

August 23, 2011

3rd Annual J.P. Morgan Chile Conference

Presenter

Lode Verdeyen, CEO

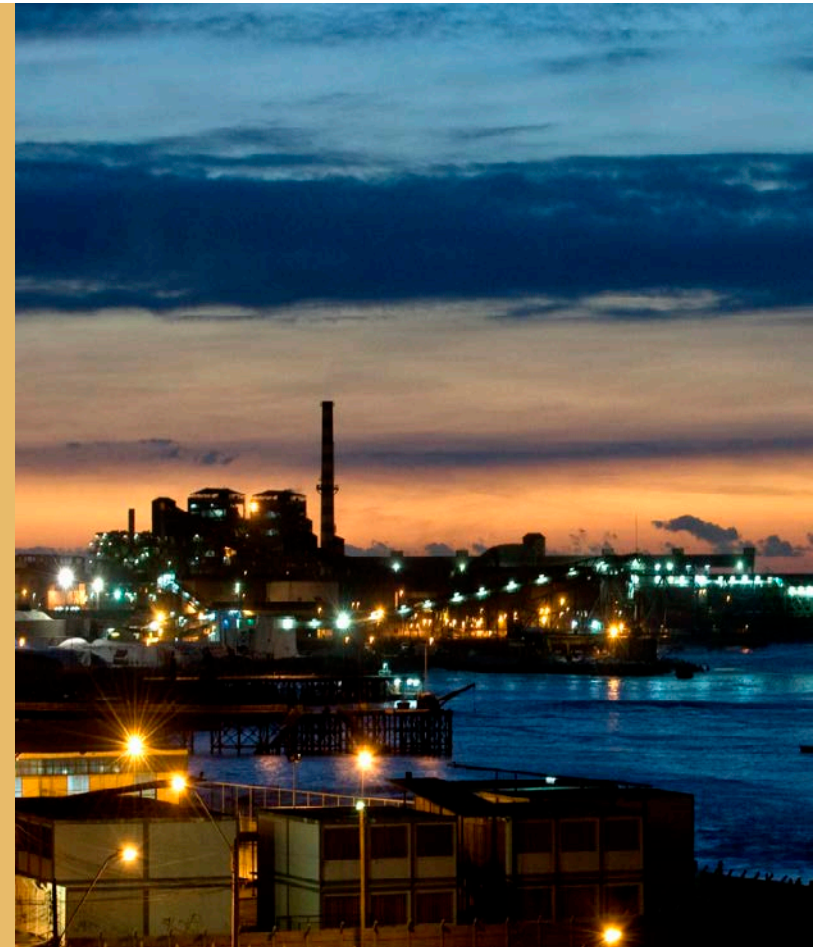


Agenda

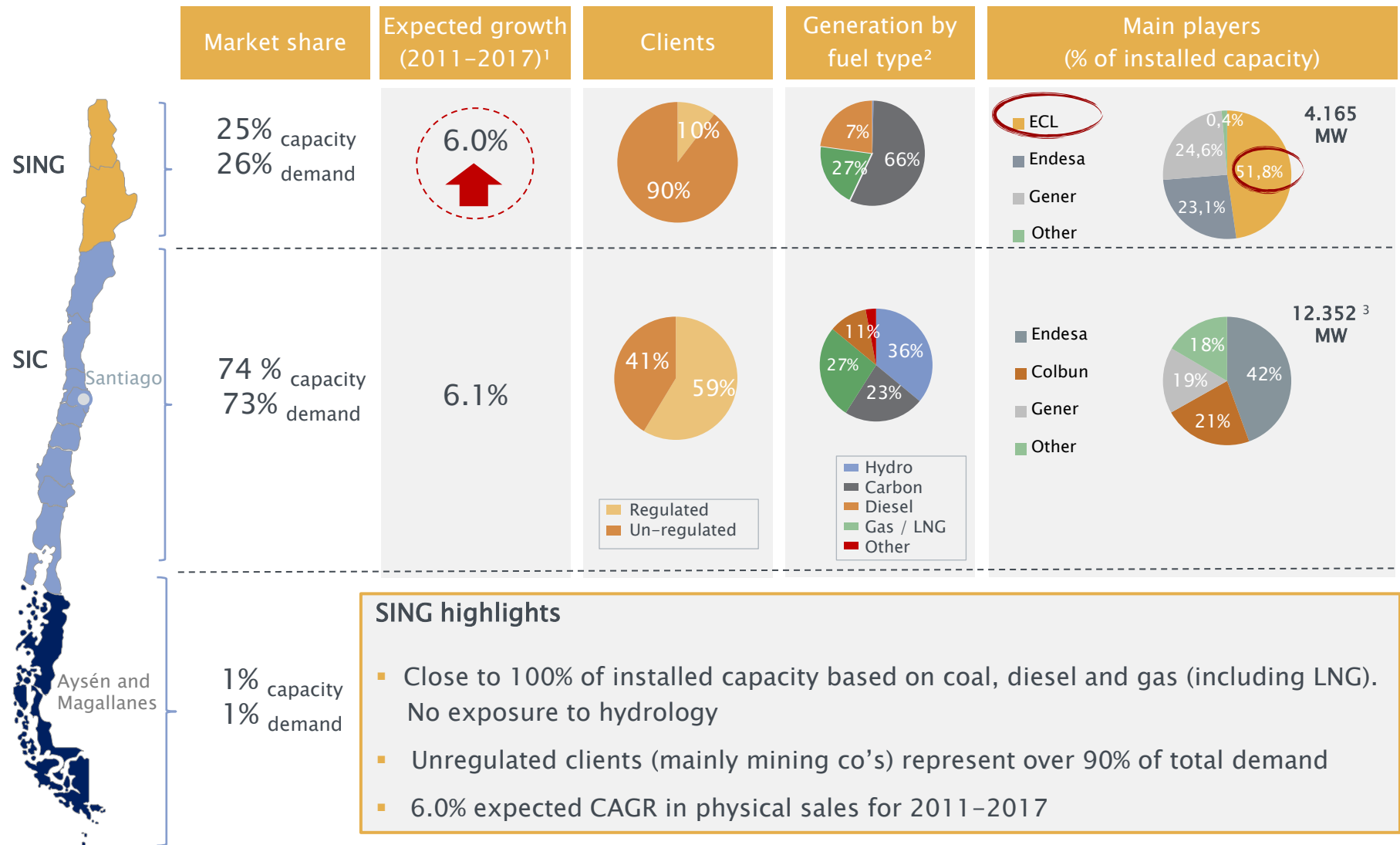
**Chilean electricity sector
overview**

Company overview

Financial profile



Structure of Chile's energy sector



Source: CNE, CDEC-SIC, CDEC-SING, E.CL

¹ Based on CNE ('National Energy Commission') projections in the 'Informe Técnico Preliminar Precio Nudo SING/SIC' report dated April 2011;

