2Q16 Quarterly Report

- **EBITDA in 2Q16 reached US$151.1 million,** 11% higher than the EBITDA of US$ 136.4 million in 2Q15, and lower than the EBITDA of US$170.2 million in 1Q16. The increase in EBITDA compared to the same quarter from the previous year was given by lower average fuel supply cost, which decreased 20% compared to 2Q15. In addition, the quarter includes the contribution of EBITDA from Fenix Power (US$9.1 million).
  Meanwhile, the lower EBITDA compared to the previous quarter (1Q16) was given by higher diesel generation and the lower contribution from Fenix Power Peru's EBITDA given the major maintenance of the plant in June 2016.

- Colbún reported a **net income of US$51.4 million** this quarter vs. a net income of US$50.1 million in 2Q15, and US$76.0 million in 1Q16. The difference over 1Q16 is given mainly by a lower EBITDA.

- **Chilean Operational Analysis:**
  - **Total energy sales** during 2Q16 reached 2,731 GWh, down by 3% and by 1% compared to 2Q15 and 1Q16 respectively. The decrease over both quarters is mainly due to lower energy demand from regulated customers.
  - **Total generation** for the quarter was 3,313 GWh, down by 2% and up by 3% in relation to 2Q15 and 1Q16 respectively. The decrease over 2Q15 is mainly explained by lower natural gas generation (1,028 GWh in 2Q16 vs. 1,202 GWh in 2Q15). The decrease was partially offset by higher coal generation (724 GWh in 2Q16 vs. 699 GWh in 2Q15) and diesel generation (205 GWh in 2Q16 vs. 102 GWh in 2Q15).
    The increase over 1Q16 is mainly explained by higher hydroelectric generation (1,338 GWh in 2Q16 vs. 1,288 GWh in 1Q16).

- **Peruvian Operational Analysis*:**
  - **Total energy sales** during 2Q16 reached 855 GWh, up by 12% and by 13% compared to 2Q15 and 1Q16 respectively. The increase over both quarters is mainly explained by a new short-term PPA with Distriluz in April 2016.
  - **Gas-fired generation** during this quarter in Fenix Power Peru reached 800 GWh, down by 28% and up by 21% compared to 2Q15 and 1Q16 respectively. The decrease over the same quarter last year is mainly explained by lower generation given the major annual maintenance of the plant made in June 2016. The increase over 1Q16 is mainly explained by a lower dispatch due to lower marginal cost in the previous quarter (US$12/MWh in Santa Rosa).

- At 2Q16 closing, **financial investments** amounted to US$848.7 million, **net debt** was US$1,161.2 million and net debt to LTM EBITDA reached 1.7 times.

Conference Call
2Q16 Results

Date: Friday July 29th 2016
Time: 12:00 PM Eastern Daylight Time
12:00 PM Chile Time
US Toll Free: 1 866 383.8009
International Dial: +1 617 597.5342
Password: 589 470 47

Summary
USD million

	2Q15	1Q16	2Q16	6M15	6M16	Change YoY	Change QoQ	Change Ac/Ac
Revenues	358.5	362.5	370.1	675.5	732.7	3%	2%	8%
EBITDA	136.4	170.2	151.1	229.1	321.3	11%	(11%)	40%
Net Income	50.1	76.0	51.4	57.1	127.5	3%	(32%)	123%
Net debt	964.5	1,181.4	1,161.2	964.5	1,161.2	20%	(2%)	20%
Contracted energy sales Chile (GWh)	2,823	2,757	2,731	5,605	5,487	(3%)	(1%)	(2%)
Contracted energy sales Peru (GWh)	763	758	855	1,440	1,613	12%	13%	12%
Total generation Chile (GWh)	3,388	3,222	3,313	6,584	6,535	(2%)	3%	(1%)
Total generation Perú (GWh)	1,105	663	800	2,161	1,463	(28%)	21%	(32%)

(*) The analysis presented in this document compares periods prior to the acquisition of Fenix, in order to give a global view of the plant operations.

Average marginal cost of the system during this quarter was 50% lower compared to the same quarter of last year (US$67/MWh-2Q16 versus US$133/MWh-2Q15). The decrease on the marginal costs in mainly explained by lower fossil fuel prices in the international markets. The decrease is also explained by a slightly higher hydroelectric and NCRE generation in the system, in addition to higher efficient thermal coal generation and reduced diesel participation.

Next quarter's results will depend, as usual, mainly on water availability for hydroelectric generation and on the availability of efficient thermal units. It is worth mentioning that recently new short-term gas supply contracts were reached with Metrogas S.A., which will allow an additional natural gas volume for the period August-December of this year. The contracted volume is equivalent for one combined cycle unit operations for the period mentioned.

In April 2016, in the line with the strategy for NCRE growth in the generation matrix, Colbún purchased part of the SunEdison assets in Chile, involving, in first place the acquisition of two PV solar farms in development located in the SIC, for a total of 202 MW, and the cession of long-term power purchase agreements from 2017 onwards, with distribution companies for 350 GWh annually for 15 years. In addition, a long-term energy supply contract was signed, by which SunEdison will supply 200 GWh per year of solar energy to Colbún for 15 years.
Also, in May 2016, continuing with the generation matrix optimization process and strengthening the Company's position in the market, Colbún awarded an energy supply contract for 15 years with Total and its affiliated SunPower for 500 GWh per year from 2021 onwards.

On June 28th 2016, the main transformer of the gas turbine from Nehuenco 2 (Unit 2) thermal-power plant was affected by a fire, activating immediately all internal emergency protocols and leaving no victims or injured personnel. Unit 2 was disconnected from the system, while Unit 1 continued operating normally. With the purpose of starting operations as soon as possible, Colbún acquired a provisional transformer, with which Colbún estimates the Unit will start operations approximately by the end of September 2016. Meanwhile, Colbún commended the fabrication of a new and permanent transformer which will start operating approximately by the end of December 2016.
With the available information regarding estimated repair time, availability of the power plant and compromised insurance for this type of incidents, the impact of the failure on the Company's financial results is not material in the context of Colbún.

In line with the Company's future growth, Colbún continues to move forward its portfolio of projects in Chile and seek opportunities in countries of the region. In relation with San Pedro Hydroelectric Project (170 MW), Colbún expects to submit a new Environmental Assessment Study with changes to the project."

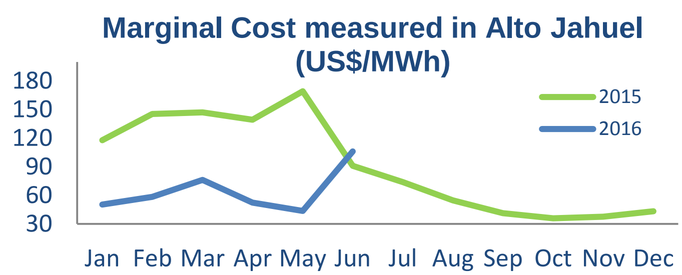
MARKET CONDITIONS

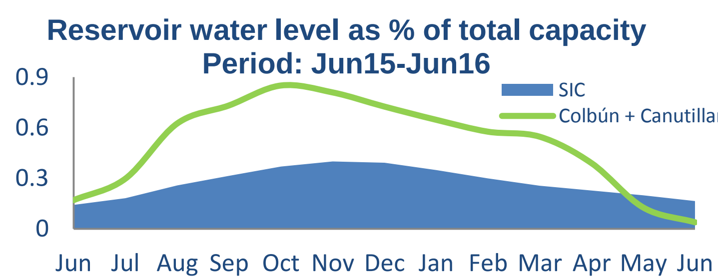
CHILE

The SIC (Central Interconnected System) demand during the second quarter of 2016 grew by 3% compared to 2Q15, which positively compares to the 2% decrease in 1Q16 (YoY). When compared to 1Q16 the demand has shown an increase of 0.44% (QoQ). Remember that demand is strongly linked to the economic activity, which has recently been showing signs of deceleration.

Comparing 2Q16 versus 2Q15, the SIC had slightly higher hydroelectric generation (+2%) and NCRE (+2%), higher efficient thermoelectric coal-power generation (+22%), and reduced diesel (-11%) and gas (-18%) generation. Breakdown by technology was: **hydroelectric 33%, coal 34%, natural gas 21%, diesel 2% and NCRE 10% (wind 4%, solar 2%, others 4%).**

Meanwhile, **average marginal cost measured in Alto Jahuel during the quarter decreased 50%**, from US$133/MWh in 2Q15 to US$67/MWh in 2Q16. This drop is mainly explained by lower prices of fossil fuels in the international markets and a higher base load generation compared to 2Q15.



