



PRESS RELEASE

EDESUR INVESTED AROUND 3 BILLION ARS IN 2016

MAIN FINANCIAL HIGHLIGHTS

(Millions of Argentine Pesos, ARS)	Dec 2016	Dec 2015	Change
Revenues	14,131	7,728	82.8%
EBITDA *	2,326	1,712	35.9%
EBIT	2,024	1,477	37.1%
Net income	(258)	1,342	-
Net debt	(2,497)	(806)	209.9%
Capex	2,886	2,502	15.4%

*EBIT before depreciation and amortisation.

Maurizio Bezzeccheri, Country Manager of Enel in Argentina, said: *"2016 was a significant year for the distribution business in Argentina also thanks to the initial revision of the regulatory framework which also saw the introduction of a new tariff scheme. This new scheme has finally allowed our company to properly plan size its investments in a stable regulatory environment. As a consequence, last year, in order to improve the quality of our service we invested around 3 billion ARS aimed at improving the quality of our service."*

Buenos Aires, February 7th, 2017 – The Board of Directors of Empresa Distribuidora Sur SA ("Edesur") has approved its annual financial statements for the fiscal year ending December 31st, 2016.

- **Revenues** increased by 82.8% thanks to the application of the new tariff chart set forth by Argentinian National Electricity Regulator ENRE's Resolution No. 1/2016, effective as of February 1st, 2016.
- **EBITDA** improved by 35.9% due to higher revenues, which more than offset increased costs for energy purchases (pursuant to Resolution No. 6/2016 issued by the Ministry of Energy and Mining, effective as of February 1st), and from increased salaries in line with inflation.
 - *The number of employees increased 3.2% to 4,290 due to the hiring of outsourced personnel.*
- **EBIT** increased by 37.1%, in line with the improved EBITDA, more than offsetting higher depreciation and amortisation charges originated by investments on property, plant and equipment as they became operational.
- **Net income** decrease to (258 million ARS) was mainly due to the revaluation of past years fines as a consequence of the new tariffs, which had an impact on financial charges.



- **Net debt position** 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. As of December 31st, 2016, the Company has no debt with financial institutions.
- **Capex** increased with the purpose of meeting Argentina's growing energy demand and improving service quality.

MAIN OPERATIONAL HIGHLIGHTS

	2016	2015	Change
Energy sales (GWh)	18,519	18,517	0.0%
Amount of customers	2,504,558	2,479,559	1.0%

- Energy sales for 2016 were in line with 2015.
- The number of customers increased slightly, maintaining the upward trend of recent years.