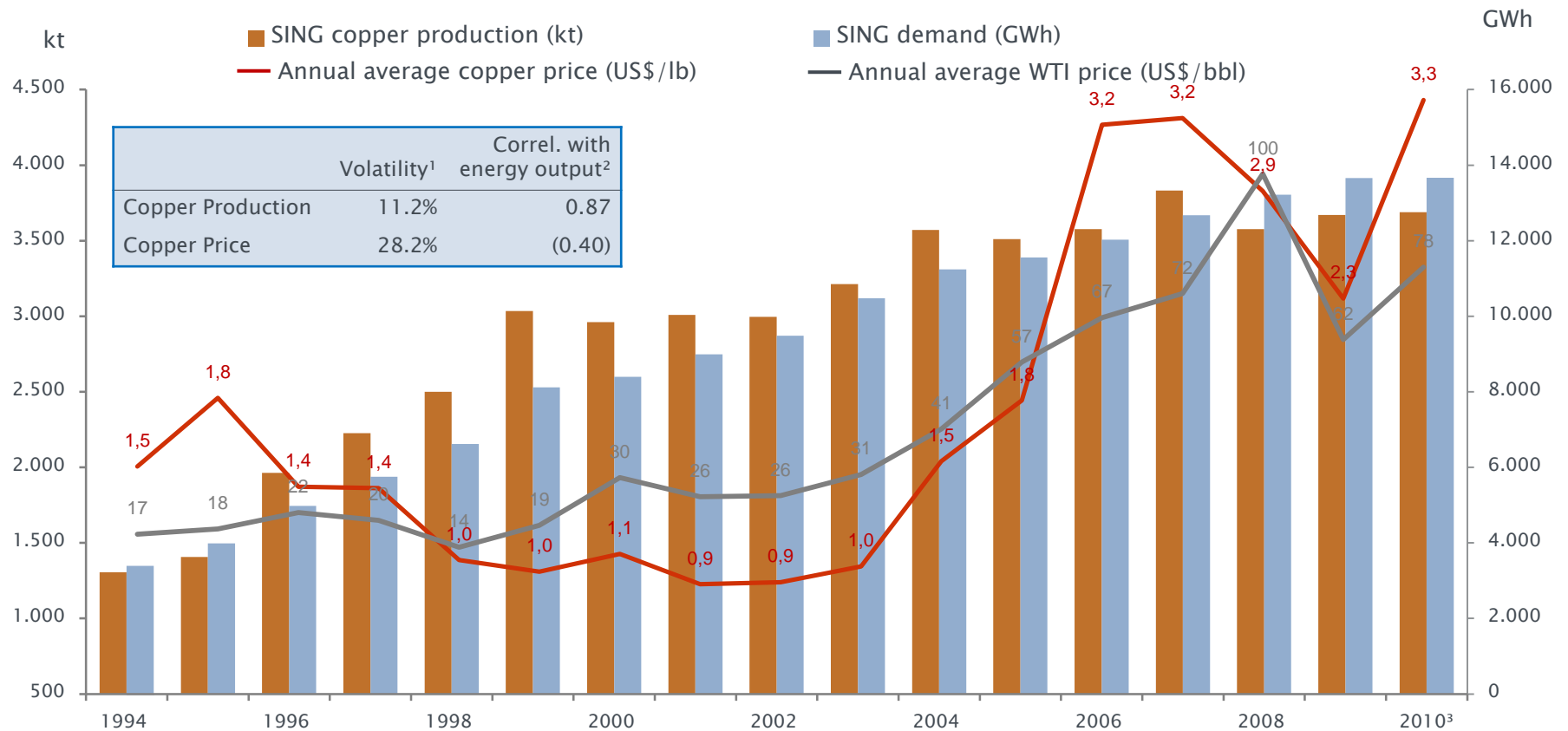
² Based on gross generation;

³ Does not include projects under construction during 2011.

Exposure to mining sector growth

- Chile is a global, low-cost copper producer
- Low correlation between copper prices and SING demand for electricity.

SING copper production (kt), SING Generation (GWh) and commodity prices (US\$/lb, bbl)

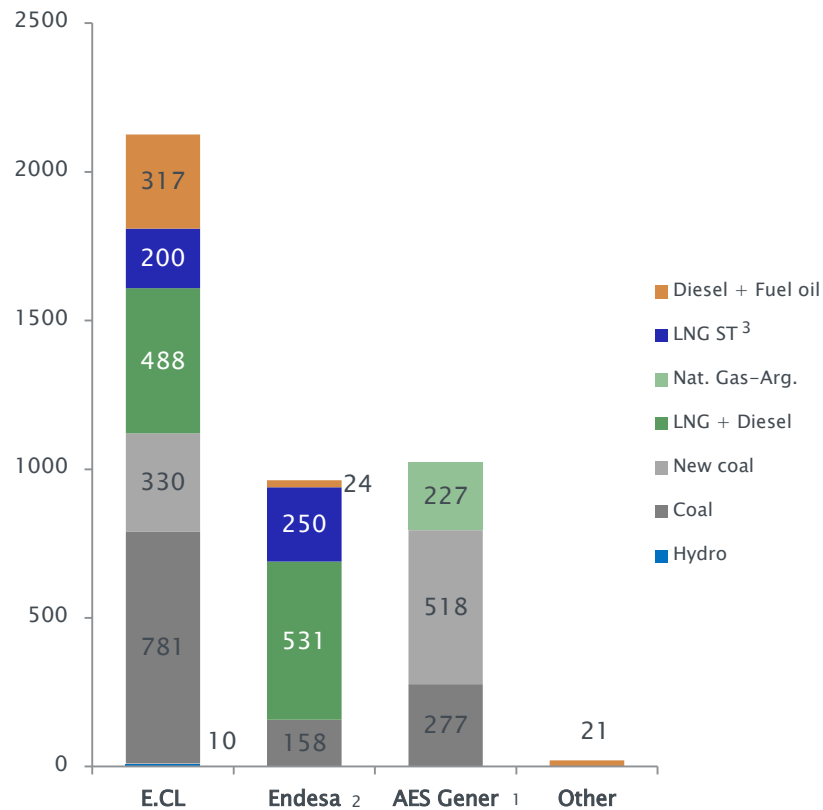


Source: Cochilco, CNE, Bloomberg

¹ Measured as the standard deviation of the annual changes; ² Calculated as the correlation of the annual changes; ³ Annualized September 2010 data

SING: installed capacity and generation mix

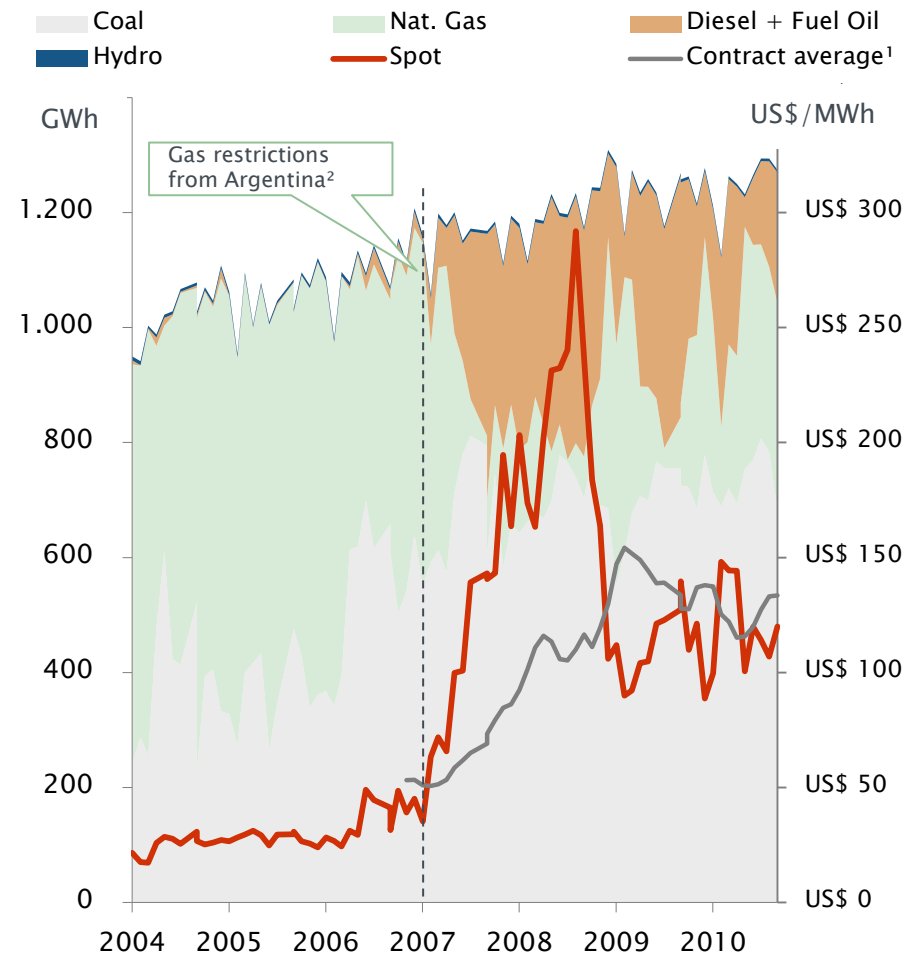
Gross installed capacity by technology – 2011 (MW)