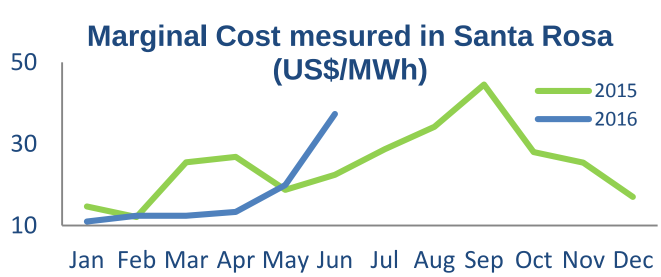


PERÚ

Generation at SEIN (National Electric Interconnected System) during the 2Q16 grew by 8.5% compared to 2Q15, which positively compares to the increase during 1Q16 of 1.6% (YoY).

The SEIN showed an increase in thermoelectric generation of 20.9% during 2Q16 compared to 2Q15. Meanwhile, hydroelectric generation decreased by 3.2%, mainly given by less favorable hydrologic conditions compared to the previous year, despite the commissioning of new projects. Breakdown by technology was: **hydro 46%, thermo 49% and NCRE 5%.**

Average marginal cost at SEIN during the quarter increased 57%, from US$15/MWh in 2Q15 to US$24/MWh in 2016. This reduction is mainly explained by less favorable hydrology conditions, higher demand and the major annual maintenance of Fenix power plant.



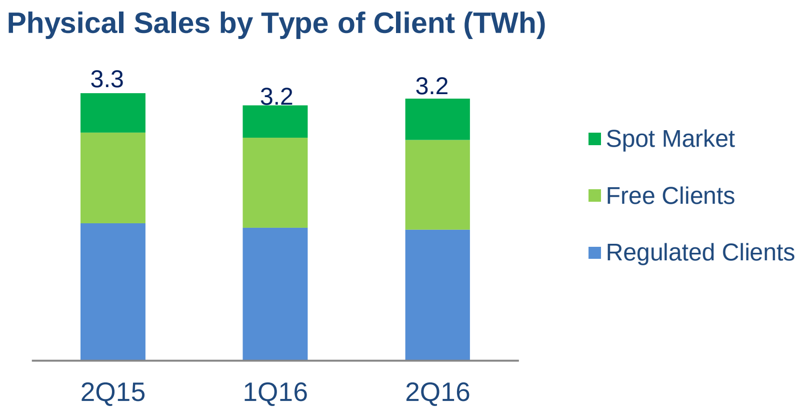
SALES VOLUME

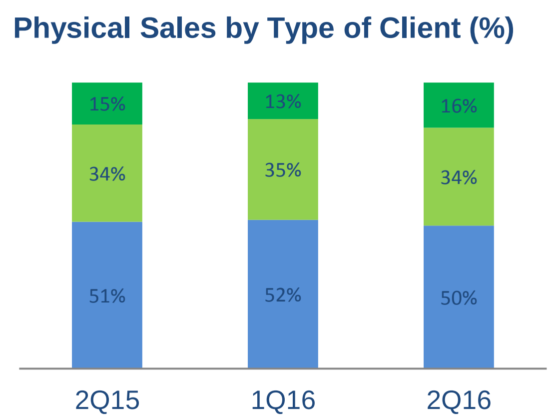
CHILE

Physical withdrawals from costumers under contract reached 2,731 GWh during 2Q16 vs. 2,823 GWh in 2Q15 and 2,757 GWh in 1Q16. These decreases are explained by lower demand both from regulated and from free customers.

Net sales in the spot market reached 513 GWh in 2Q16, compared with net sales in 2Q15 of 484 GWh and net sales of 403 GWh in 1Q16.

In cumulative terms, physical withdrawals from customers under contract reached 5,487 GWh at Jun16, 2% lower compared to Jun15 mainly given lower demand from regulated customers, partially offset by higher sales in the spot market and free customers physical withdrawals. On its part, net sales to the spot market reached 916 GWh, which positively compares with net sales for 811 GWh from the previous year.





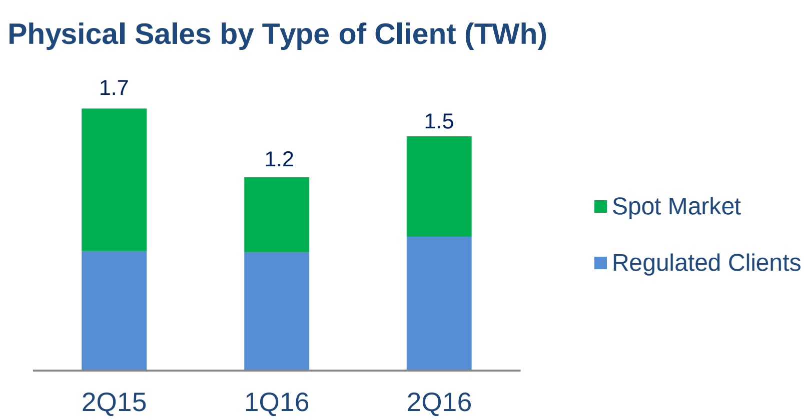
PERÚ

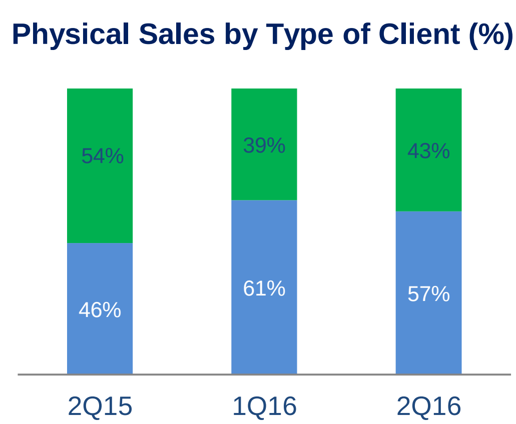
The analysis presented below compares periods prior to the acquisition of Fenix in order to provide a better view of the unit operations. Thus, Fenix results for the year 2015 are presented only for comparative reasons.

Physical withdrawals from costumers under contract reached 855 GWh, 12% and 13% higher when compared to 2Q15 and 1Q16 respectively. Both increases are mainly explained by a new short-term power purchase agreement reached with Distriluz in April 2016.

Furthermore, spot market balance reached net purchases of 78 GWh during 2Q16 vs. net sales for 314 GWh in 2Q15 and net purchases of 117 GWh in 1Q16. It is worth mentioning that given the low marginal costs (US$24/MWh in 2Q16 and US$12/MWh in 1Q16) this implied minor payments.

In cumulative terms, physical sales to customers under contract at Jun16 reached 1,613 GWh, up by 12% compared to Jun15. Meanwhile, spot market balance registered net purchases for 195 GWh vs. net sales for 665 GWh from the previous period.





GENERATION

CHILE

Power generation reached 3,313 GWh during 2Q16, down by 2% and up by 3% compared to 2Q15 and 1Q16 respectively. The decrease over 2Q15 is mainly explained by lower natural gas-power generation (1,028 GWh in 2Q16 vs. 1,202 GWh in 2Q15), partially offset by higher thermal coal-fired generation (724 GWh in 2Q16 vs. 699 GWh in 2Q15) and diesel generation (205 GWh in 2Q16 vs. 102 GWh in 2Q15). On its part, the decrease over 1Q16 is mainly explained by higher hydroelectric generation (1,338 in 2Q16 vs. 1,288 GWh in 2Q15).

On a quarterly basis, power generation at Colbún had an **hydroelectric participation of 1,338 GWh (40%), natural gas of 1,028 GWh (34%) and coal-fired of 724 GWh (22%),** resulting in **100% of total commitments** being covered with own cost-efficient generation (hydro, natural gas and coal) and additionally having net sales in the spot market.

Colbún's total power generation in 2Q16 decreased by 1% in cumulative terms at Jun16, mainly given by lower diesel generation (208 GWh at Jun16 vs. 243 GWh at Jun15) and natural gas generation (2,240 GWh at Jun16 vs. 2,349 at Jun15). The lower thermoelectric-power generation was partially offset by higher hydroelectric generation (2,626 GWh at Jun16 vs. 2,455 GWh at Jun15). In spite of low rainfalls recorded in the southern part of the country, hydroelectric generation increased due to favorable ice melting conditions over the first months of the year.

