS THE SECOND LARGEST GENERATOR IN THE SIC

Installed capacity of 3,278 MW ~ 21% Market Share (MW) / 25% (GWh)

48% Hydro
1,589 MW

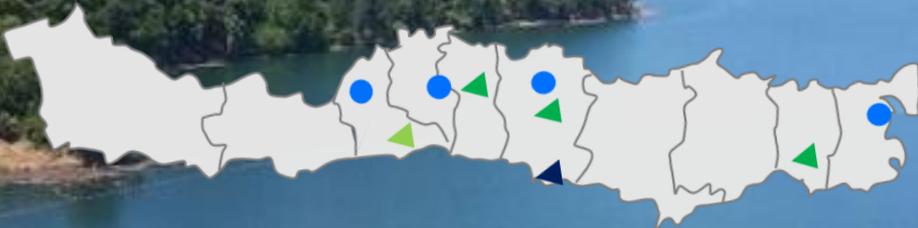


532 MW Run-of-the-river – 33%



1,057 MW Reservoir – 67%

3,278 MW



52% Thermal
1,689 MW



766 MW CCGT – 45%



342 MW Coal – 20%

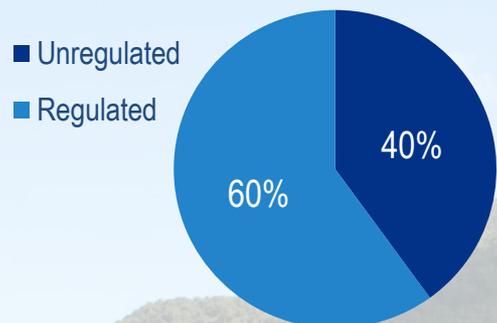


581 MW Diesel – 35%

HIGH QUALITY CLIENTS

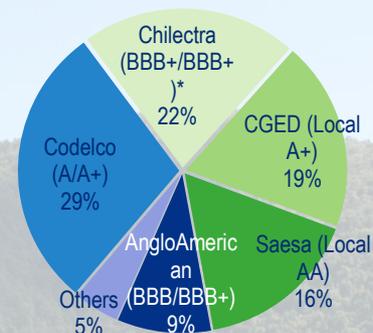
1

Sales by Type of Customer (%)



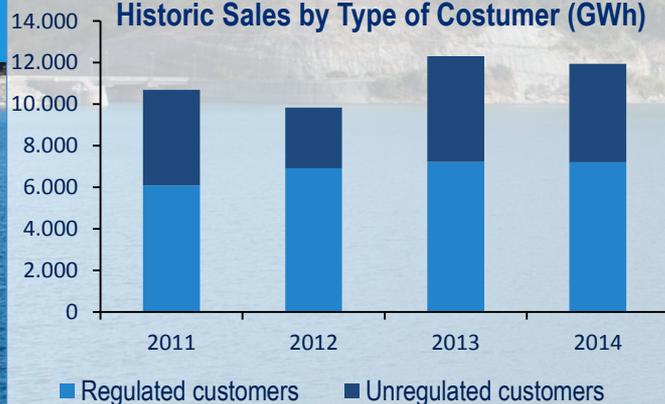
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Sales Volume by Customer (%)



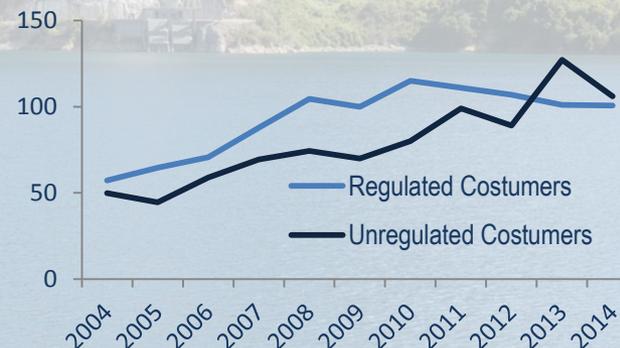
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Historic Sales by Type of Customer (GWh)



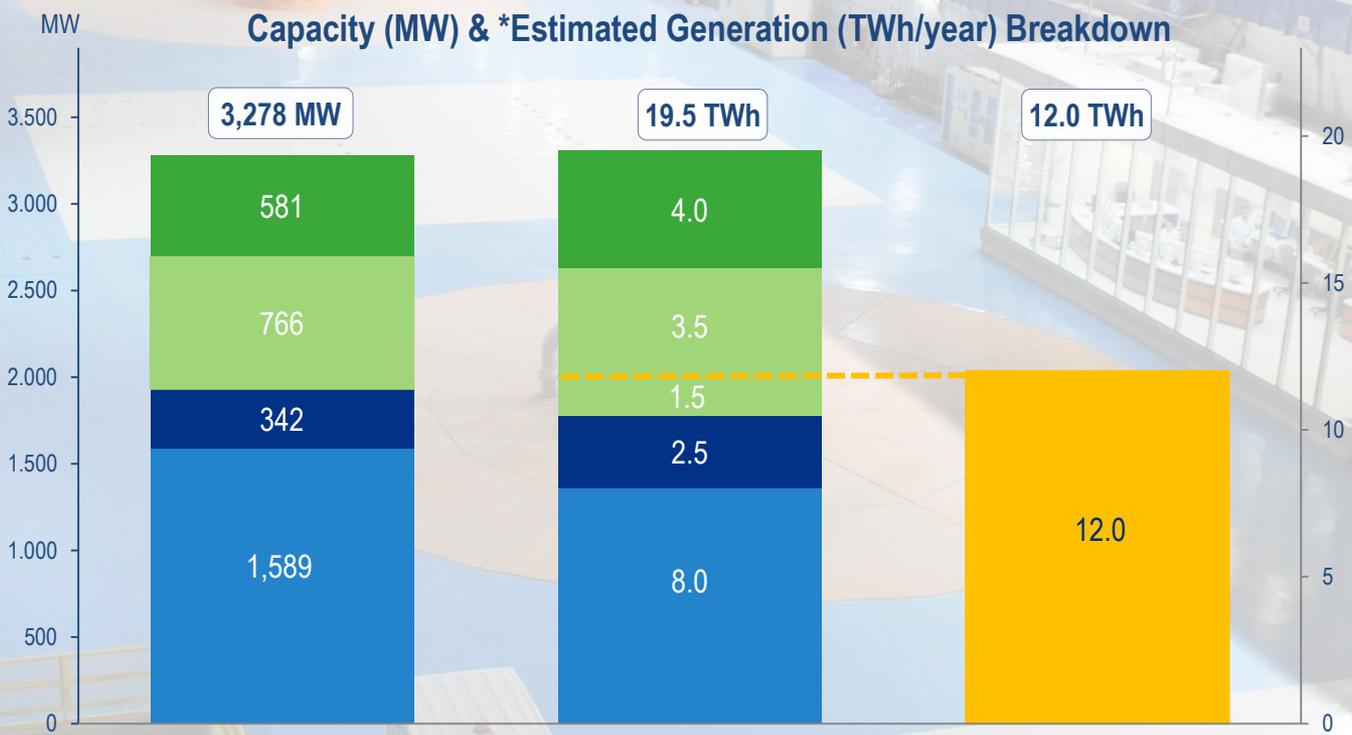
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Average Monomic Price (US\$/MWh)