Source: CDEC-SING

- (1) AES Gener has an additional 416MW of capacity from the gas turbine in its 643MW CCGT in Salta, Argentina, which is currently unavailable for dispatch to the SING.
- (2) Includes 182MW from 100% Endesa-owned Celta, and 781MW from Gas Atacama CCGTs (50% Endesa/50% Southern Cross).
- (3) LNG supply arrangement between mining companies, GNL Mejillones, E.CL, and Gas Atacama in place from 05-2010 through 07-2012.

Monthly generation (GWh) and energy prices (US\$/MWh)



Source: CNE, CDEC

¹Average of contracted energy prices as published by the CNE

²Gas restrictions started in 2004, but were more strictly enforced starting in 2007

Investment highlights: Attractive industry

ATTRACTIVE INDUSTRY

- Mature, 100% privatized market
- Stable, investor friendly regulatory framework
- Strong industry growth prospects

Current Challenges:

- New regulation on emissions from thermoelectric plants → stricter limits on particulate matter and gas emissions:

Limits for existing plants:

- PM = 50 mg/Nm³ ~ Dec 2013
- SOx = 400 mg/Nm³ } ~ Jun 2015 (saturated zones; e.g., Tocopilla)
- NOx = 500 mg/Nm³ } ~ Jun 2016 (unsaturated zones; e.g., Mejillones)

- Law Nr. 20,257 on Non-Conventional Renewable Energy ("ERNCL" Law)



Action / Effects:

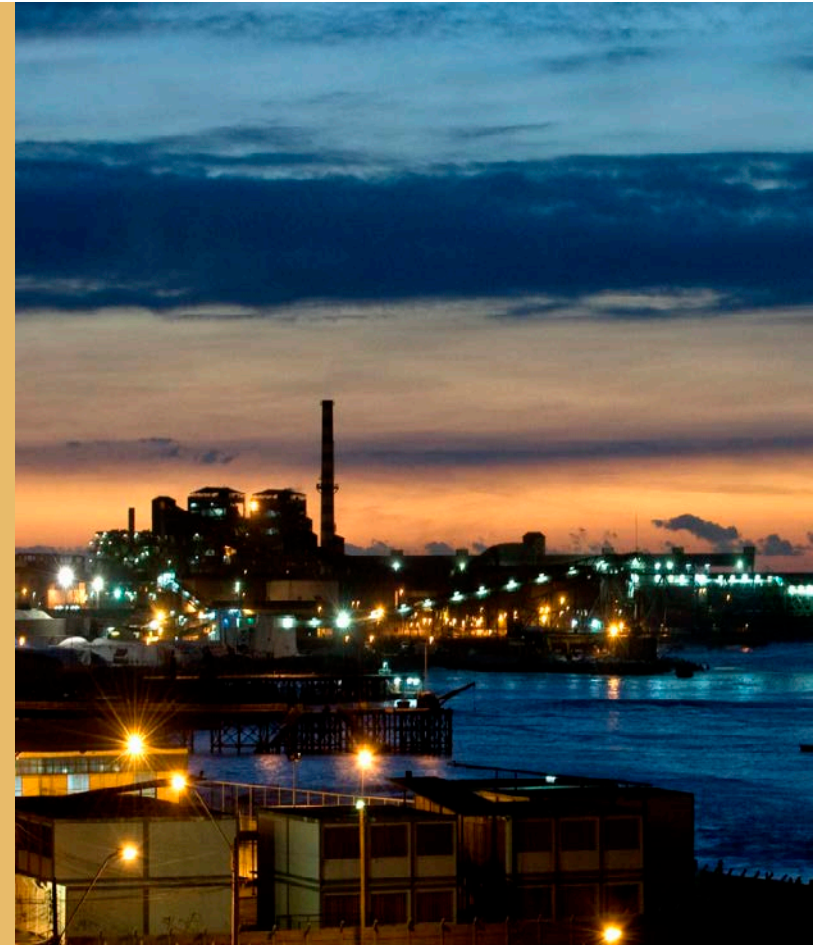
- Focus on environmental / social responsibility
- Investing to comply with new emission requirements
 - Est. US\$164 MM CAPEX in 2011-2015
- Ongoing studies for the potential development renewable power sources
- Environmental approval for additional 2 x 350MW coal capacity in place
- Availability to sell LNG-based generation

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Chilean electricity sector overview

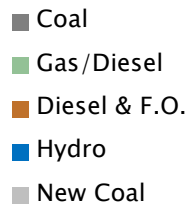
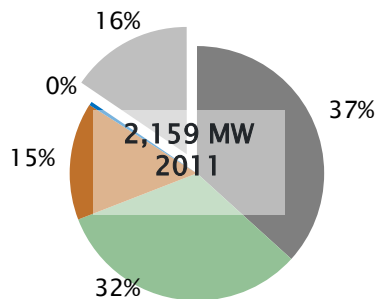
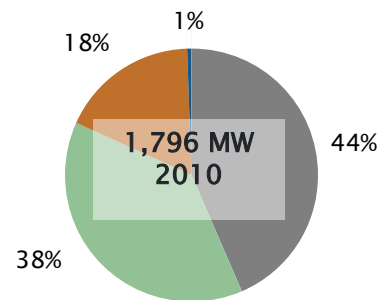
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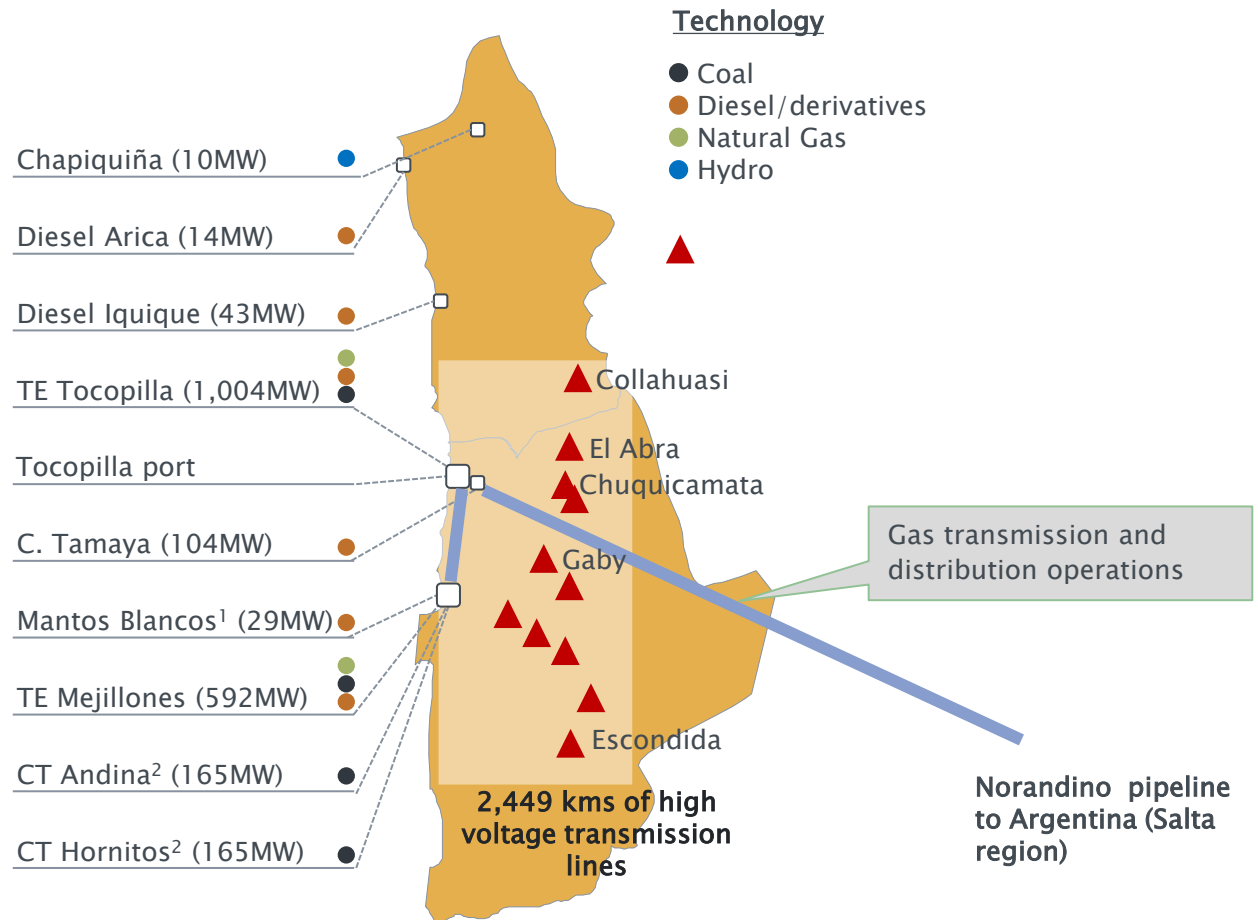