PERÚ

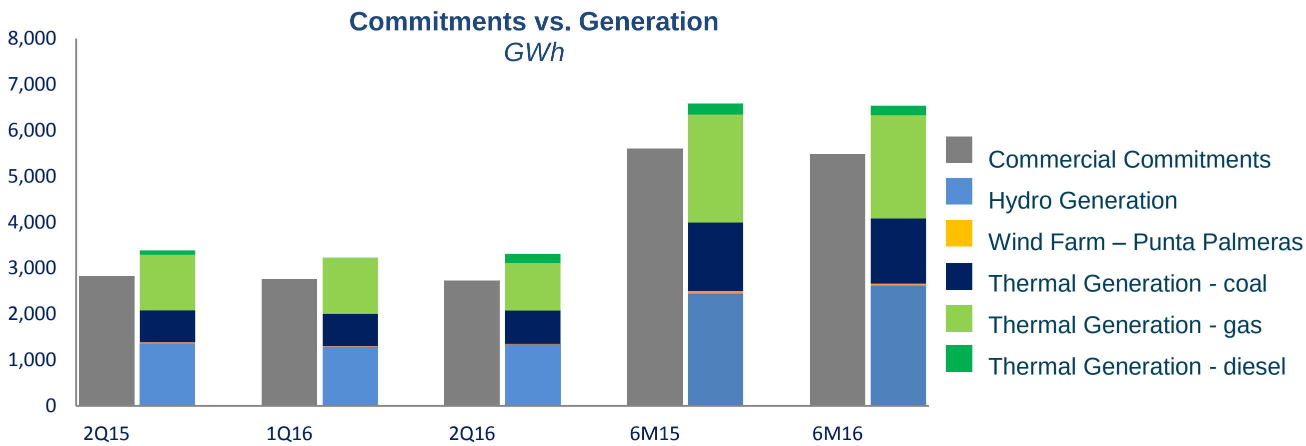
On a quarterly basis, **thermoelectric gas-power generation of the Company reached 800 GWh,** down by 28% compared to 2Q15 and up by 21% when compared to 1Q16. The decrease over 2Q15 is given mainly by lower generation in June due to the major annual maintenance of the power-plant in that month. Furthermore, the increase in power-generation over the previous quarter is mainly explained by lower economic dispatch in 1Q16 due to low marginal costs (US$12/MWh in 1Q16).

During 2Q16 **94% of total commitments were met with own generation** and net purchases were made in the spot market for 78 GWh compared to net sales made in the spot market for 314 GWh in 2Q15 and with net purchases for 117 GWh in 1Q16.

Fenix's total power generation decreased by 32% in cumulative terms at Jun16, for the same reasons that explained the quarterly variations. In addition, spot market balance recorded net purchases for 195 GWh vs. net sales for 665 GWh from the previous period.

CHILE

The generation mix of 2Q16 allowed **100% of the Company's commercial commitments to be supplied with efficient base load capacity**: hydroelectricity, coal and natural gas generation; in line with 2Q15 and 1Q16. The quarters under analysis confirm the application of an adequate commercial policy, consistent with the Company´s generation capacity.

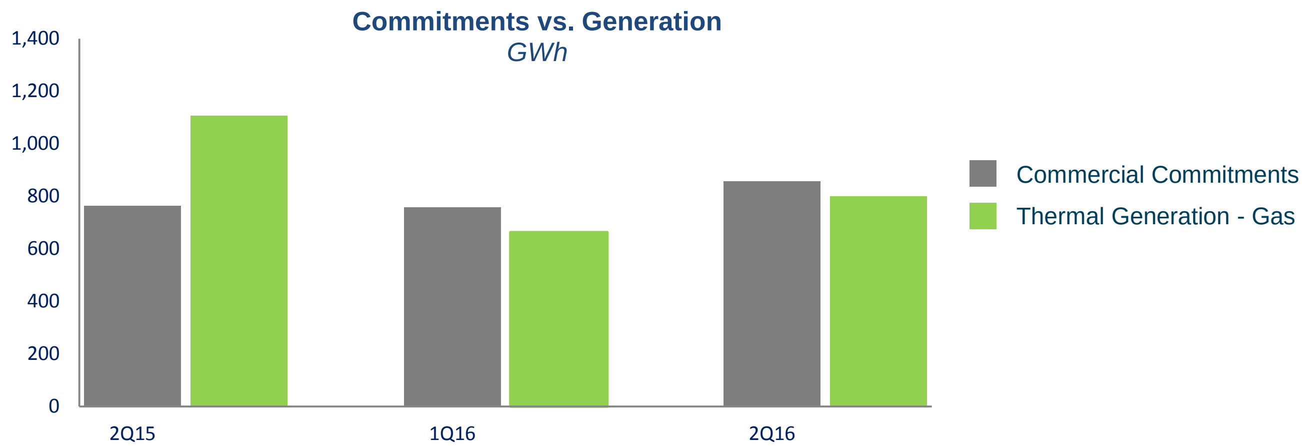


Sales Volume vs. Generation in Chile
GWh

	2Q15	1Q16	2Q16	6M15	6M16	Change YoY	Change QoQ	Change Ac/Ac
Sales Volumes								
Regulated customers	1,699	1,645	1,622	3,432	3,267	(5%)	(1%)	(5%)
Free customers	1,125	1,112	1,109	2,172	2,221	(1%)	(0%)	2%
Spot market sales	484	403	513	811	916	6%	27%	13%
Total energy sales	**3,307**	**3,159**	**3,244**	**6,416**	**6,403**	**(2%)**	**3%**	**(0%)**
Generation								
Hydraulic	1,358	1,288	1,338	2,455	2,626	(1%)	4%	7%
Thermal - Gas	1,202	1,212	1,028	2,349	2,240	(14%)	(15%)	(5%)
Thermal - Diesel	102	4	205	243	208	101%	-	(14%)
Thermal - Coal	699	700	724	1,491	1,423	4%	3%	(5%)
Wind Farm - Punta Palmeras	28	19	18	45	37	(33%)	(2%)	(18%)
Total own generation	**3,388**	**3,222**	**3,313**	**6,584**	**6,535**	**(2%)**	**3%**	**(1%)**
Energy purchases (spot market)	0	0	0	0	0	-	-	-
Energy Purchases - Sales in the Spot Market	**484**	**403**	**513**	**811**	**916**	**6%**	**27%**	**13%**

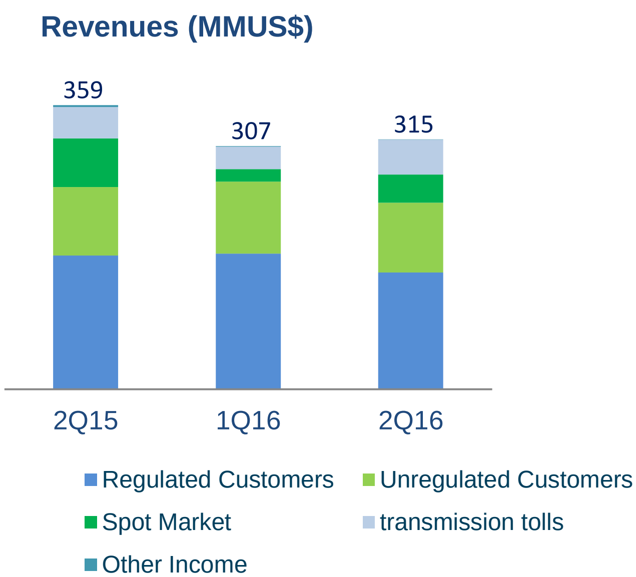
PERÚ

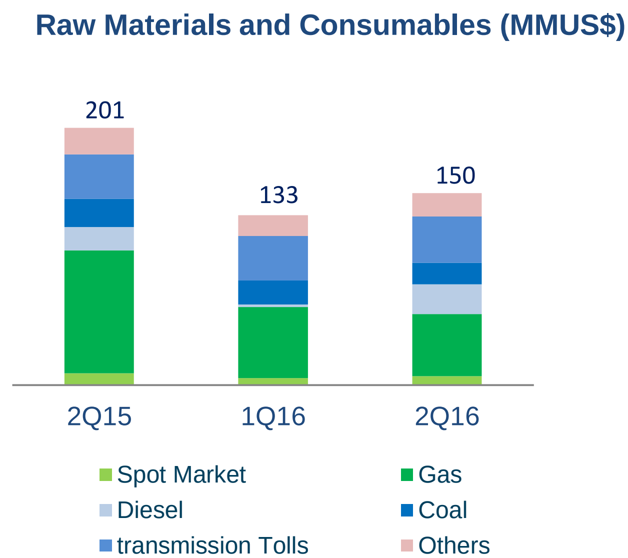
The generation mix of 2Q16 allowed **94% of the Company's commercial commitments to be supplied with own generation** and to record spot net purchases for 78 GWh. As mentioned, this quarter's average marginal cost measured at Santa Rosa reached a value of US$24/MWh.