Graphs Sources: 1), 2), 3), 4) Colbun as of Dec14. 4) Average monomic prices are calculated by dividing the total amount of sales in US\$, by physical energy sales in MWh.

COMMERCIAL STRATEGY

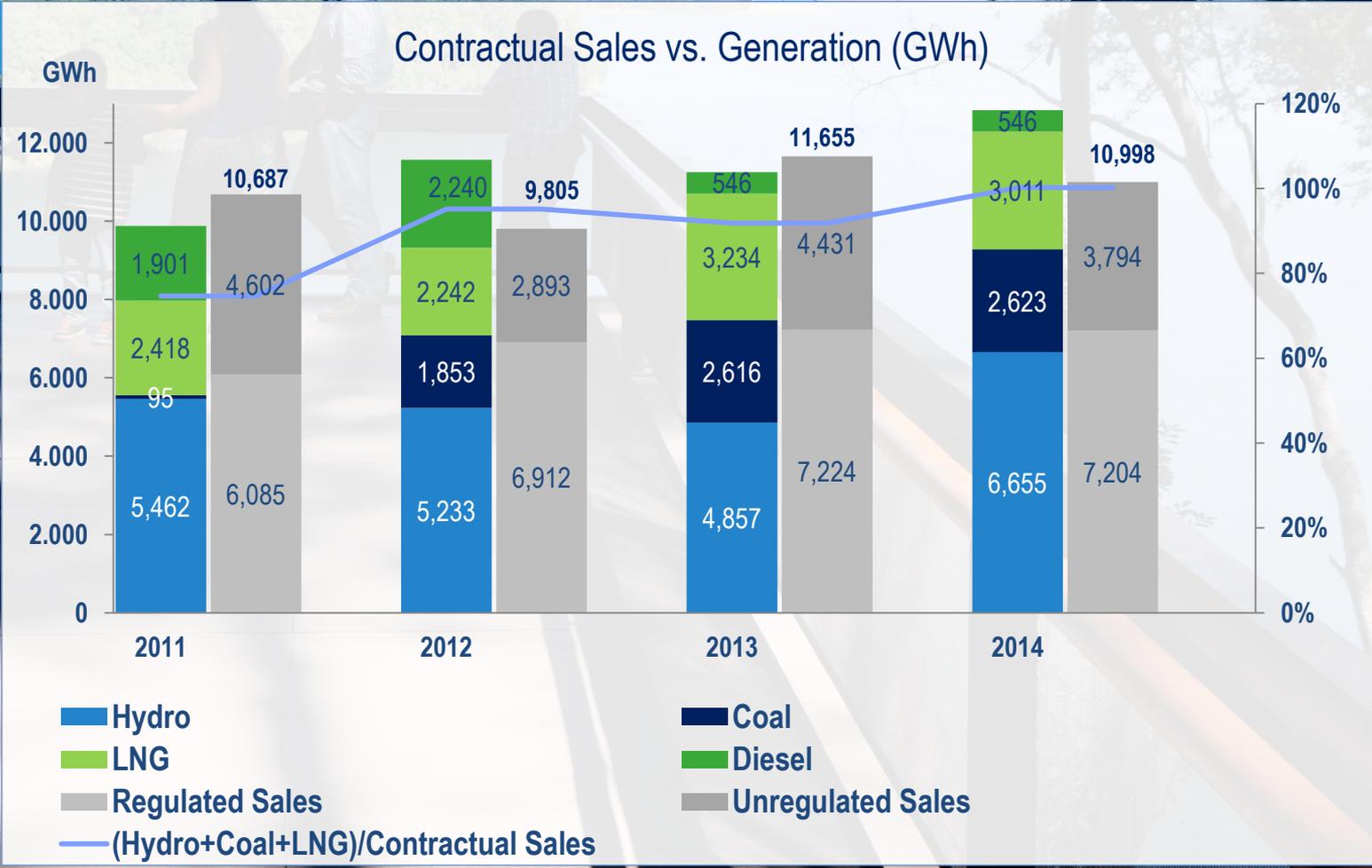


(* Under medium hydrological conditions.

- Hydro
- Coal
- CCGT Diesel/Gas
- Peaking Diesel/Gas

This graph is shown for illustrative purposes and represents estimated and potential output of our power plants and approximate level of contractual commitments. Real output from our power plants and variable production costs are dependent on many factors, such as hydrology, plant availability, access to fuels (coal and LNG) and commodity prices, among others.