Largest electricity generator in Chile's mining dominated northern grid (~ 50% market share)

Installed capacity

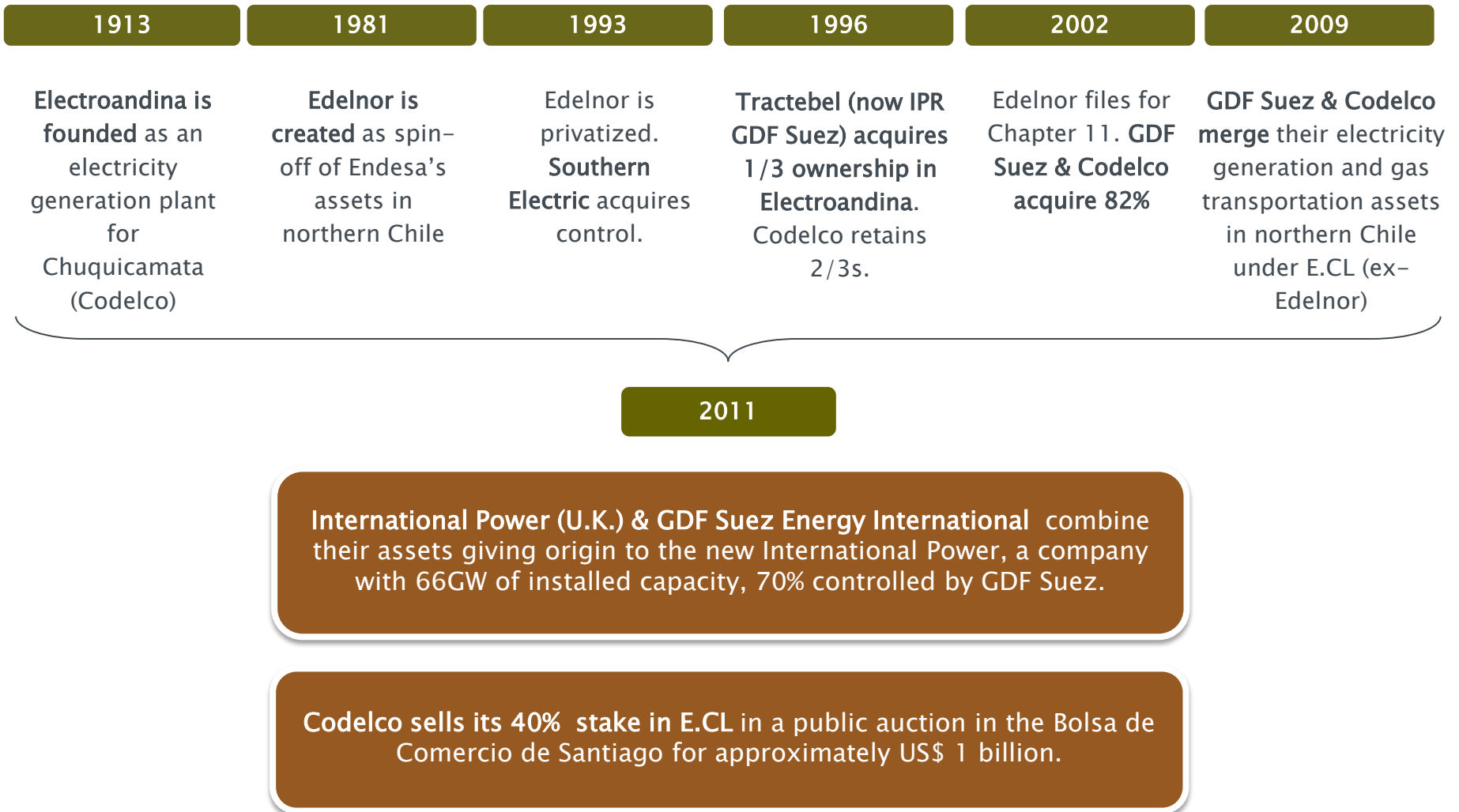


E.CL assets

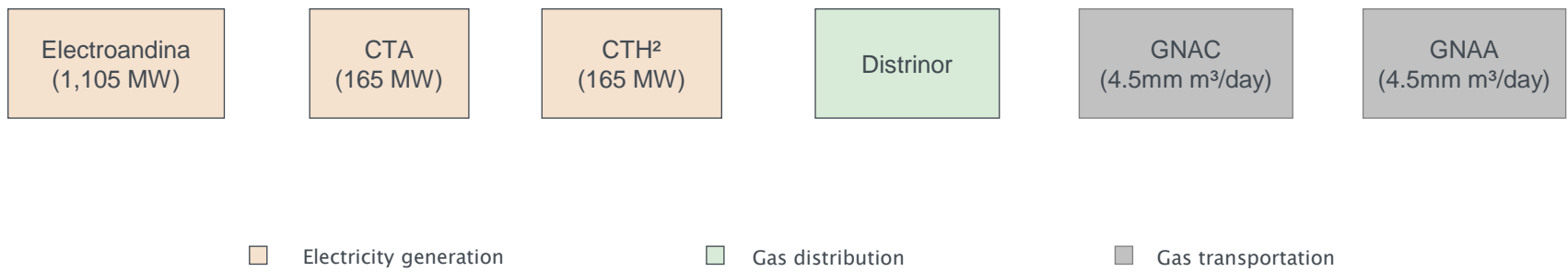
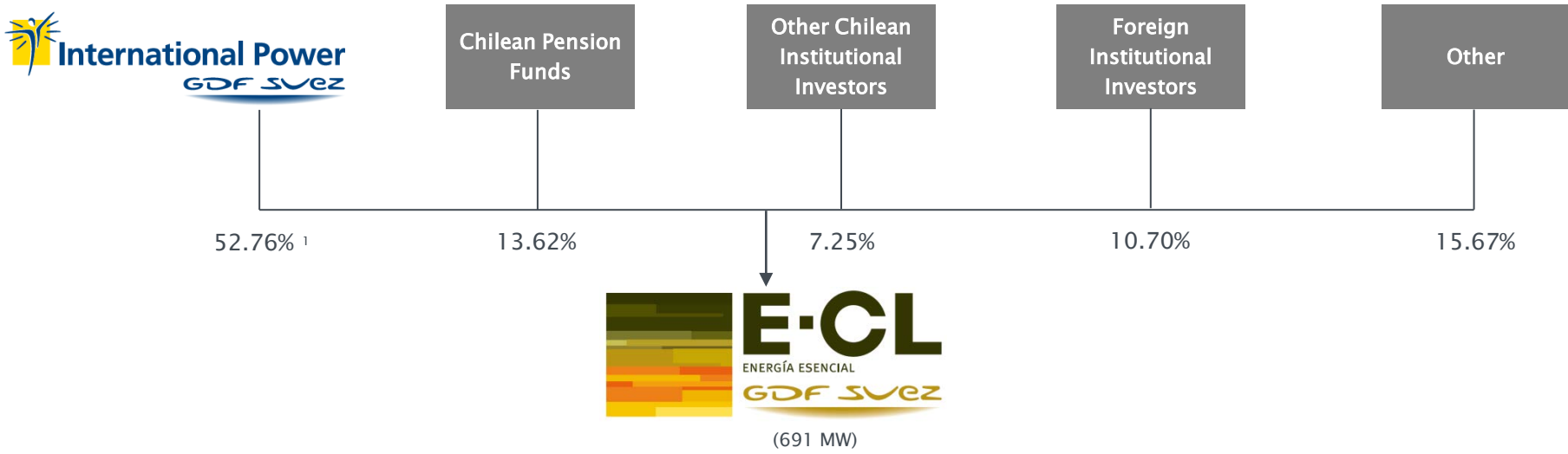


¹ Owned by a mining company but operated by ECL; ² Commercial operations commenced in 2011.

History and recent developments



New ownership structure



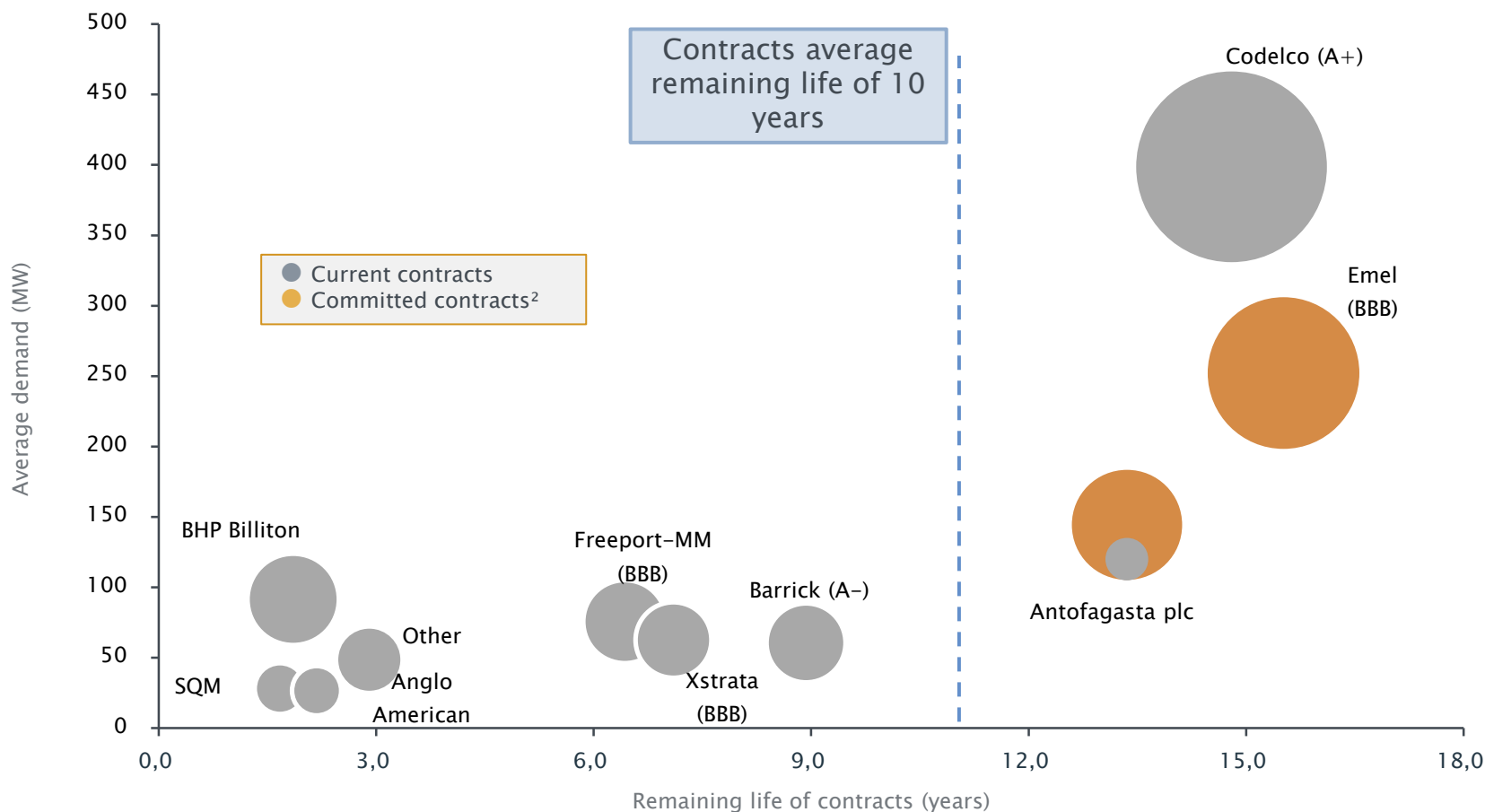
¹ Considers the 0.7% equity reduction due to retirement of treasury stock acquired by E.CL from shareholders that exercised their dissenter's rights in relation to the December 2009 merger.

² 60% owned by E.CL, with the remaining 40% owned by Inversiones Punta de Rieles (Antofagasta Railway PLC).



Long-term contracts with creditworthy customers

Average demand¹ (MW) and remaining life (years) of current contracts



¹ Average demand based on 2010 energy consumption except for (a) Esperanza (Antofagasta plc) estimated using an 85% load factor over 150MW of contracted capacity and (b) Emel, calculated using average contracted energy over the life of the contract

² Contract with Esperanza (started in 2011) and Emel (starting in 2012)

Investment highlights: Exposure to mining sector growth

Potential future mining projects in the SING

Company	Project	Capacity Demand-MW	Full Capacity-yr
Antofagasta Minerals	Esperanza	130MW	Apr-2011
Antofagasta Minerals	Antucoya	45MW	2014
Codelco	Ministro Hales	80MW	2015
BHP	Escondida OGP	80MW	2015
Collahuasi	Collahuasi expansion Phase I-II	50-170MW	2015-2018
Quadra FNX Mining	Sierra Gorda	190MW	2015
Teck	Quebrada Blanca Hip.	210MW	2016
International PBX Ventures	Copaquire	80MW	2017

Current challenges:

- Growth could be slower in near term: Large investments in green-field copper projects take time to structure;
- Significant electricity demand growth expected for 2015/2016 will require new capacity (and/or use of existing CCGTs) for at least **800MW**:
 - Quadra FNX's Sierra Gorda;
 - Teck's Quebrada Blanca;
 - Collahuasi's Phases I & II.