Sales Volume vs. Generation in Peru
GWh

	2Q15	1Q16	2Q16	6M15	6M16	Change YoY	Change QoQ	Change Ac/Ac
Sales Volumes								
Customers under contract	763	758	855	1,440	1,613	12%	13%	12%
Spot market sales	910	477	640	1,771	1,117	(30%)	34%	(37%)
Total energy sales	**1,673**	**1,235**	**1,495**	**3,210**	**2,730**	**(11%)**	**21%**	**(15%)**
Generation								
Thermal - Gas	1,105	663	800	2,161	1,463	(28%)	21%	(32%)
Total own generation	**1,105**	**663**	**800**	**2,161**	**1,463**	**(28%)**	**21%**	**(32%)**
Energy purchases (spot market)	596	594	718	1,106	1,312	21%	21%	19%
Energy Purchases - Sales in the Spot Market	**314**	**(117)**	**(78)**	**665**	**(195)**	**-**	**(33%)**	**-**



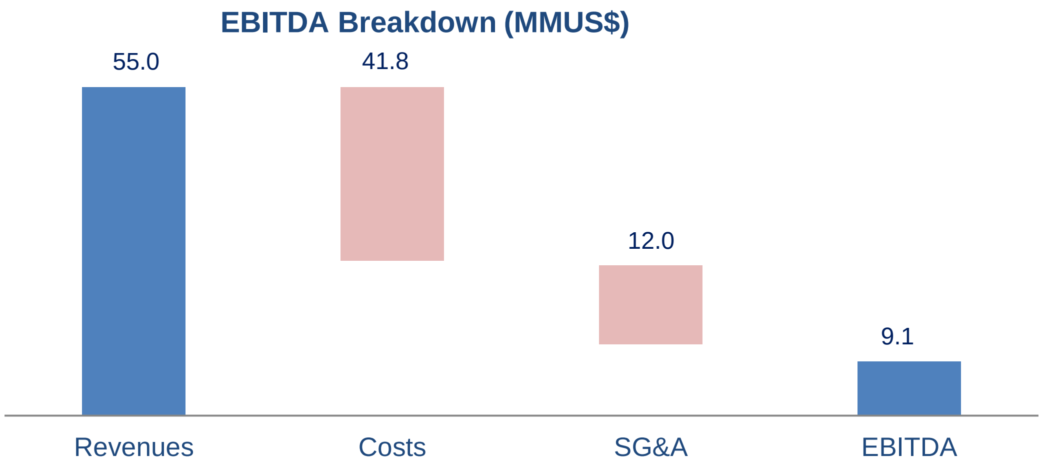


Operating revenues from ordinary activities for 2Q16 amounted to US$315.2 million, down by 12% compared to 2Q15, mainly explained by lower sales to customers under contract and spot market sales, which were partially offset by higher revenues from transmission tolls and sales to unregulated clients. Meanwhile, revenues from ordinary activities increased by 3% compared to US$307.0 million in 1Q16 due to higher sales in the spot market and revenues from transmission tolls.
In cumulative terms, **revenues from ordinary activities reached US$622.1 million at Jun16**, down by 8% compared to Jun15, mainly explained by the same reasons exposed in the quarterly basis analysis.

Raw materials and consumables used decreased 25% compared to 2Q15, mainly explained by lower cost of fuels (-35%) and lower purchases in the spot market. On its part, raw materials costs increased 13% compared to 1Q16 due to higher diesel consumption.
In cumulative terms, **raw materials and consumables used totalized US$282.9 million at Jun16** decreasing 30% compared to Jun15, mainly explained by lower fuel costs due to lower diesel consumption and prices, and to natural gas purchases at a competitive cost.

EBITDA increased 4% compared to 2Q15 and reached US$142.0 million. The increase is mainly explained by lower fuel costs. The lower average of thermal-power generation cost is mainly given by lower international fuel prices and by a higher hydroelectric generation during the period.
This quarter's EBITDA decreased by 8% compared to 1Q16, mainly due to higher raw materials and consumables used associated with higher diesel consumption.
In cumulative terms, **EBITDA at Jun16 increased 29%** compared to Jun15, explained by the same reasons than in quarterly basis.

PERU OPERATING ANALYSIS



Operating revenues from ordinary activities for 2Q16 reached US$55.0 million, down by 3% compared to 2Q15, mainly explained by lower sales given the major annual maintenance of the power-plant in June 2016. Lower revenues are also explained by the expiration of the contract with Termochilca in April 2016. The former was partially offset by higher income from transmission tolls. Meanwhile, operating revenues from this quarter were in line compared to 1Q16.

In cumulative terms, **operating revenues increased by 4% at Jun16** compared to Jun15 mainly explained by higher capacity sales in the spot market in the first quarter of this year and higher income from transmission tolls.

Raw materials and consumables used increased by 14% and 29% compared to 2Q15 and 1Q16 respectively. Both increases are mainly explained by higher purchases in the spot market and transmission tolls costs.

In cumulative terms, **raw materials and consumables used increased by 3%** for the same reasons that explained quarterly variations.

This **quarter's EBITDA reached US$9.1 million,** a 50% and 45% decrease compared to 2Q15 and 1Q16 respectively. Both decreases are mainly explained by the lower power-generation which reflects the major annual maintenance of the power-plant in June 2016.

In cumulative terms, **EBITDA amounted to US$25.8 million at Jun16**, decreasing 17% compared to Jun15 mainly given the same reasons that explained the quarterly variations.

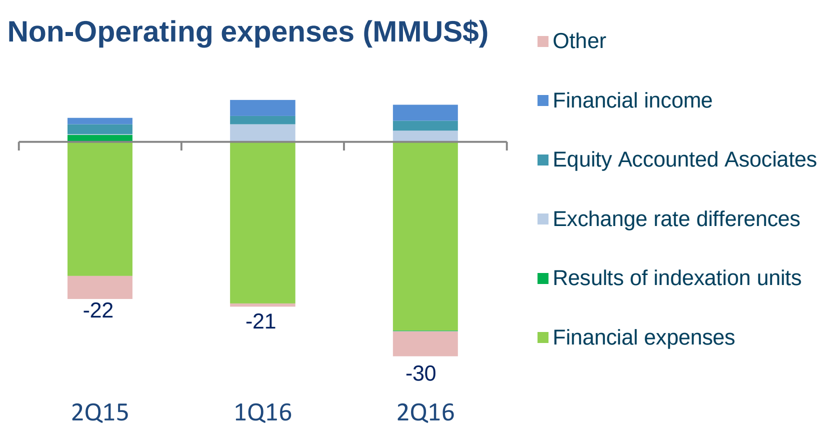
CONSOLIDATED NON-OPERATING INCOME

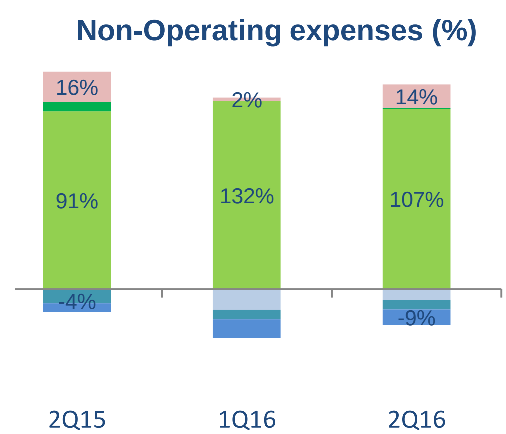
Non-Operating Income of 2Q16 recorded losses of US$29.9 million, higher than the losses of US$22.4 million in 2Q15 and the losses of US$20.8 million in 1Q16. The increase over the same quarter of the previous year is mainly explained by higher financial expenses due to the consolidation of Fenix Power's debt; and by the impact of prepayment of financial debt in Chile, and the resulting recognition of expenses from these payments. This effect was partially offset by: (1) earnings in exchange rate differences due to the positive impact from the appreciation of the exchange rate CLP/US$ in 2Q16 over temporary balance accounts in local currency, mainly from trade and other accounts receivables; and (2) higher financial income resulting from accrued interests from favorable investment rates. Meanwhile, the higher loss compared to 1Q16 is manly given by an increase of the financial expenses explained previously.

In cumulative terms, **non-operating income recorded losses of US$50.7 million** vs. losses of US$42.6 million at Jun15. The higher loss is explained by the same reasons that explained the variations on quarterly basis.

2Q16 tax expense amounted to US$14.7 million, lower when compared to tax expense of US$15.4 million and US$17.6 million recorded in 2Q15 and 1Q16 respectively. The lower tax expenses compared 2Q15, in spite of the higher profit before taxes, is mainly explained because tax expenses in 2Q15 recorded the impact from variations in the exchange rate due to local currency tax accounting. It is worth mentioning that Colbún Chile adopted tax accounting in US$ since January 2016. In addition, the lower tax expense compared to 1Q16 is mainly given by the lower profit before taxes recorded in 2Q16.

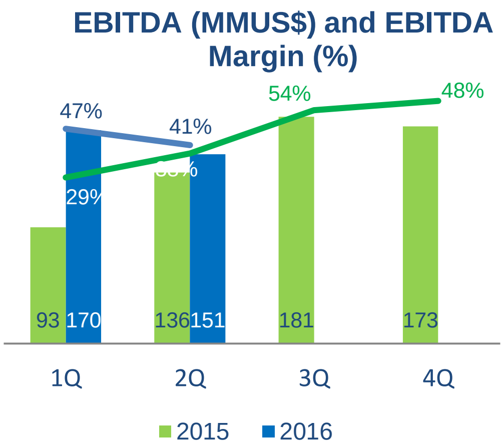
In cumulative terms, **tax expenses amounted to US$32.2 million at Jun16**, vs. expenses of US$33.6 million at Jun15. The decrease is explained by the same reasons that explain the variations in quarterly basis.

