

**Hydromac Energy B.V.**

**2015 Financial Statements**

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## Hydromac Energy B.V.

### Balance sheet as at December 31, 2015

(all amounts in thousands of Euro)

(before profit appropriation)

		December 31, 2015		December 31, 2014	
		EUR, 000	EUR, 000	EUR, 000	EUR, 000
<b>Fixed assets</b>					
Financial fixed assets	3	<b>58.402</b>		58.402	
			<b>58.402</b>		58.402
<b>Current assets</b>					
Accounts receivable	4	<b>56</b>		52	
Cash at bank and in hand	5	<b>76</b>		1	
			<b>132</b>		53
			<b>58.534</b>		<b>58.455</b>
<b>Shareholders' equity</b>	6				
Issued and paid-up capital		<b>18</b>		18	
Share premium		<b>58.627</b>		58.552	
Accumulated deficit		<b>(158)</b>		(127)	
Result for the year		<b>(12)</b>		(31)	
			<b>58.475</b>		58.412
<b>Current liabilities</b>					
Accounts payable	7		<b>59</b>		43
			<b>58.534</b>		<b>58.455</b>

## Profit and loss account for 2015

(all amounts in thousands of Euro)

		2015		2014	
		EUR, 000	EUR, 000	EUR, 000	EUR, 000
<b>Operating income</b>			-		-
General and administrative expenses	8	<u>16</u>		<u>41</u>	
<b>Total operating expenses</b>			<u>(16)</u>		<u>(41)</u>
<b>Net operating result</b>			(16)		(41)
Interest and similar income/expense	9	<u>0</u>		<u>0</u>	
			<u>0</u>		<u>0</u>
<b>Result before tax</b>			(16)		(41)
Provisions for income tax			<u>4</u>		<u>10</u>
<b>Net result</b>			<u>(12)</u>		<u>(31)</u>

## **Notes to the 2015 financial statements**

(all amounts in thousands of Euro)

### **1 General**

#### **1.1 Relationship with parent Company and principal activities**

Hydromac Energy B.V. (hereafter “Company”), having its statutory seat in Amsterdam, was incorporated on August 7<sup>th</sup>, 2001 under Dutch Law. On December 31, 2008 100% of the shares in the Company were sold by Latin American Energy Holding B.V. to Enel Latin America LLC, a limited liability company having its statutory seat in the state of Delaware USA. On December 31, 2009 Enel Latin America LLC assigned the shares in the Company through a liquidation payment to its shareholder Enel Green Power Latin America B.V. (previously called Enel Latin America B.V.), a company having its statutory seat in Amsterdam. On December 30, 2011 Enel Green Power Latin America B.V. merged with its parent company Enel Green Power International B.V. As per December 31, 2015 the shares of the Company are held by Enel Green Power International B.V. The ultimate parent company is Enel S.p.A., having its statutory seat in Rome, Italy.

The Company’s business objective is to develop and maintain holding and financial activities. The Company has one director and no supervisory board.

#### **1.2 Basis of presentation**

The financial statements have been prepared in accordance with principles of accounting generally accepted in The Netherlands and are in compliance with the provisions of the Dutch Civil Code, Book 2, Title 9.

#### **1.3 Consolidation**

Since the Company is ultimately controlled and consolidated by Enel Green Power S.p.A., Rome, Italy, there is no requirement to publish consolidated financial statements, in accordance with article 2:408 of the Dutch Civil Code. The consolidated financial statements of Enel Green Power S.p.A., are filed in Rome, Italy and available at the following address: Viale Regina Margherita 125, 00198 Rome, Italy and at the companies website.

## **2 Principles for the valuation of assets and liabilities and the determination of the result**

### **2.1 General**

The principles adopted for the valuation of assets and liabilities and determination of the result are based on the historical cost convention.

Insofar as not stated otherwise, assets and liabilities are shown at nominal value.

The income and expenses are accounted for in the period to which they relate.

