



PRESS RELEASE

EDESUR'S REVENUES UP 89.5%, INVESTMENTS OF AROUND 2 BILLION PESOS IN 9M 2016

MAIN FINANCIAL HIGHLIGHTS

(millions of Argentine pesos, ARS)	Jan/Sep 2016	Jan/Sep 2015	Change
Revenues	10,612	5,601	89.5%
EBITDA *	1,894	958	97.7%
EBIT	1,686	787	114.3%
Net income	(166)	845	-
Net debt	(1,943)	(806) **	(141.2%)
Capex	1,979	1,703	16.2%

*EBIT before depreciation and amortisation.

** As of December 31st, 2015.

Maurizio Bezzeccheri, Enel's Country Manager for Argentina, stated: "*The tariff review process promoted by the Government at the beginning of this year, re-introduced room for proper investment planning aimed at improving service quality. In the period, we invested around 2 billion pesos, underscoring our commitment to Argentina. We also expect that a solution will be found to the amounts payable to Cammesa and Enre, which were incurred in order to continue to operate during the tariff freeze period.*"

Buenos Aires, November 2nd, 2016 - The Board of Directors of Empresa Distribuidora Sur S.A. ("Edesur"), has approved its financial and operating results for the nine months of 2016.

- **Revenues** increased due to the application of the new tariff chart set forth by ENRE [Argentina's National Electricity Regulator] Resolution No. 1/2016, effective as of February 1st, 2016.
- **EBITDA** increased due to higher revenues, more than offsetting higher costs for energy purchases that were due to the application of new prices set forth by Ministry of Energy and Mining Resolution No. 6/2016 effective as of February 1st, and increased cost of salaries due to local inflation.
 - Number of employees amounted to 4,258 (4,129 as of September 30th, 2015, +3.1%).
- **EBIT** increased in line with EBITDA, more than offsetting higher depreciation and amortisation charges originated by investments on property, plant and equipment as they became operational.
- **Net income** for the period declined mainly due to the revaluation of past fines as a consequence of the new tariffs, which had an impact on financial charges.



- **Net debt** improved due to the higher free cash flow generated by the increase in tariffs, as well as the repayment of banking debt at its maturity.
- **Capex** increased in order to meet the growing energy demand as well as improving service quality.

MAIN OPERATIONAL HIGHLIGHTS

	9M 2016	9M 2015	Change
Energy sales (GWh)	13,609	13,659	(0.4%)
Customers	2,495,026	2,476,741	0.7%

- **Energy sales** and number of **customers** in line with 9M 2015.