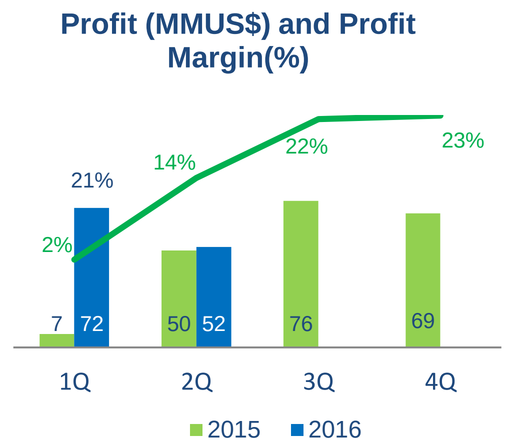




EBITDA AND NET INCOME ANALYSIS

2Q16 EBITDA amounted to US$151.1 million, 11% higher than the EBITDA of US$136.4 million in 2Q15 and lower than EBITDA of US$170.2 million in 1Q16. The increase over the same quarter last year is mainly explained by lower average thermal supply costs, which decreased 20% compared to 2Q15. In addition, the quarter presented the contribution of EBITDA from the consolidation of Fenix Power (US$9.1 million).
Meanwhile, the decrease over the last quarter (1Q16) is mainly explained by higher diesel generation and the lower contribution of EBITDA from Fenix Power Peru due to the major annual maintenance of the power-plant in June 2016.





The Company recorded in 2Q16 a net income of US$51.4 million, in line with net income of US$50.1 million of 2Q15 and lower compared to net income of US$76.0 million of 1Q16. The decrease in net income over 1Q16 is mainly explained by the lower EBITDA.

EBITDA
USD million

	2Q15	1Q16	2Q16	6M15	6M16	Change QoQ	Change YoY	Change Ac/Ac
Revenues	**358.5**	**362.5**	**370.1**	**675.5**	**732.7**	**2%**	**3%**	**8%**
Sales to regulated customers	168.7	209.0	183.0	336.4	392.0	(12%)	8%	17%
Sales to free customers	86.4	90.9	88.2	159.4	179.1	(3%)	2%	12%
Sales to other generators (spot market)	61.6	24.5	41.9	99.6	66.4	71%	(32%)	(33%)
Transmission tolls	39.5	37.3	56.5	75.5	93.8	51%	43%	24%
Other operating income	2.3	0.7	0.6	4.6	1.3	(22%)	(75%)	(72%)
Raw materials and consumables used	**(201.3)**	**(165.1)**	**(192.0)**	**(406.4)**	**(357.0)**	**16%**	**(5%)**	**(12%)**
Transmission tolls	(34.7)	(43.5)	(47.3)	(73.8)	(90.8)	9%	36%	23%
Energy and capacity purchases	(9.2)	(8.0)	(15.7)	(13.7)	(23.7)	95%	70%	72%
Gas purchases	(96.2)	(72.4)	(68.6)	(191.3)	(140.9)	(5%)	(29%)	(26%)
Diesel purchases	(18.1)	(2.1)	(23.2)	(40.6)	(25.3)	1011%	28%	(38%)
Coal purchases	(22.2)	(18.7)	(16.9)	(48.8)	(35.5)	(10%)	(24%)	(27%)
Other Costs	(20.8)	(20.4)	(20.4)	(38.2)	(40.8)	(0%)	(2%)	7%
Personnel expenses and other operating expenses	**(14.8)**	**(16.1)**	**(16.0)**	**(28.8)**	**(32.1)**	**(1%)**	**8%**	**12%**
EBITDA	**136.4**	**170.2**	**151.1**	**229.1**	**321.3**	**(11%)**	**11%**	**40%**

GROWTH PLAN

The company is seeking growth opportunities in Chile and in other countries in the region such as Colombia and Peru, in order to maintain a leading position in the power generation industry and to diversify its sources of income in terms of hydrologic conditions, generation technologies, fuel access and regulatory frameworks.

Colbún is seeking to increase its installed capacity, while maintaining a relevant participation in the hydroelectric generation industry, with a thermoelectric and renewable component that allows to count on a safe, competitive and sustainable generation matrix.

In Chile, Colbún has several projects currently under different stages of development, including hydro, thermal and transmission line projects.

Below is the status of some of the Company´s projects:

	La Mina	Sta. María II	San Pedro
Description	Mini Hydro	Coal	Hydro-Reservoir
Capacity(MW)	34	350	160-170
GWh/year expected	191	2,500	950

La Mina Project Site

Projects under Construction

▪ **La Mina Hydroelectric Project (34 MW):** La Mina is a NCRE project located in San Clemente, 110 km east of Talca. The project has an installed capacity of 34 MW and expected annual average generation of 191 GWh. The energy will be injected to the SIC at the 220 kV Loma Alta substation, through a High Tension Line (HTL) of 66kV and 24 km long. The project utilizes the hydraulic potential of the Maule River and captures the water when it connects with the Puelche River, restoring the water to the same river 2 km downstream the capture point.

In Jan15, the company started construction of the project, which by the end of 2Q16 had a 77% progress, according to plan. As important milestones achieved during the quarter it is worth mentioning: the ending of setting-up concrete at the abduction canal, the beginning of construction of the fixed barrier, the beginning of setting-up the pressure pipeline in the powerhouse, the superstructure mounting finish and the placement of concrete at different levels.

Construction of the La Mina Loma Alta transmission line started in Nov15 and progress to June 2016 is 81%, according to plan.

It is expected that the project begins commercial operation in early 2017. The investment amount, including the transmission line, will be approximately US$130 million.

Projects under Development

▪ **San Pedro Hydroelectric Project (160 - 170 MW):** The project is located 25 km. northeast of Los Lagos, and considers using the water of the homonymous river through a power plant located between the outlet of the Riñihue Lake and the Malihue Bridge. Considering the adjustments included in the project, it will have an estimated flow design of 460 m^3/s (+10% with openness) and an approximate installed capacity between 160 MW – 170 MW for an annual generation of 950 GWh under normal hydrological conditions. The operation of the power plant will be such that the level of the reservoir remains virtually constant, which means that the flow downstream of the power plant is not going to be altered by its operation.

In Jun15, the Environmental Impact Assessment (EIA) for the changes to the project was submitted, being initially accepted into process by the Environmental Assessment Service (SEA) of Los Rios Region. However, in Aug15, the Authority decided to early terminate the process due to lack of relevant and essential information. The decision was confirmed after the company filed an administrative appeal with new information.

Notwithstanding the foregoing, the Company is analyzing the observations from all public services, in order to collect and prepare a timely response with technically founded information required by the authority. In parallel, we continue developing an explicative and clarifying meeting process plan with municipalities, communities, neighborhood, regional authorities, and indigenous communities, among other stakeholders, with the objective to identify the best way to insert this project in the area.

This project considers The San Pedro-Ciruelos transmission line project, which will allow evacuating the power of the San Pedro power plant to the SIC through a 220 kV line and 47 km. length, and will be connected to the Ciruelos substation, located about 40 km northeast of Valdivia.

▪ **Other hydroelectric projects:** The Company continues performing technical, economic and environmental prefeasibility and feasibility studies for hydroelectric projects, which would use water rights owned by Colbún mainly in the Maule Region (430 MW) and Biobío Region (170 MW).

▪**NCRE (Non-Conventional Renewable Energies) Projects:** The electrical regulation requires that a portion of the contracted energy comes from non-conventional renewable generation means, establishing as goal that by 2025, 20% comes from this type of technology. In addition of this regulation it’s being observed an increase in the effectiveness of solar and wind power-generation. In addition, properly complemented with other sources of power-generation given its intermittence and variability, for Colbún is relevant to grow in this sources of power-generation through different modalities.

In this context, in 2013 Colbún signed a contract with Comasa for the purchase of renewable attributes and with Acciona Energía for the purchase of energy and attributes generated by the Punta Palmeras wind farm, of 45 MW, located in Canela, 70 km. from the city of Los Vilos, IV region.

During the first half of 2016 several initiatives were materialized, such as the purchase of part of SunEdison's assets in Chile, which involved the cession of assets from two PV solar farms under development for 202 MW, power purchase agreements with regulated customers for 350 GWh and in addition, a long-term energy supply contract was signed, by which SunEdison will supply 200 GWh per year of solar energy per year to Colbún, with the construction of a solar farm for 90MW.

Additionally, during this first half of 2016 Colbún awarded an energy supply contract for 15 years to Total and its affiliated SunPower for 500 GWh per year; and a purchase agreement for NCRE attributes with Los Cururos wind farm.

- **Unit II of the Santa María Complex Project (350 MW):** The project is located in Coronel, Biobío Region and considers an installed capacity of 350 MW. Currently, Colbún has the environmental permit approved to develop this second unit of the complex.

During 2014-2015 its design was improved, incorporating new technology to meet the demanding regulations on emissions in force since January 1st, 2012. Also, the social, economic and commercial dimensions of the project are being analyzed, in order to timely define the beginning of its construction.