COMMERCIAL POSITION



Graph Source: Colbun. Unregulated Sales 2013 & 2014 excludes sales to Codelco at Marginal Cost

LEVERAGING OUR COMBINED CYCLES

1

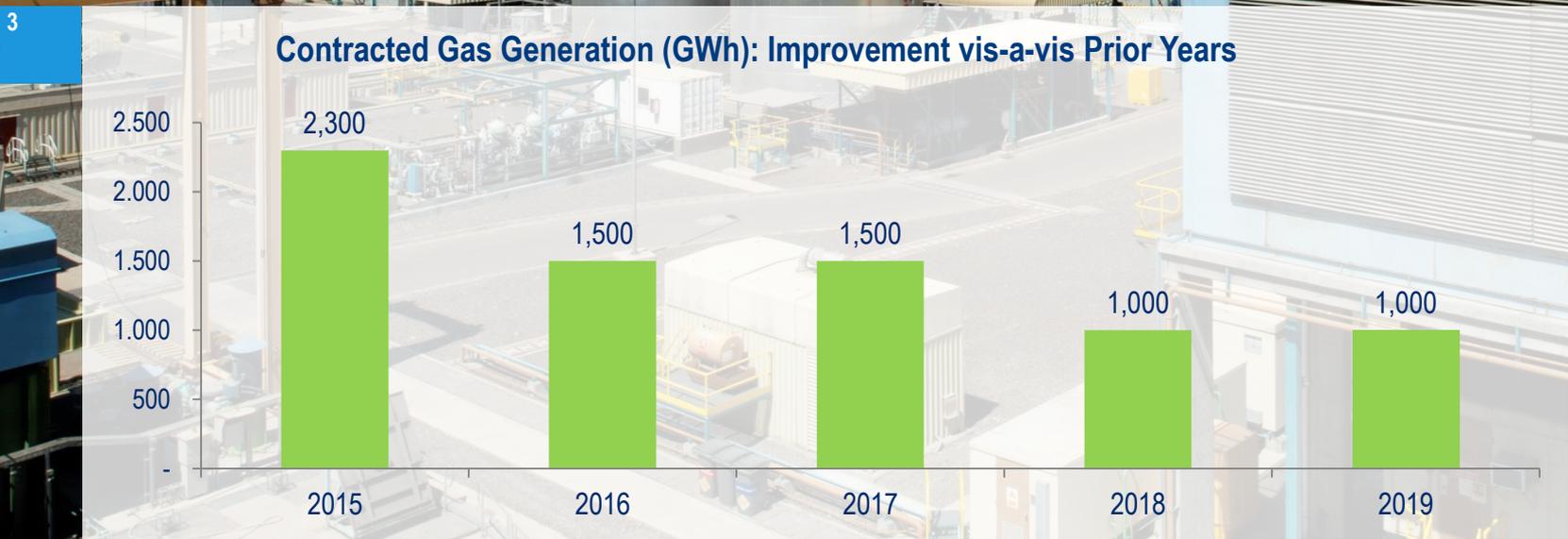
Metrogas extension contract

- Signed in Aug14
- Supply until 2019
- Flexible gas price
- Allowing to cover long term needs in order to fulfill our contracts

2

ENAP contract

- Signed in Nov14
- Supply during 2015
- Flexible gas price
- Providing flexibility to our LNG production

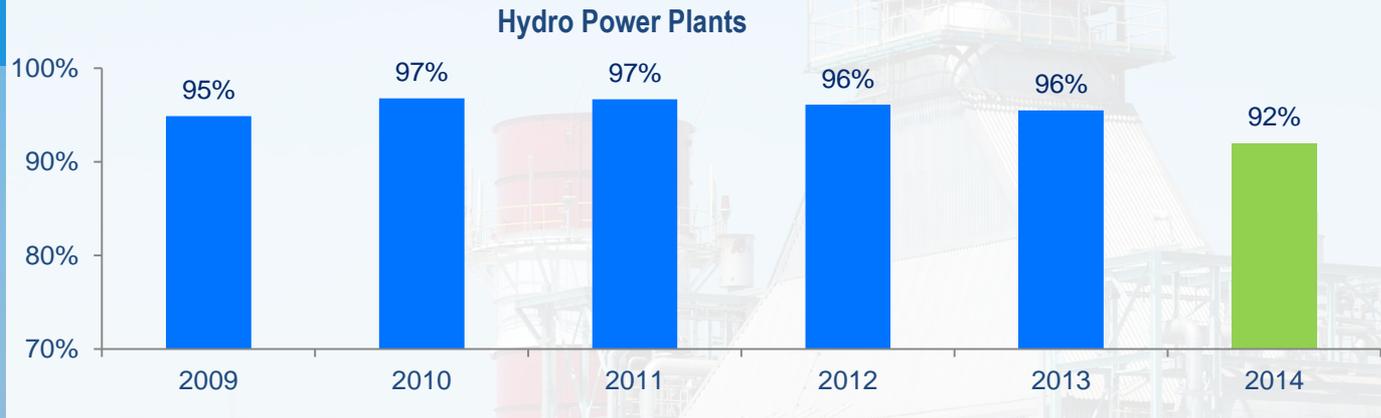


AGENDA

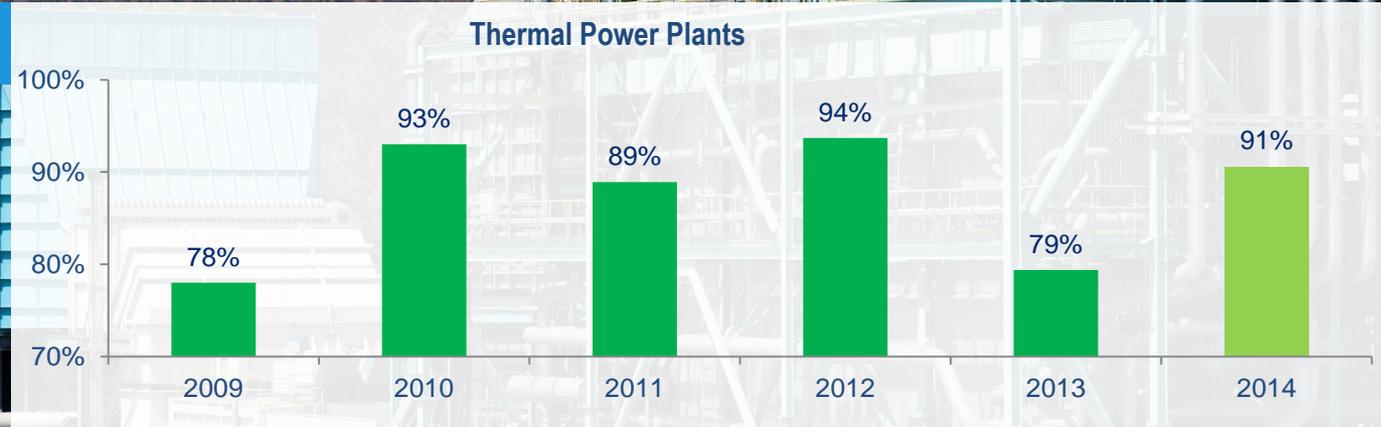
1. OVERVIEW
- 2. OPERATIONS**
3. FINANCIALS
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POWER PLANT AVAILABILITY

1



2



Graphs Sources: Colbún.