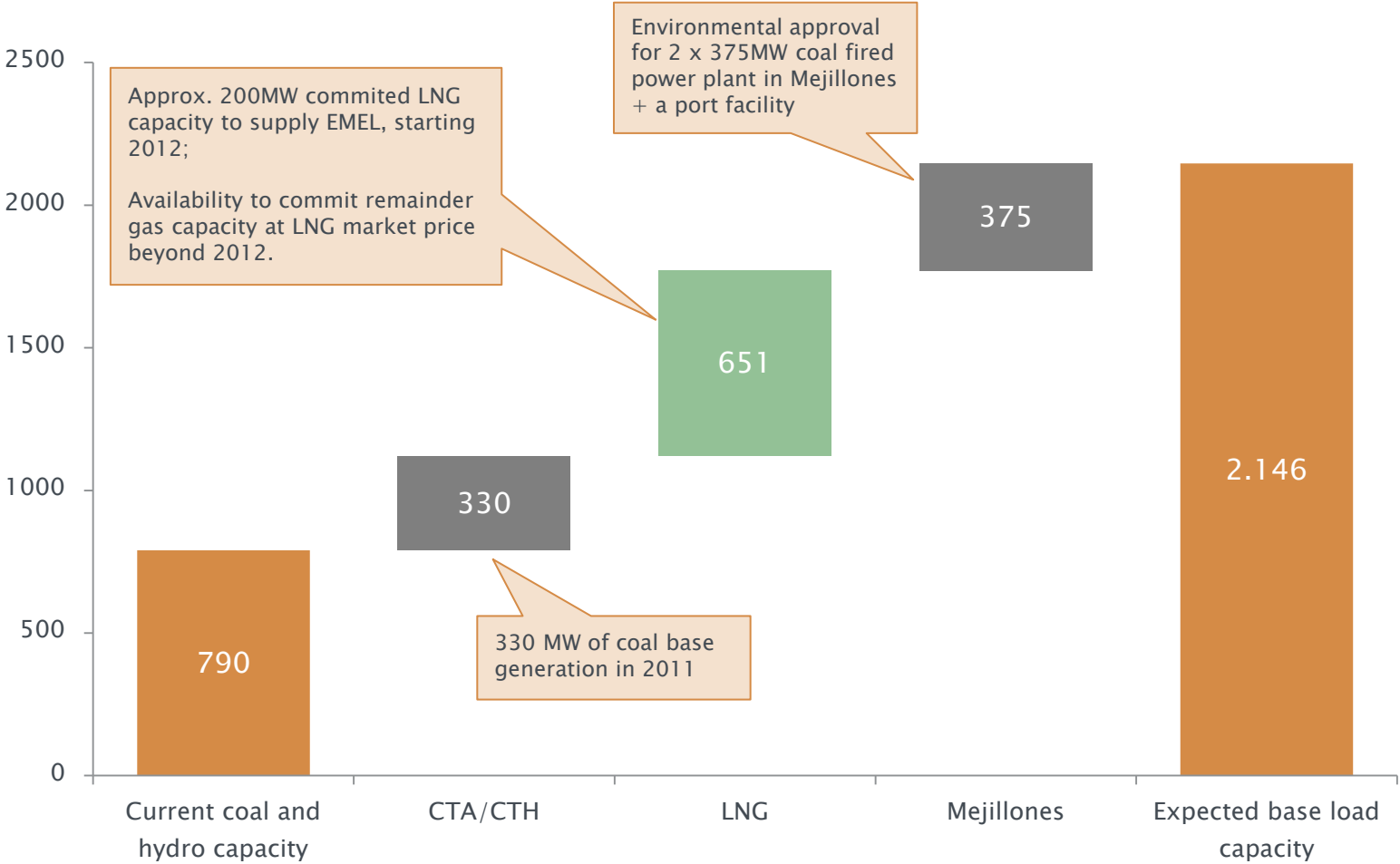


Action / Effects:

- ✓ Ongoing development of new 375MW coal plant and other projects: Subject to signed PPA for at least 50% + EPC contractor engaged;
- ✓ Capitalize on near-term growth:
 - 135MW of new demand from Minera Esperanza starting 2011;
 - 200MW under EMEL contract starting 2012.

Investment highlights: Attractive expansion plan

Current and expected base capacity (MW)



New plants during 2011

Central Termoeléctrica Andina (“CTA”)



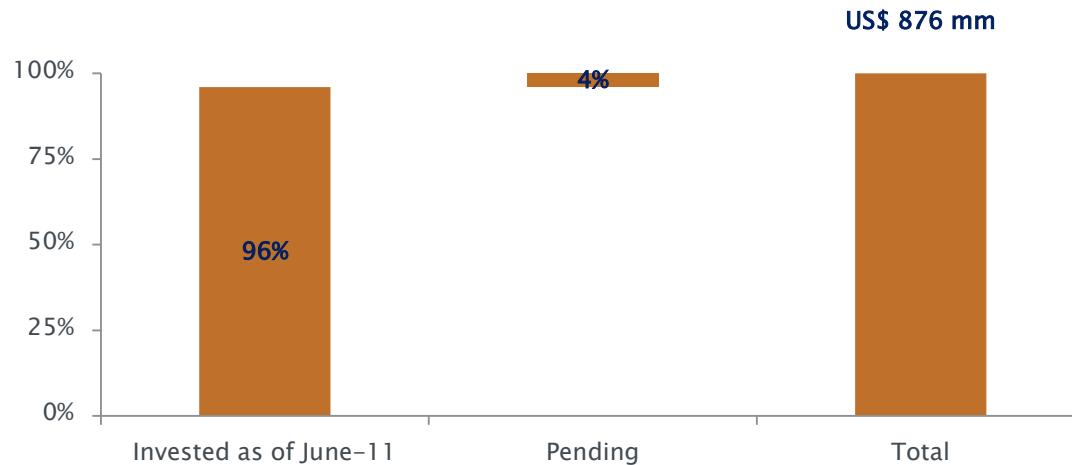
Characteristics	
Gross capacity	165 MW
Location	Mejillones
Total capex (inc. contingencies)	US\$496mm
COD	July 15, 2011
Contract	Codelco: 150MW / 21 years
Ownership	100%

Central Termoeléctrica Hornitos (“CTH”)



Characteristics	
Gross capacity	165 MW
Location	Mejillones
Total capex (inc. contingencies)	US\$380mm
COD	Aug 5, 2011
Contract	Esperanza: 150MW / 15 years
Ownership	60%

CTA and CTH Capex breakdown (USD m, %)