- **Hidroaysén:** Colbún participate in a 49% ownership of HidroAysén S.A.

Despite the natural uncertainty on the timing and content of the court's decision to which Hidroaysén has appealed, as well as guidelines, conditions or any reformulations that those processes being conducted by the government regarding the long term energy agenda and basin territorial planning determine in relation to the development of the hydroelectric potential in Aysén, Colbún restates its belief that the existing water rights, the additional water rights requested, the environmental permits (RCA – Environmental Qualification Resolution), the field studies, the engineering, approvals and project properties are assets acquired and developed by the company for the past eight years under the current institutional framework and in accordance with international technical and environmental standards.

Colbún maintains the conviction that the development of this hydroelectric potential presents benefits for the country's growth and represents a source of potential long-term value.

RELEVANT EVENTS

- On April 22th 2016, in Colbún's Annual Shareholder's Meeting the **complete renovation of the Board members** took place after the resignation of Ms. Vivianne Blanlot S. to her position of Board Member of this Company. Regarding the above, the candidates running for the position as independent Board Members were Ms. María Ignacia Benitez Pereira and Ms. Luz Granier Bulnes, both which were elected. On its part, for the position of Board Members elected by the controller, the running candidates were Mr. Bernardo Larraín Matte, Juan Eduardo Correa García, Arturo Mackenna Iñiguez, Jorge Matte Capdevila, Francisco Matte izquierdo, Eduardo Navarro Beltrán and Vivianne Blanlot Soza; all of which were elected.

- In April 2016, **Colbún purchased part of the SunEdison assets in Chile**, involving, in first place the acquisition of two PV solar farms in development located in the SIC. The first is Parque solar Olmué (145 MW), located in the Region of Valparaiso, which has environmental approval. The second is Parque Solar Santa Sofía (57MW), located in the Metropolitan Region which is currently under environmental study. The agreement also involves the cession of long-term power purchase agreements with distribution Companies for 350 GWh per year and a long-term energy supply contract for 200 GWh per year.

- In May 2016, **Colbún announced the award of 15-year power purchase agreement to Total** and its affiliated SunPower for 500 GWh of photovoltaic energy per year, with the construction of a 164 MW solar power plant.

- During this quarter, as part of the financial structure optimization strategy, **Colbún prepaid debt for a total amount of US$240.8 million**. The prepaid obligations correspond to the Local Bond H- Series for US$80.8 million whose original expiration date was in 2018; and a bank loan for US$160 million which had expiring date in 2021. With the later, average financial debt maturity reaches 5.1 years and its average interest rate is of 4.4%.

- On June 28th 2016, the main transformer of the gas turbine from Nehuenco 2 (Unit 2) thermic-power plant was affected by a fire, activating immediately all internal emergency protocols and leaving no victims or injured personnel. Unit 2 was disconnected from the system, while Unit 1 continued operating normally. With the purpose of starting operations as soon as possible, Colbún acquired a provisional transformer, with which Colbún estimates the Unit will start operations approximately by the end of September 2016. Meanwhile, Colbún commended the fabrication of a new and permanent transformer which will start operating approximately by the end of December 2016.
With the available information regarding estimated repair time, availability of the power plant and compromised insurance for this type of incidents, the impact of the failure on the Company's financial results is not material in the context of Colbún.

BALANCE SHEET ANALYSIS

Summarized Balance Sheet
USD million

	2Q15	1Q16	2Q16	Change YoY	Change QoQ
Current Assets	1,288.4	1,451.5	1,206.0	(82.4)	(245.5)
Cash and cash equivalents*	912.5	1,062.6	848.7	(63.8)	(213.9)
Trade and other accounts receivable	221.5	236.2	206.7	(14.8)	(29.5)
Current tax receivable	39.5	14.8	7.7	(31.8)	(7.1)
Other current assets	115.0	138.0	143.0	28.0	5.0
Non-Current Assets	5,081.9	5,771.7	5,781.9	700.0	10.2
Property, plant and equipment	4,919.5	5,579.1	5,550.7	631.2	(28.4)
Other non-current assets	162.4	192.6	231.2	68.8	38.6
Total Assets	**6,370.3**	**7,223.2**	**6,987.9**	**617.6**	**(235.3)**
Current liabilities	223.7	331.7	290.5	66.8	(41.3)
Non-current liabilities	2,743.9	3,151.2	2,947.3	203.4	(203.9)
Total net equity	3,402.7	3,740.2	3,750.1	347.4	9.8
Equity of the Controller	3,402.7	3,531.6	3,539.0	136.3	7.4
Non-controlling interests	-	208.6	211.1	211.1	211.1
Total Liabilities and Net Equity	**6,370.3**	**7,223.2**	**6,987.9**	**617.6**	**(235.3)**

(*) The account "Cash and Cash Equivalents" presented here include the amount associated with deposits that have maturity over 90 days and are recorded as "Other Current Financial Assets" in the Financial Statements.

Cash and cash equivalents: Reached US$848.7 million, decreasing by US$63.8 million compared to 2Q15 mainly explained by the prepayment of financial debt in Chile, partially offset by inflows from operational activities during the quarter. Meanwhile, cash and cash equivalent decreased by US$213.9 million compared to 1Q16 explained by the same reasons that explain variations in quarterly basis.

Trade and other accounts receivable: Reached US$206.7 million, down by US$14.8 million and US$29.5 million compared to 2Q15 and 1Q16 respectively. Both drops are mainly due to the use of tax credits related to tax recovery from the consolidation of Fenix Power Peru.

Property, Plant and Equipment, net: Recorded US$5,550.7 million at the end of 2Q16, increasing compared to 2Q15 (+13%) and in line with 1Q16. The increase over 2Q15 is mainly explained by the incorporation of Fenix's Power Property, Plant and Equipment, which registers a value of US$726.6 million.

Current Liabilities: Amounted US$290.5 million at the end of 2Q16, vs. US$223.7 million and US$331.7 million in 2Q15 and 1Q16 respectively. The increase over the same quarter of 2015 is mainly explained by the increase in accounts payable and by a higher provision of income tax, given the Company's tax results. This effect was partially offset by the portion of financial debt in the current liabilities which was prepaid during this quarter in Chile. On its part, the decrease over 1Q16 is mainly given by the prepaid debt mentioned before.

Non-Current Liabilities: Reached US$2,947.3 million at the end of 2Q16, vs. US$2,743.9 million and US$3,151.2 million in 2Q15 and 1Q16 respectively. The increase over 2Q15 is mainly explained by Fenix's Power debt refinancing previously mentioned. This effect was partially offset by the prepaid financial debt. On its part, the decrease over 1Q16 is mainly given by the financial debt prepayment in Chile in the quarter.

Equity: The Company posted a net worth of US$3,750.1 higher when compared with the US$3,402.7 million in 2Q15 and in line with 1Q16. The increase over the same quarter of the previous year is explained mainly by the retained earnings recorded during the period.

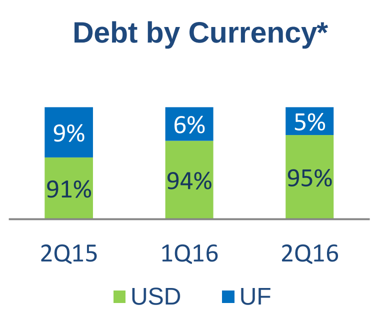
CONSOLIDATED DEBT AND CREDIT METRICS

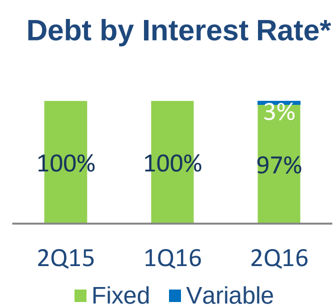
Liquidity Analysis & Indicators
USD million

	2Q15	1Q16	2Q16	Change YoY	Change QoQ
Gross financial debt*	1,877.0	2,244.0	2,009.9	132.9	(234.1)
Cash and cash equivalents**	912.5	1,062.6	848.7	(63.8)	(213.9)
EBITDA LTM	505.1	660.8	675.5	170.4	14.7
Net financial debt	**964.5**	**1,181.4**	**1,161.2**	**196.7**	**(20.2)**
Net Debt / EBITDA LTM	**1.9**	**1.8**	**1.7**	**(0.2)**	**(0.1)**
Leverage (%)	87%	93%	86%	(0.9%)	(6.8%)
Short Term Liabilities(%)	8%	10%	9%	1.4%	(0.6%)
Financial Expense Coverage	2.2	4.9	4.5	2.3	(0.3)
Equity Profitability (%)	0.4%	7.6%	7.6%	7.2%	(0.0%)
Asset Profitability (%)	0.2%	4.0%	4.1%	3.9%	0.1%
Operational Assets Profitability (%)	6.4%	8.7%	8.9%	2.5%	0.2%