RELEVANT ASSETS FOR THE POWER SYSTEM

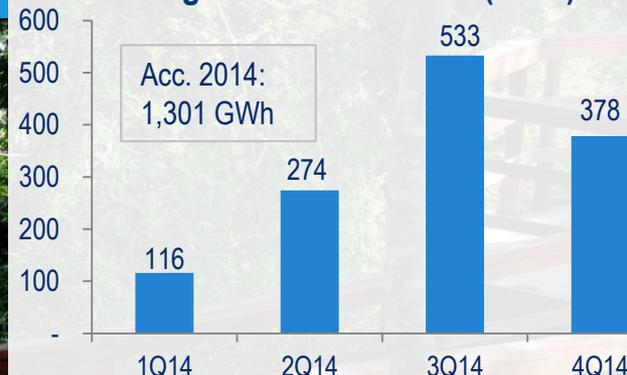
1

Angostura's Figures

- Capacity : 316 MW
- Expected Annual Gx.: 1,500 GWh
- 2014 Availability: 97%
- CAPEX (Including Tx. Lines):~ MMUS\$760
- Start up: Abr14
- 46 families reallocated

2

Angostura Generation (GWh)



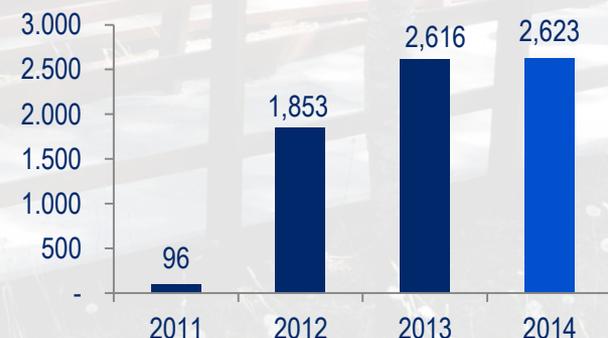
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Santa María I's Figures

- Capacity: 342 MW
- Expected Annual Gx: 2,500 GWh
- CAPEX (including the Tx line):~ MMUS\$ 750
- Start up: Aug12

4

Santa María I Generation (GWh)



SUSTAINABILITY AS A KEY FOR FUTURE GROWTH

2014 Awards

- Colbún received the third place distinction in the **"Recyclápolis - El Mercurio"** award in Coronel due to the company sustainable practices in emission compensation.
- Colbun obtained the **"HUB Sustainability"** award in the Entrepreneurship category due to promotion of local entrepreneurs in the Angostura community.
- Colbún's chairman, **Bernardo Larraín**, received the ALAS20 award for his leadership in integrating sustainability in Colbún.
- First Place in **Industrial Investment** to our new Angostura project plant - CBC. This award aims to promote investment projects that have contributed to the growth and benefit the country.

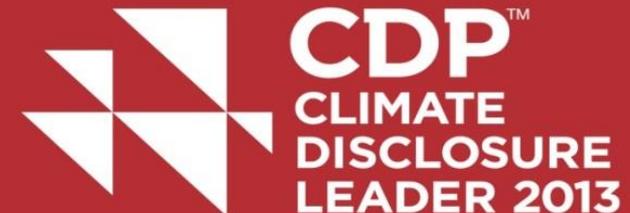


3,489,230.23  Metric tons of CO2e saved

872,307.56  Passenger vehicles removed for one year

6,978,460.45  Trees Planted

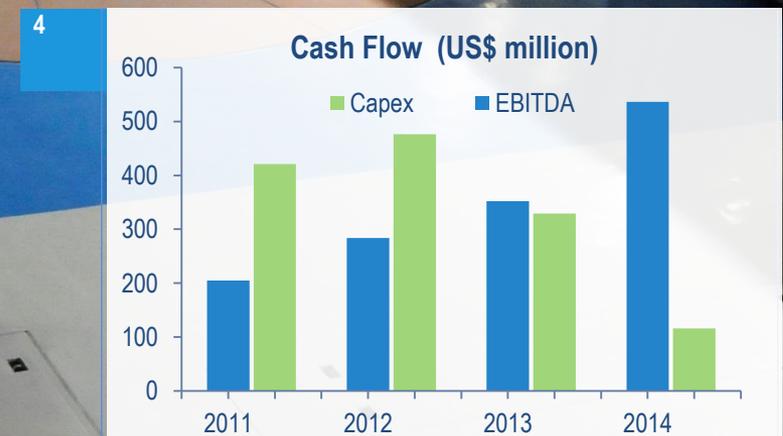
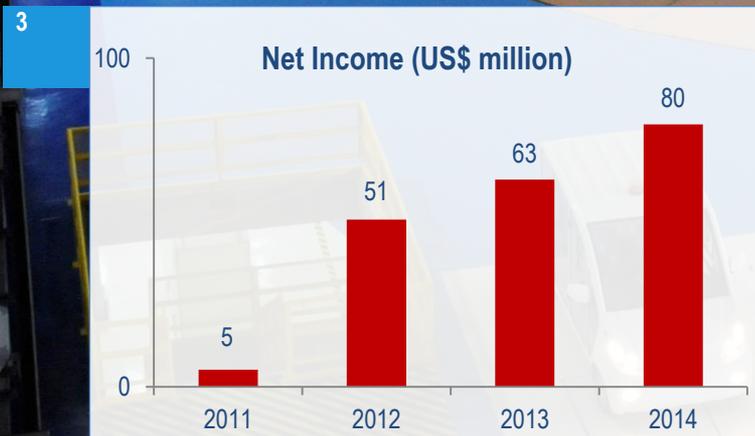
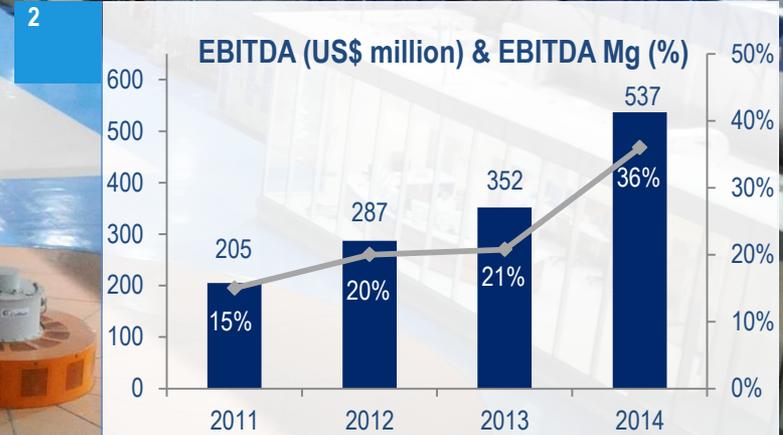
697,846.05  Annual emissions per capita