### **2.2 Translation of foreign currencies**

The reporting currency in the financial statements of Hydromac Energy B.V. is the Euro (EUR).

The costs and income arising from transactions in foreign currencies and non-monetary balance sheet items or monetary receivables and debts are translated at the exchange rate applicable on the transaction date or balance sheet date respectively.

Exchange rate differences are added or charged to the profit and loss account as financial income or expenditure respectively.

### **2.3 Financial fixed assets**

The participating interests, as per December 31, 2015 in Energia Alerce Ltda. was valued at cost.

### **2.4 Accounts receivable**

Accounts receivable are stated at nominal value less a bad-debt provision.

### **2.5 Taxation on result**

The taxation on result comprises both taxes payable in the short term and deferred taxes, taking account of tax facilities and non-deductible costs. No taxes are deducted from profits if and insofar as said profits can be offset against losses from previous years.

Taxes are deducted from losses if these can be offset against profits in previous years and this results in a tax rebate. In addition, taxes may be deducted if and insofar as may be reasonably expected that losses can be offset against future profits.

Taxes are calculated on the results, taking into account the tax facilities. Under the Dutch participation exemption, all benefits in relation to a qualifying shareholding will be exempt from Dutch corporate income tax.

## Hydromac Energy B.V.

Since the Company forms a fiscal unit for Dutch corporate income tax purposes with its shareholder Enel Green Power International B.V. and its Dutch sister company Enel Green Power Development B.V. (previously called: Enel Green Power South Africa B.V.), the current income taxes for the period relating to the results of the Company is recognized as a group payable/receivable on Enel Green Power International B.V. net of any payments on account.

### 3 Financial fixed assets

The movements of the financial fixed assets can be shown as follows:

	<b>Participating interest in subsidiaries EUR, 000</b>
Balance as at 31 December 2014	58.402
Changes:	
■ Investments in subsidiaries	-
Balance as at 31 December 2015	<u>58.402</u>

The investments comprise the following entities:

Name	Country	Share in issued capital %	December 31, 2015	December 31, 2014
			EUR 000	EUR 000
Enel Green Power Latin America Ltda	Chile	99,9%	58.402	58.402
Enel Green Power Chile Ltda	Chile	0,00001%	-	-
			<u>58.402</u>	<u>58.402</u>

On December 31, 2008 the Company and its shareholders Enel Latin America LLC signed a resolution and agreement on contribution of share premium. Based on this agreement parties agreed that Enel Latin America LLC shall contribute to the Company, by way of a voluntary non-cash share premium contribution (“vrijwillige agiostorting”) the shareholders’ ownership interests in the Chilean company Energia Alerce Ltda. (comprising 99% of the ownership participation, at a nominal value of Chilean Pesos \$ 999,000.00) and the Chilean company Enel Latin America (Chile) Ltda. (comprising 0.00001% of the ownership participation, at a nominal value of Chilean Pesos \$ 1,000.00).

## Hydromac Energy B.V.

The contribution was recorded in the books of the Company on December 24, 2009. The value of the contribution was based on the book value of the shares in the books of Enel Latin America LLC amounting to USD 12.278 thousand (EUR 8.528 thousand).

On November 2, 2012 the Company paid a share premium contribution to Energia Alerce Ltda amounting to USD 13.500 thousand (EUR 10.416 thousand).

On January 11, 2013 the Company paid a share premium contribution to Energia Alerce Ltda amounting to USD 51.500 thousand (EUR 39.458 thousand).

During 2015 the name of the Energia Alerce Ltda. was changed to Enel Green Power Latin America Ltda. and the of Enel Latin America (Chile) Ltda. was changed to Enel Green Power Chile Ltda.

## 4 Accounts receivable

	31-12-2015 EUR	31-12-2014 EUR
<i>Receivables shareholder</i>		
• Enel Green Power International B.V.	56	52
	<b>56</b>	<b>52</b>

## 5 Cash at bank and in hand

All cash is available on demand.