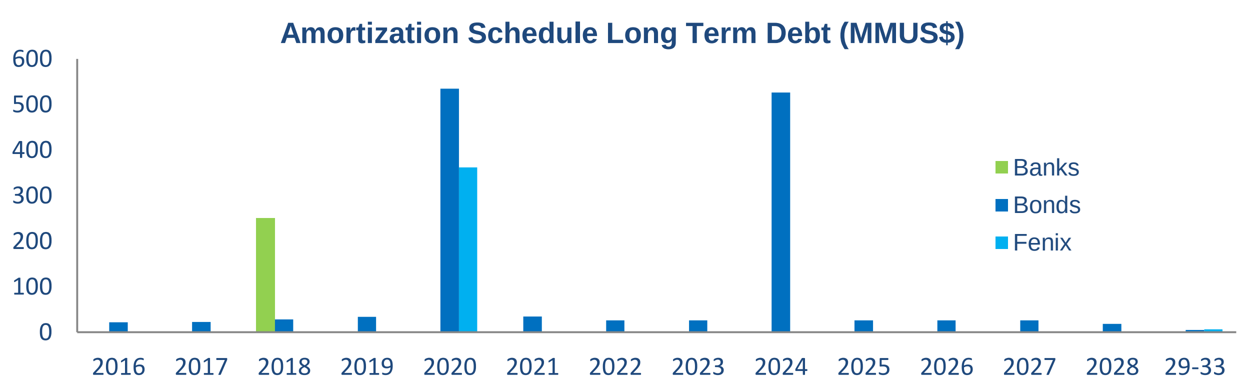
(*) Includes Fenix Power's financial debt.
(**)The account "Cash and Cash Equivalents" presented includes the amount associated to time deposits that, for having an investment term of more than 90 days, are recorded as "Other Current Financial Assets" in the Financial Statements.

Financial debt reached US$2,009.9 million, a decrease of US$234.1 million compared to 1Q16. The increase is mainly due to the prepayment of Local Bond H-Series for US$80.8 million and the bank loan prepayment of US$160 million.
Meanwhile, financial investments decreased by US$213.9 million compared to 1Q16, mainly explained by the financial debt prepayments and by the period's Capex. Given the above, Net Debt and EBITDA LTM (last 12 months) were in line compared to the previous quarter. Consequently **Net Debt/EBITDA LTM ratio reached 1.7 times.**
The **average maturity life** of Colbún's long term financial debt is **5.1 years.**
The average USD long-term financial **debt interest rate** is **4.4%.**





*Includes derivatives associated



CONSOLIDATED CASH FLOW ANALYSIS

Cash Flow
USD million

	2Q15	1Q16	2Q16	6M15	6M16	Change YoY	Change QoQ	Change Ac/Ac
Cash and cash equivalents at beginning of period *	**816.7**	**1,061.4**	**1,062.5**	**832.8**	**1,061.4**	**245.8**	**1.1**	**228.6**
Cash Flow from Operating Activities	157.3	104.1	154.8	234.5	259.0	(2.5)	50.7	24.4
Cash Flow from Financing Activities	(41.5)	(82.2)	(334.4)	(108.8)	(416.6)	(292.9)	(252.2)	(307.8)
Cash Flow from Investing Activities **	(19.8)	(27.5)	(36.7)	(46.1)	(64.1)	(16.9)	(9.2)	(18.1)
Net increase (decrease) in cash and cash equivalents	**96.1**	**(5.5)**	**(216.3)**	**79.7**	**(221.7)**	**(312.4)**	**(210.8)**	**(301.5)**
Effects of exchange rate changes on cash and cash equivalents	(0.3)	6.6	2.4	(0.0)	9.0	2.8	(4.2)	9.1
Cash and cash equivalents at end of period *	**912.5**	**1,062.5**	**848.7**	**912.5**	**848.7**	**(63.8)**	**(213.8)**	**(63.8)**

(*)The account "Cash and Cash Equivalents" presented includes the amount associated to time deposits that, for having an investment term of more than 90 days, are recorded as "Other Current Financial Assets" in the Financial Statements.
(**) "Cash Flow from Investing Activities" differs from the Financial Statements because it does not incorporate the amount associated with deposits with maturity over 90 days.

During 2Q16, the Company had **net cash inflows of US$216.3 million**, lower than the positive net cash flow of 2Q15. Meanwhile, 1Q16 had a net negative cash flow of US$5.5 million.

Operating activities: During 2Q16 a net cash inflow of US$154.8 million was generated, in line with the net cash inflow of US$157.3 million in 2Q15. On its part, the inflow from operating activities in 2Q16 increased compared to the net cash inflow of US$104.1 million in 1Q16.
In cumulative terms, a net cash inflow of US$259.0 million was recorded at Jun16, 10% higher compared to Jun15, mainly given by higher operating results.

Financing activities: Generated a net cash outflow of US$334.4 million during 2Q16, which compares with 2Q15's net outflow of US$41.5 million and 1Q16's net cash outflow of US$82.2. The higher cash outflow of this quarter is associated mainly with the financial debt prepayments in Chile for US$240.8 million explained before and with the distribution of an additional dividend for US$40.6 million.
In cumulative terms, a net outflow for US$416.6 million was recorded at Jun16, higher than the negative net outflow of US$108.8 million at Jun15, mainly due to the same reasons that explain the variations in quarterly basis.

Investing activities: Generated a net cash outflow of US$36.7 million in 2Q16, higher than the outflow of US$19.8 million in 2Q15 and US$27.5 million in 1Q16. Disbursements for this quarter were mainly associated to La Mina project, which began construction in Dec14.
In cumulative terms, investing activities generated a net cash outflow of US$64.1 million at Jun16 compared to disbursements of US$46.1 million at Jun15.

DISCLAIMER

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.

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

In compliance with the applicable laws, Colbún S.A. publishes on its website (www.colbun.cl) and sends the financial statements and its corresponding notes to the Superintendencia de Valores y Seguros, those documents should be read as a complement to this report.

Quarterly Sales and Production
GWh

	2015					2016				
	1Q15	2Q15	3Q15	4Q15	Total	1Q16	2Q16	3Q16	4Q16	Total
Sales										
Regulated customers (GWh)	1,734	1,699	1,636	1,557	6,625	1,645	1,622			3,267
Free customers (GWh)	1,048	1,125	1,106	1,150	4,428	1,112	1,109			2,221
Spot market sales (GWh)	327	484	456	178	1,444	403	513			916
Total energy sales (GWh)	**3,109**	**3,307**	**3,197**	**2,885**	**12,497**	**3,159**	**3,244**			**6,403**
Capacity sales (MW)	1,593	1,584	1,585	1,509	1,568	1,516	1,586			1,551
Generation										
Hydroelectric (GWh)	1,098	1,358	1,724	2,285	6,464	1,288	1,338			2,626
Thermal - Gas (GWh)	1,147	1,202	868	204	3,421	1,212	1,028			2,240
Thermal - Diesel (GWh)	141	102	0	1	244	4	205			208
Thermal - Coal (GWh)	792	699	651	263	2,405	700	724			1,423
Wind Farm - Punta Palmeras	18	28	27	39	111	19	18			37
Total own generation (GWh)	**3,195**	**3,388**	**3,270**	**2,792**	**12,646**	**3,222**	**3,313**			**6,535**
Energy purchases spot market (GWh)	0	0	0	124	124	0	0			0
Energy Purchases - Sales in the Spot Market	**327**	**484**	**456**	**54**	**1,320**	**403**	**513**			**916**
Ventas de Energía Contratada	**2,782**	**2,823**	**2,741**	**2,707**	**11,053**	**2,757**	**2,731**			**5,487**

Quarterly Sales and Production
GWh

	2015					2016				
	1Q15	2Q15	3Q15	4Q15	Total	1Q16	2Q16	3Q16	4Q16	Total
Sales										
Customers under Contract (GWh)	676	763	787	775	3,002	758	855			1,613
Spot market sales (GWh)	861	910	692	423	2,885	477	640			1,117
Total energy sales (GWh)	**1,537**	**1,673**	**1,479**	**1,197**	**5,886**	**1,235**	**1,495**			**2,730**
Capacity sales (MW)	628	556	558	559	2,301	561	562			1,123
Generation										
Thermal - Gas (GWh)	1,056	1,105	856	605	3,622	663	800			1,463
Total own generation (GWh)	**1,056**	**1,105**	**856**	**605**	**3,622**	**663**	**800**			**1,463**
Energy purchases spot market (GWh)	510	596	644	611	2,361	594	718			1,312
Energy Purchases - Sales in the Spot Market	**351**	**314**	**47**	**(188)**	**524**	**(117)**	**(78)**			**(195)**