AGENDA

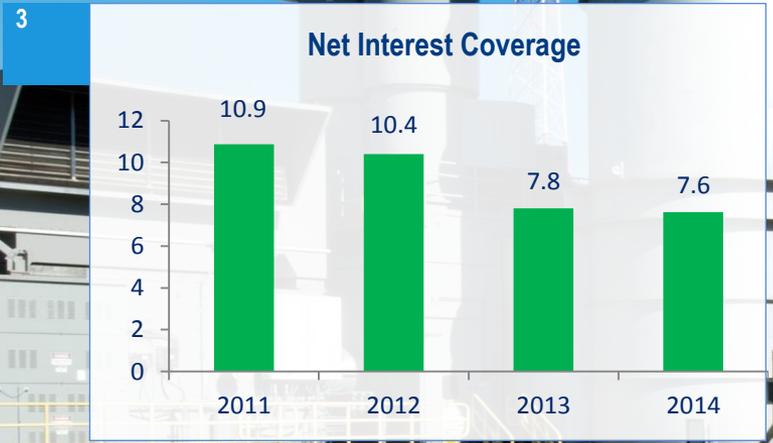
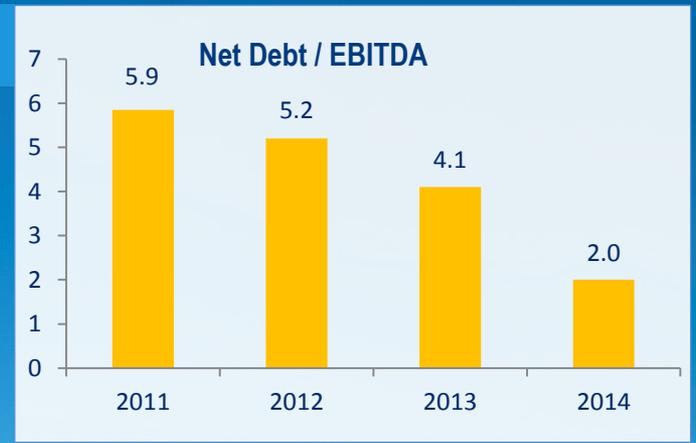
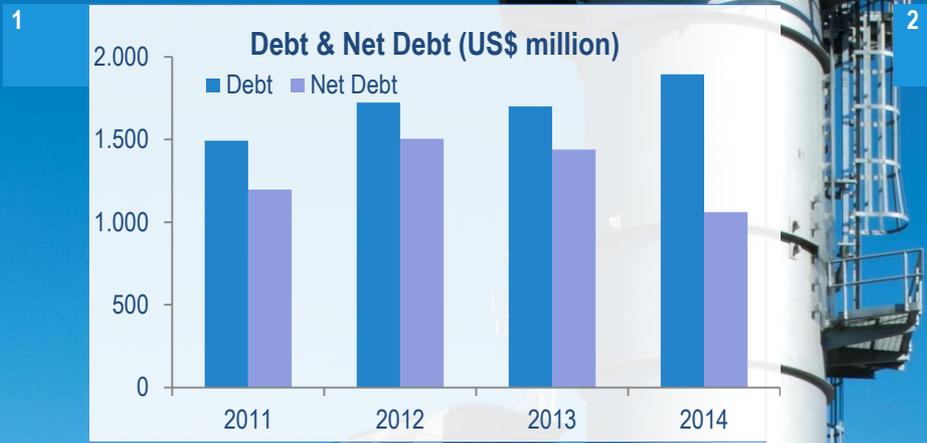
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5. KEY INVESTMENT HIGHLIGHTS

MAIN FIGURES AND METRICS



Source: Colbún's Financial Statements

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Source: Colbun's Financial Statements

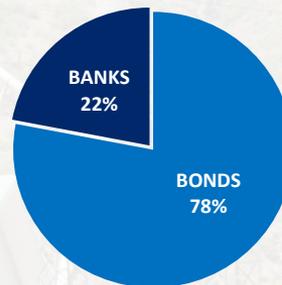
DEBT AND LIQUIDITY

1

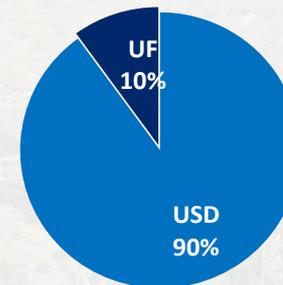
- Total Debt: MMUS\$ 1,894
- Avg. Maturity: 6.4 years
- Avg. USD Interest Rate: 4.9%
- Cash: MMUS\$ 833
- Net Debt: MMUS\$ 1,061
(As of Dec14)