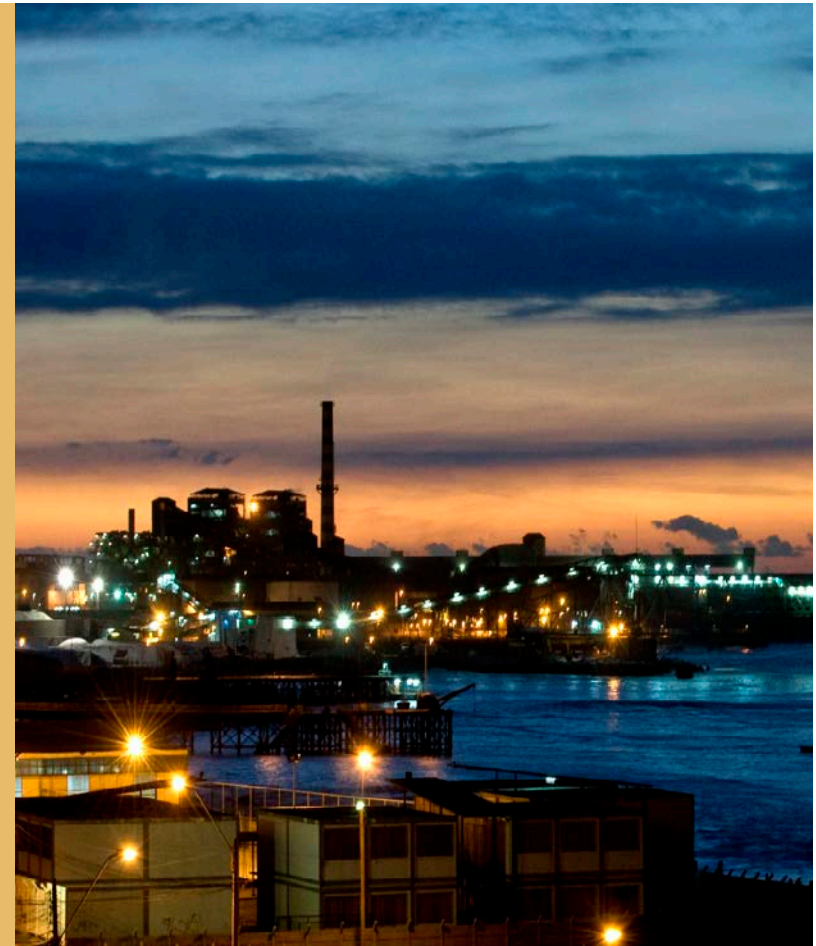


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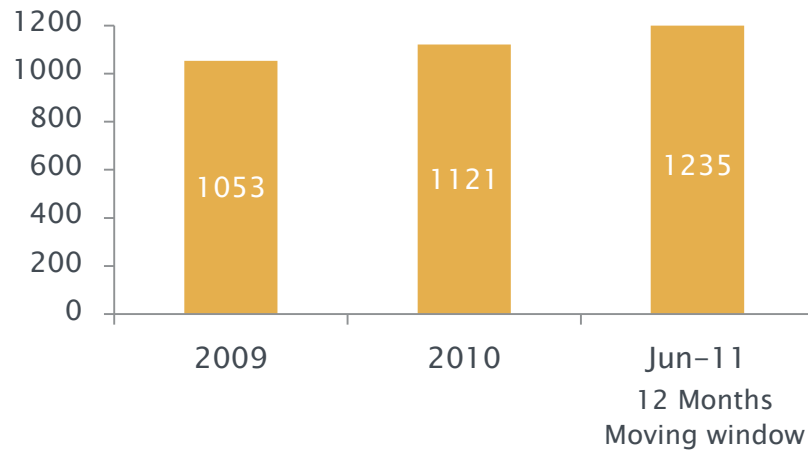
E.CL: Financial Results

USD millones	FY 10	1H10	1H11	Var. H%
Revenues	1.121	519	633	22%
Operating income	240	119	110	(7%)
Operating margin	21%	23%	17%	-
EBITDA	340	167	161	(4%)
Net income	200	79	84	6%
Energy sales (GWh)	7.335	3.554	3.704	4%

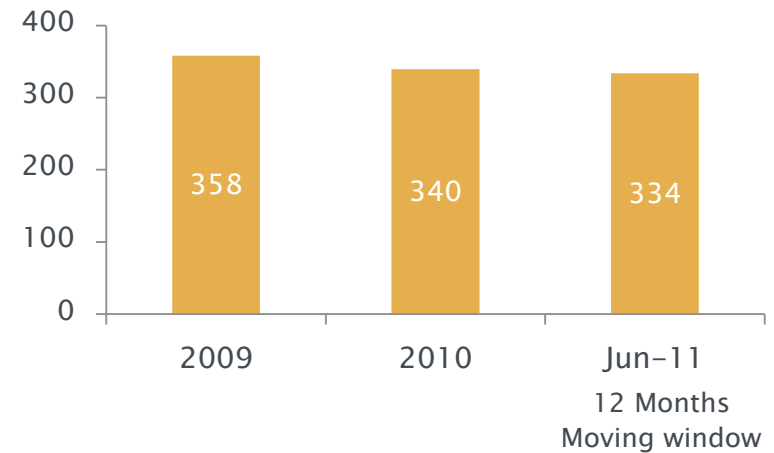
- **2011:** Adjustment period to new supply reality in the SING: 840MW of new efficient coal capacity (approx. 40% of average system output) under commissioning/testing in 1H and fully operational by 3Q;
 - New capacity will displace higher-cost less-efficient generation, pushing marginal energy costs downward;
 - Marginal energy costs averaged US\$175MWh YTD June 30, 2011.
- ✓ **July 15, 2011** CTA commenced commercial operations with Codelco PPA in place
- ✓ **April 2011** CTH's PPA with Minera Esperanza commenced.

Strong financial profile...

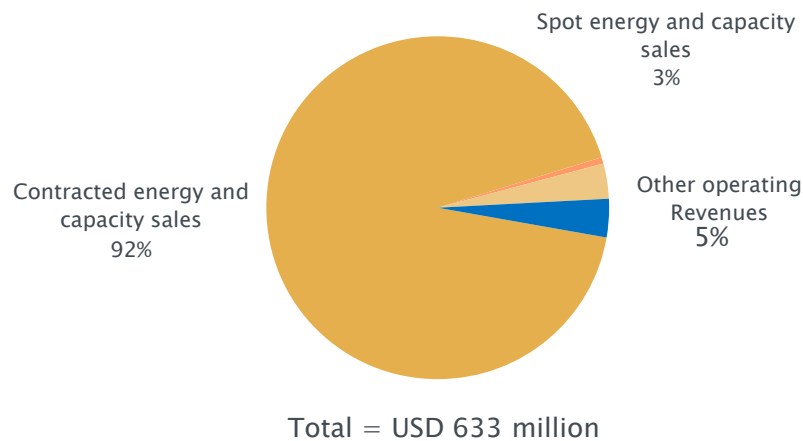
Sales (USD million)



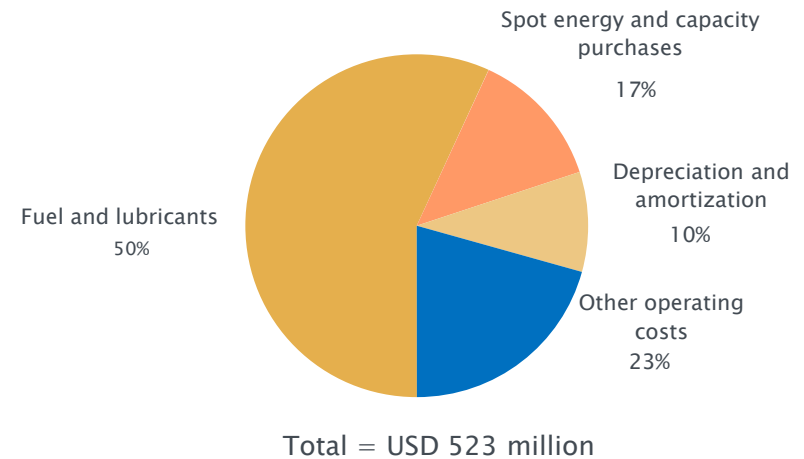
EBITDA (USD million) and EBITDA margin (%)



Sales breakdown (Jun 2011)

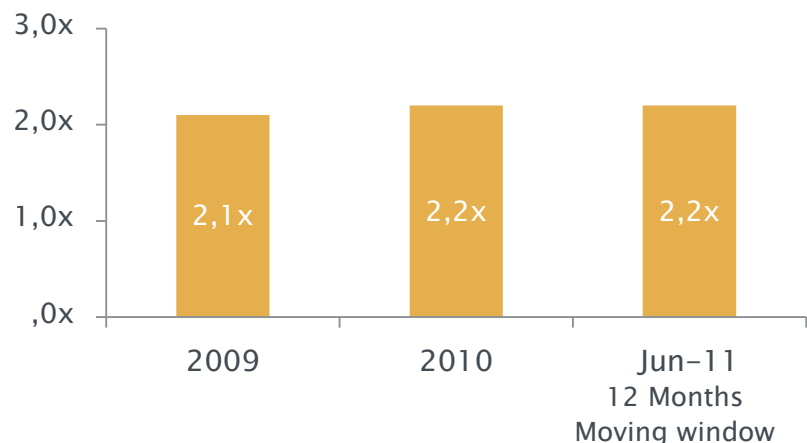


Costs breakdown (Jun 2011)