Quarterly Income Statement
USD million

	2015					2016				
	1Q15	2Q15	3Q15	4Q15	Total	1Q16	2Q16	3Q16	4Q16	Total
Operating revenues	317.0	358.5	337.0	301.4	1,313.9	362.5	370.1			732.7
Raw materials and consumables used	(205.2)	(201.3)	(136.0)	(103.5)	(645.9)	(165.1)	(192.0)			(357.0)
GROSS MARGIN	**111.8**	**157.2**	**201.0**	**197.9**	**667.9**	**197.5**	**178.2**			**375.7**
										-
Personnel expenses and other operating expenses	(19.1)	(20.8)	(20.1)	(24.6)	(84.6)	(27.3)	(27.1)			(54.3)
Depreciation & amortization	(47.5)	(48.4)	(48.9)	(50.2)	(194.9)	(55.8)	(55.1)			(110.9)
OPERATING INCOME*	**45.3**	**88.0**	**132.0**	**123.1**	**388.4**	**114.4**	**96.1**			**210.4**
										-
EBITDA	**92.8**	**136.4**	**180.9**	**173.3**	**583.3**	**170.2**	**151.1**			**321.3**
										-
Financial income	1.0	1.1	1.4	2.0	5.5	2.7	2.7			5.4
Financial expenses	(22.2)	(22.7)	(22.2)	(23.5)	(90.5)	(27.4)	(32.0)			(59.5)
Results of indexation units	0.1	1.2	0.9	0.3	2.4	-	(0.1)			(0.1)
Exchange rate differences	0.4	0.1	(11.4)	(0.3)	(11.2)	3.0	1.9			5.0
Share of profit (loss) from equity-accounted associates	1.5	1.7	2.3	1.1	6.6	1.4	1.7			3.1
Other non-operating income (expense)	(0.9)	(3.9)	10.5	(5.3)	0.5	(0.5)	(4.2)			(4.7)
NON-OPERATING INCOME	**(20.2)**	**(22.4)**	**(18.4)**	**(25.6)**	**(86.7)**	**(20.8)**	**(29.9)**			**(50.7)**
										-
NET INCOME BEFORE TAX	**25.1**	**65.5**	**113.6**	**97.4**	**301.7**	**93.6**	**66.1**			**159.7**
Income Tax	(18.2)	(15.4)	(37.9)	(28.1)	(99.6)	(17.6)	(14.7)			(32.2)
NET INCOME FROM CONTINUING OPERATIONS	**7.0**	**50.1**	**75.7**	**69.3**	**202.1**	**76.0**	**51.4**			**127.5**
										-
										-
NET INCOME ATTRIBUTABLE TO STOCKHOLDERS OF THE PARENT COMPANY	**7.0**	**50.1**	**75.7**	**69.3**	**202.1**	**76.0**	**51.4**			**127.5**
Equity of the Controler	**7.0**	**50.1**	**75.7**	**71.9**	**204.7**	**72.2**	**51.5**			**123.7**
Minority Interest	**-**	**-**	**-**	**(2.5)**	**(2.5)**	**3.8**	**(0.1)**			**3.8**

(*): the subtotal for "OPERATING INCOME" presented herein, differs from "Profit (loss) from operating activities" line presented in the Financial Statements. This is explained by a change in taxonomy dictated by the SVS, by means of which the concept of "Other Profit" (loss), which in the case of Colbún are only non-operating items, was incorporated as an operating item in the financial Statements.

EBITDA Chile
USD million

	2015					2016				
	1Q15	2Q15	3Q15	4Q15	Total	1Q16	2Q16	3Q16	4Q16	Total
Revenues	**317.0**	**358.5**	**337.0**	**295.2**	**1,307.6**	**307.0**	**315.2**			**622.1**
Sales to regulated customers	167.6	168.7	144.3	138.0	618.6	171.0	147.3			318.2
Sales to free customers	73.0	86.4	96.8	101.5	357.6	90.9	88.2			179.1
Sales to other generators (spot market)	38.0	61.6	31.3	22.6	153.5	15.9	35.5			51.4
Transmission tolls	36.0	39.5	37.9	31.7	145.1	28.4	44.0			72.4
Other operating income	2.3	2.3	26.7	1.4	32.8	0.7	0.2			1.0
Raw materials and consumables used	**(205.2)**	**(201.3)**	**(136.0)**	**(98.7)**	**(641.1)**	**(132.8)**	**(150.2)**			**(282.9)**
Transmission tolls	(39.1)	(34.7)	(34.5)	(33.3)	(141.6)	(34.8)	(36.3)			(71.1)
Energy and capacity purchases	(4.5)	(9.2)	(10.4)	(16.5)	(40.6)	(5.5)	(6.9)			(12.5)
Gas purchases	(95.1)	(96.2)	(48.8)	(11.3)	(251.4)	(55.5)	(48.6)			(104.1)
Diesel purchases	(22.5)	(18.1)	(1.5)	(2.0)	(44.1)	(2.1)	(23.2)			(25.3)
Coal purchases	(26.6)	(22.2)	(20.4)	(8.4)	(77.6)	(18.7)	(16.9)			(35.5)
Other Costs	(17.4)	(20.8)	(20.4)	(27.2)	(85.8)	(16.2)	(18.2)			(34.4)
Personnel expenses and other operating expenses	**(19.1)**	**(20.8)**	**(20.1)**	**(24.5)**	**(84.4)**	**(20.7)**	**(23.0)**			**(43.7)**
EBITDA	**92.8**	**136.4**	**180.9**	**172.0**	**582.1**	**153.5**	**142.0**			**295.5**

Detalle del EBITDA Perú
US$ millones

	2015					2016				
	1Q15	2Q15	3Q15	4Q15	Total	1Q16	2Q16	3Q16	4Q16	Total
Revenues	**49.9**	**56.7**	**55.3**	**51.2**	**213.1**	**55.6**	**55.0**			**110.5**
Sales to regulated customers	40.7	41.0	40.6	39.0	161.3	38.1	35.7			73.8
Sales to other generators (spot market)	5.6	7.9	4.9	3.3	21.6	8.6	6.4			15.0
Transmission tolls	3.6	7.9	9.8	8.9	30.3	8.9	12.5			21.4
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0	0.3			0.3
Raw materials and consumables used	**(35.1)**	**(36.8)**	**(40.6)**	**(39.3)**	**(151.8)**	**(32.3)**	**(41.8)**			**(74.1)**
Transmission tolls	(5.7)	(7.8)	(11.0)	(8.6)	(33.1)	(8.7)	(11.0)			(19.7)
Energy and capacity purchases	(1.5)	(0.1)	(3.1)	(4.0)	(8.7)	(2.5)	(8.7)			(11.2)
Gas purchases	(23.4)	(24.3)	(19.6)	(16.6)	(83.9)	(16.9)	(19.9)			(36.8)
Other Costs	(4.6)	(4.5)	(6.9)	(10.2)	(26.2)	(4.3)	(2.1)			(6.4)
Personnel expenses and other operating expenses	**(1.9)**	**(1.6)**	**(1.7)**	**(7.5)**	**(12.7)**	**(6.6)**	**(4.0)**			**(10.6)**
EBITDA	**12.9**	**18.4**	**13.0**	**1.3**	**45.6**	**16.7**	**9.1**			**25.8**

Appendix 6
Consolidated Balance Sheet

Summarized Balance Sheet
USD million

	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16
	2015				2016			
Current Assets	**1,251.6**	**1,288.4**	**1,384.3**	**1,383.5**	**1,451.5**	**1,206.0**		
Cash and equivalents*	816.7	912.5	1090.6	1061.4	1062.6	848.7		
Accounts receivable	237.8	221.5	160.4	184.3	236.2	206.7		
Recoverable taxes	57.2	39.5	20.6	8.6	14.8	7.7		
Other current assets	139.9	115.0	112.7	129.1	138.0	143.0		
Non-Current Assets	**5,090.1**	**5,081.9**	**5,054.4**	**5,774.1**	**5,771.7**	**5,781.9**		
Property, Plant and Equipment , net	4,935.5	4,919.5	4,891.1	5,602.6	5,579.1	5,550.7		
Other non-current assets	154.7	162.4	163.3	171.4	192.6	231.2		
Total Assets	**6,341.8**	**6,370.3**	**6,438.6**	**7,157.6**	**7,223.2**	**6,987.9**		
Current liabilities	192.0	223.7	201.8	713.9	331.7	290.5		
Long-term liabilities	2,786.1	2,743.9	2,766.3	2,778.3	3,151.2	2,947.3		
Shareholders' equity	3,363.6	3,402.7	3,470.5	3,665.4	3,740.2	3,750.1		
Equity of the Controller	3,363.6	3,402.7	3,470.5	3,462.6	3,531.6	3,539.0		
Non-controlling interests	-	-	-	202.8	208.6	211.1		
Total Liabilities and Shareholders' Equity	**6,341.8**	**6,370.3**	**6,438.6**	**7,157.6**	**7,223.2**	**6,987.9**		
End-of-quarter exchange rate (CLP/USD)	626.6	639.0	698.7	710.2	626.6	661.4		

(*) The account "Cash and Cash Equivalents" presented here include the amount associated with deposits that have maturity over 90 days and are recorded as "Other Current Financial Assets" in the Financial Statements.