Debt Profile

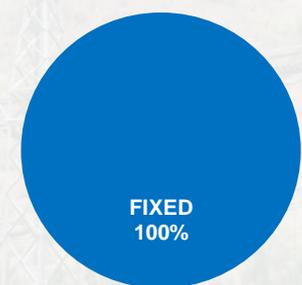
Type



Currency

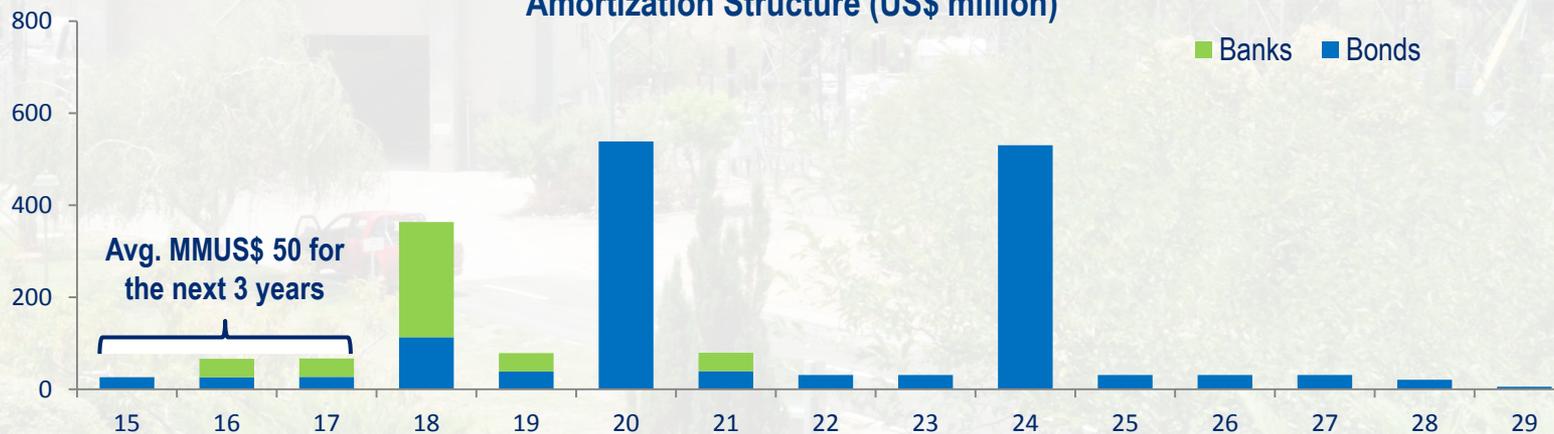


Interest Rate



2

Amortization Structure (US\$ million)



Source: Colbun's Financial Statements

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COLBÚN HAS SEVERAL GROWTH OPPORTUNITIES

Projects in Chile

La Mina – Hydroelectric Project

- 34 MW of Capacity
- 190 GWh of expected annual generation
- Phase: Under Construction since Dec14
- Qualifies as NCRE

Santa María II – Coal-fired Project

- 350 MW of Capacity
- 2,500 GWh of expected annual generation
- Phase: Environmentally Approved

San Pedro - Hydroelectric Project

- 150 MW of Capacity
- 930 GWh of expected annual generation
- Phase: Submit EIA on the first half of 2015



LA MINA HYDROELECTRIC RUN-OF-THE-RIVER

1

Main Features

- **Location:** San Clemente, Maule region
- **Capacity:** 34 MW
- **Annual Generation:** ~ 180-195 GWh
- **CAPEX including the Tx. line:** ~US\$120-130 million
- **Construction + commissioning period:** ~25-30 months
- **Status:** Under construction since Dec14
- Qualifies as **NCRE**

2

Location



SANTA MARIA II COAL-FIRED POWER PLANT

1

Main Features

- **Location:** Coronel, Biobío region
- **Capacity:** 350 MW
- **Annual Generation:** ~2,500 GWh
- **Construction period:** ~43-45 months
- **2014 Main Events:**
 - RCA/RSE commitments compliance
 - Stakeholders socialization
 - EPC contract review

2

Location



SAN PEDRO HYDROELECTRIC POWER PLANT

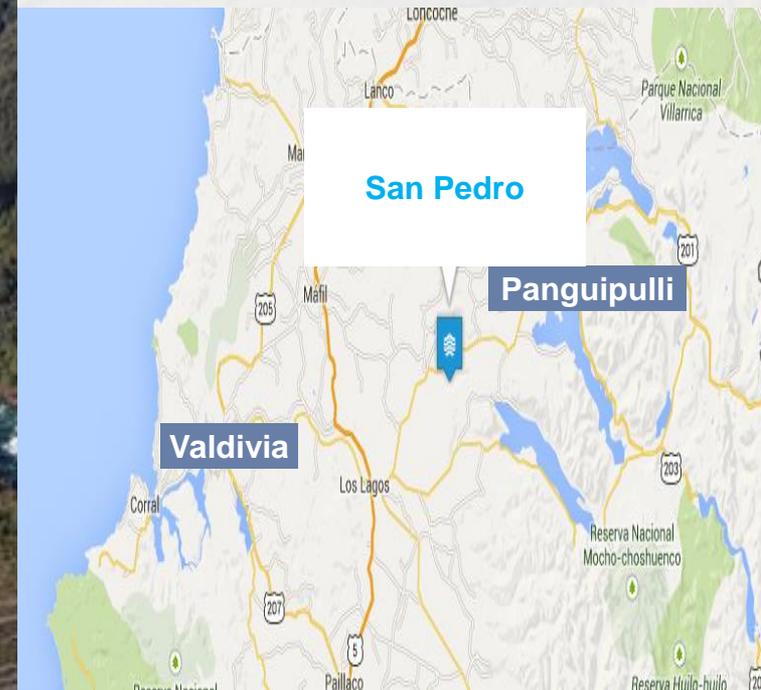
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Main Features

- **Location:** Panguipulli and Los Lagos, Los Ríos region
- **Capacity:** 150 MW
- **Annual Generation:** ~900-950 GWh
- **Construction period:** ~40-45 months
- **2014 Main Events:**
 - Socialization process
 - Submit EIA on the first half of 2015

2

Location



SEARCHING FOR INVESTMENT OPPORTUNITIES IN THE REGION

Special focus on Assets in Colombia and Perú

Country Attractiveness

- Attractive business environment
- Positive economic perspective
- Well established regulatory framework
- Growing electricity consumption
- Diversification of: Geography, generation technology and Access to fuel sources



Colombia

Perú

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OUR PRIORITIES

Be a leading and growing company of profitable and sustainable power generation in selected countries of Latin America





This document provides information about Colbún S.A. In no case this document constitutes a comprehensive analysis of the financial, production and sales situation of the company. To evaluate whether to purchase or sell securities of the company, the investor must conduct its own independent analysis.

