

PRESS RELEASE

COSTANERA REPORTS STRONG FINANCIAL AND OPERATING PERFORMANCE IN 2017

MAIN FINANCIAL HIGHLIGHTS

(millions of Argentine Pesos, ARS)	2017	2016	Change
Revenues	2,425	1,966	23.3%
EBITDA *	1,433	1,157	23.9%
EBIT	806	758	6.3 %
Net income	370	116	218.9%
Net debt	(716)	264	(371.2%)
Capex	935	1,142	(18.1%)

*EBIT before depreciation and amortisation.

Maurizio Bezzeccheri, Enel's Country Manager in Argentina, said: *"We are pleased about the good results posted by Costanera in 2017. The plant continues its strong performance after the improvement works carried out in 2016, whose positive impact is due to be reflected also in the next quarters."*



Buenos Aires, February 26th, 2018 – The Board of Directors of Central Costanera S.A. ("Costanera") approved its annual financial statements for 2017.¹

- **Revenues** increased due to a higher volume of energy sold (+38%) and the application of the new regulation for the existing generation assets (Resolution SEE N° 19/2017) effective as of February 2017.
- **EBITDA** increased due to higher revenues, partially offset by higher charges from salaries, materials and supplies, maintenance, and services hired.
- **EBIT** increased in 2017 compared to 2016 in line with the previous indicators, but this growth was partially offset by depreciations that increased by 57% during 2017 as a result of the increase in the asset base due to the commissioning of investments.
- **Net income** for the year also grew in line with the increased EBITDA and lower net financial charges brought about by an increase in free cash flow from short-term financial investments made as result of higher company income.
- **Net debt** improved mainly due to the higher free cash flow explained above.
- **Capex** focused on the maintenance of power generation units, with the purpose of optimising the plants' availability and reliability. The decrease compared to 2016 is the result of the completion of investments in the combined cycle and turbo steam units carried out at the end of that year.

MAIN OPERATIONAL INDICATORS

- The energy generated by Costanera during 2017 grew on 2016 levels as a result of higher plant availability. This increased availability was mainly due to major maintenance works carried out during 2016 on both of the plant's combined cycles, in addition to maintenance works in the steam turbo units that were carried out with the revenues from the agreements for availability of equipment signed with Argentina's wholesale power market administrator CAMMESA.

¹On October 6th, 2016, the Extraordinary Shareholder's Meeting of the Company approved the amendment of Section 1 of the Bylaws, changing the name of the company from "Sociedad Central Costanera S.A." to "ENEL GENERACION COSTANERA S.A." - Amendment pending registration.