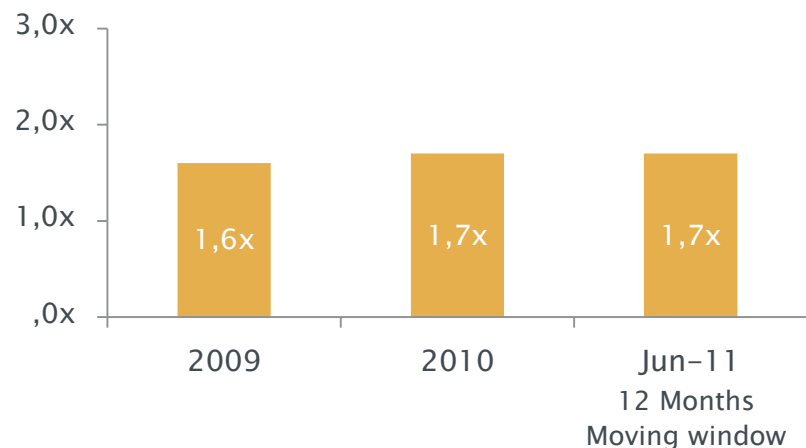


...coupled with a conservative debt structure

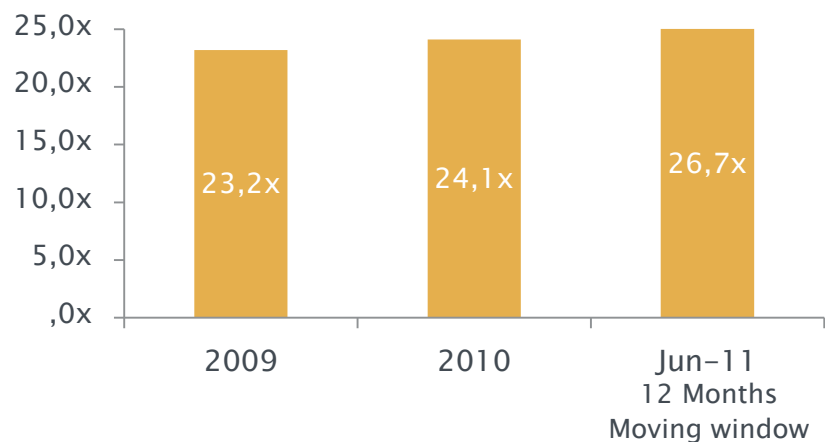
Total debt/EBITDA



Net debt/EBITDA



EBITDA/Interest expenses



Credit ratings

- Investment grade international ratings by S&P and Fitch:
 - S&P: BBB- (Stable Outlook)
 - Fitch: BBB- (Stable Outlook)

Contractual Obligations as of June 30, 2011

Payment due by period

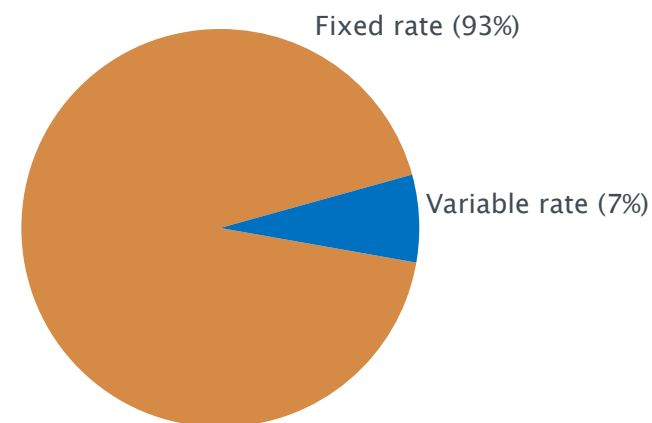
USD m	Total	<1 Year	1-3 years	3-5 years	More than 5 years
Bank debt	335.9	55.8	16.6	22.6	240.9
Bonds (144 A/Reg S Notes)	400.0				400.0
Accrued interest	13.8	13.8			
Total.....	749.7	69.6	16.6	22.6	640.9

Bank debt:

- Santander: USD 50.0 million (paid on July 6, 2011)
- IFC/KfW: USD 285.9 million (CTA project financing)

Bond: USD 400 million, 10-year, 144-A/Reg.S notes

Debt breakdown by rate type (only principal amounts)



Total Principal = USD 735.9 million

- ✓ Low Debt
- ✓ Conservative maturity profile
- ✓ Access to different sources of financing

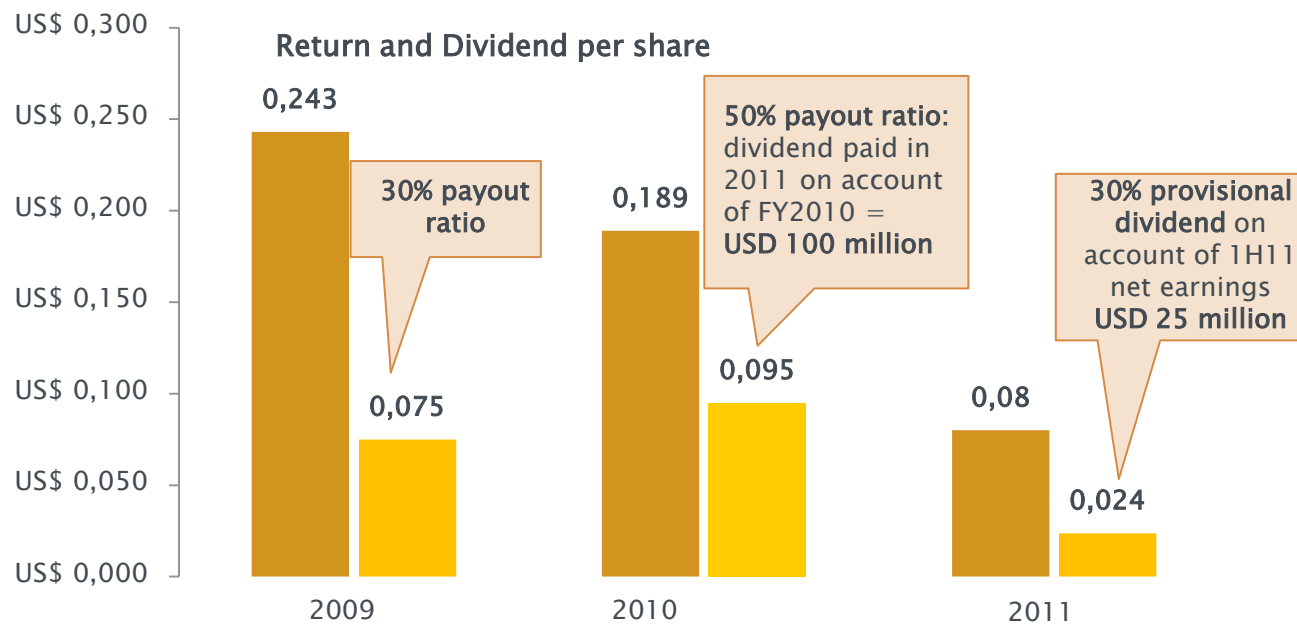
An attractive shareholder return



E-CL Share (as of 08/22/2011):

- Market Cap: USD 2.67 bn
- Price: CH\$ 1,197

Source: Bloomberg





J.P.Morgan