This presentation may contain forward-looking statements concerning Colbun's future performance and should be considered as good faith estimates by Colbún S.A.

In compliance with the applicable rules, Colbún S.A. publishes on its Web Site (www.Colbún.cl) and sends the financial statements of the Company and its corresponding notes to the Superintendencia de Valores y Seguros, those documents should be read as a complement to this presentation.

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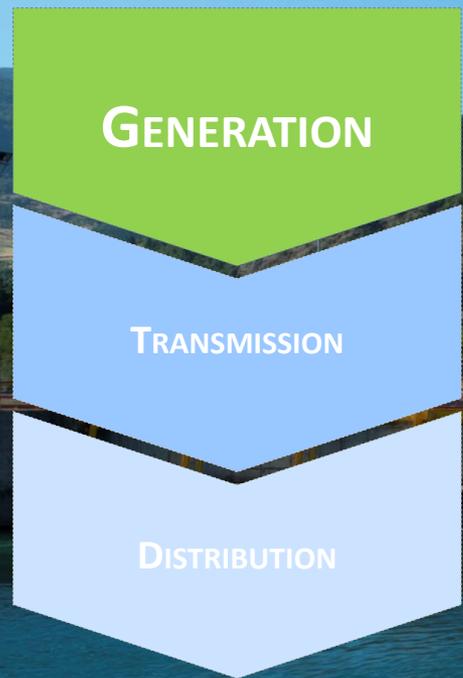
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SECTOR SEGMENTATION

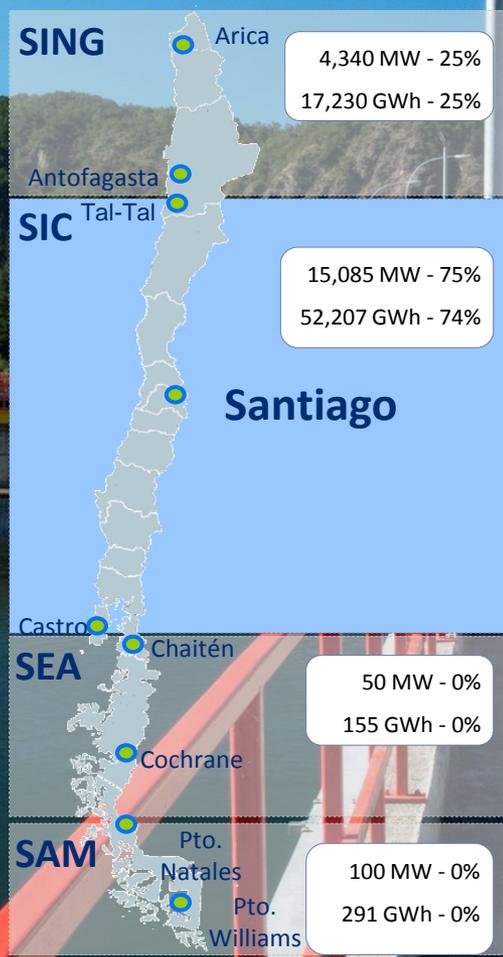
3 SUB-SECTORS



Regulated sectors (concessions)

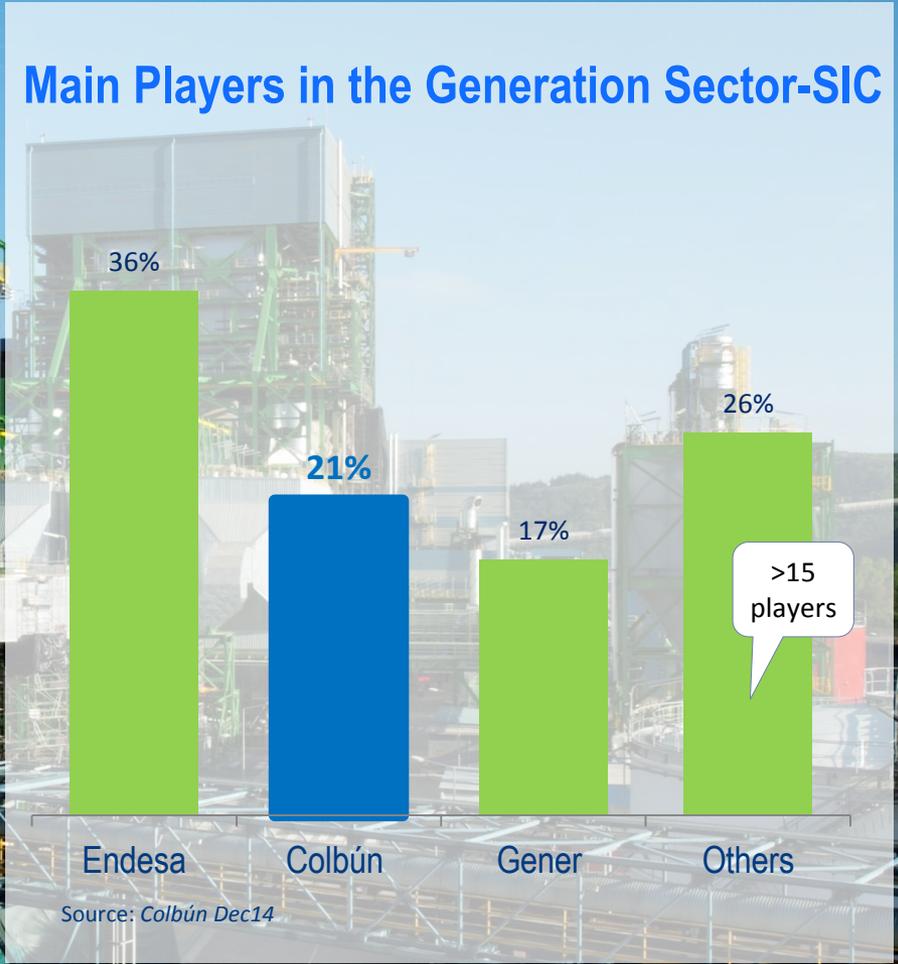
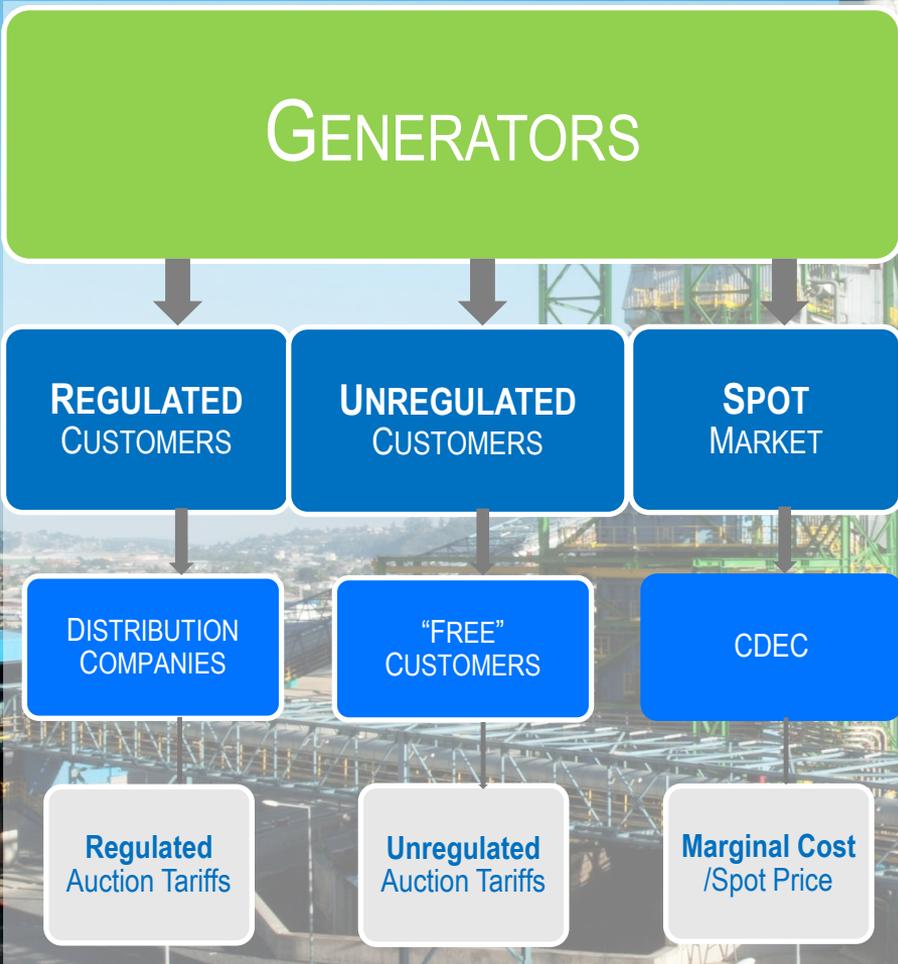
- RELEVANT INSTITUTIONS**
- Ministry of Energy
 - Regulator: CNE
 - Supervisor: SEC
 - Coordinator: CDEC

4 SEPARATE GRIDS



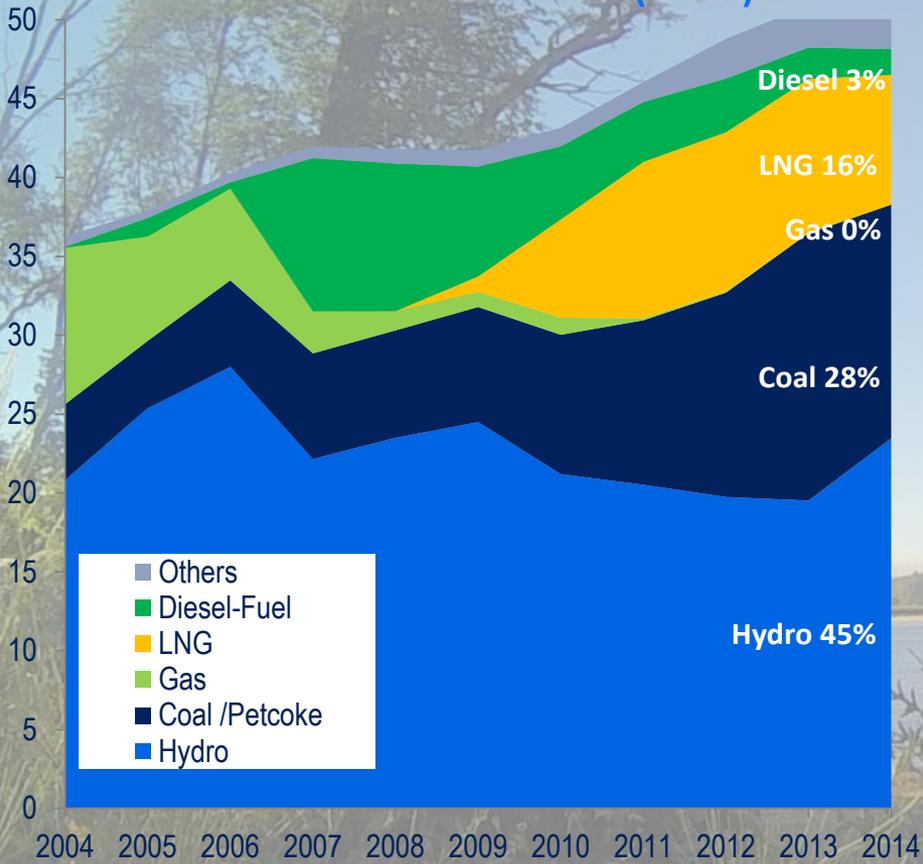
Source: CNE, December 2014

MARKET STRUCTURE



POWER GENERATION AND DEMAND IN CHILE

Power Generation – SIC (TWh)



Electricity Demand – SIC (TWh)