## **6 Shareholders' equity**

	<b>Issued Capital EUR, 000</b>	<b>Share premium EUR, 000</b>	<b>Accumulated profit EUR, 000</b>	<b>Result for the year EUR, 000</b>	<b>Total EUR, 000</b>
Balance as at 1 January 2013:	18	58.552	(97)	(30)	58.443
Changes 2014:					
■ Profit appropriation	-	-	(30)	30	-
■ Result for the year	-	-	-	(31)	(31)
Balance as at 31 December 2014:	18	58.552	(127)	(31)	58.412
Changes 2015:					
■ Profit appropriation	-	-	(31)	31	-
■ Share premium	-	75	-	-	75
■ Result for the year	-	-	-	(12)	(12)
Balance as at 31 December 2015:	18	58.627	(158)	(12)	58.475

### **6.1 Issued share capital**

As at 31 December 2014 and 2015 the authorized and issued share capital of the Company amounts to EUR 90.000 thousand, divided into 900 thousand shares of EUR 100,- each, of which 180 shares have been issued and fully paid up.

### **6.2 Share premium contribution**

On December 31, 2008 the Company and its shareholders Enel Latin America LLC signed a resolution and agreement on contribution of share premium. Based on this agreement parties agreed that Enel Latin America LLC shall contribute to the Company, by way of a voluntary non-cash share premium contribution the shareholders' ownership interests in the Chilean companies Enel Green Power Latin America Ltda. (previously called: Energia Alerce Ltda.) and Enel Green Power Chile Ltda. (previously called: Enel Latin America (Chile) Ltda.) The contribution was recorded in the books of the Company on December 24, 2009. The value of the contribution was based on the book value of the shares in the books of Enel Latin America LLC amounting to USD 12.278 thousand (EUR 8.528 thousand). See note 3.

In respect of the capital increases in Enel Green Power Latin America Ltda. the Company received in November 2012 a share premium contribution amounting to EUR 10.500 thousand and in January 2013 a share premium contribution amounting to EUR 39.458 thousand, from their shareholder Enel Green Power International B.V.

## Hydromac Energy B.V.

The Company received in June 2015 a share premium contribution from their shareholder Enel Green Power International B.V. amounting to EUR 75 thousand.

## 7 Accounts payable

	2015 EUR, 000	2014 EUR, 000
<i>Payables to group companies</i>		
• Enel Investment Holding B.V.	46	37
• Enel Green Power International B.V.	12	-
<i>Payables to third parties</i>		
• Other payables	1	6
	<hr/> 59	<hr/> 43
	<hr/>	<hr/>

## 8 Contractual commitments and guarantees

The contractual commitments and guarantees as per 31 December 2015 can be specified as follows:

The Company is part of a fiscal unity for Dutch corporate income tax company Enel Green Power Development B.V. (previously called: Enel Green Power South Africa B.V.) and for that reason it is jointly and severally liable for the tax liabilities of the whole fiscal unity.

## **9 General and administrative expenses**

	<b>2015</b>	2014
	<b>EUR, 000</b>	EUR, 000
Service fee - Enel Investment Holding B.V.	<b>4</b>	37
Administration services	<b>10</b>	-
Other general expenses	<b>2</b>	4
	<hr/> <b>16</b> <hr/>	<hr/> 41 <hr/>

## **10 Interest and similar income/expense**

	<b>2015</b>	2014
	<b>EUR, 000</b>	EUR, 000
Deposit interest income – Enel Green Power International B.V.	<b>0</b>	0
	<hr/> <b>0</b> <hr/>	<hr/> 0 <hr/>

## **11 Staff levels**

As per December 31, 2014 and 2015 the Company had no staff employed.

## **12 Directors and supervisory directors**

The Company has one director and no supervisory board. The total remuneration paid to the external directors' in 2015 amounts to nil. (2014: nil).

Board of directors Amsterdam March 17<sup>th</sup>, 2016:

Mr. E. Di Giacomo

## **Hydromac Energy B.V.**

### **Other information**

#### **Audit**

Because the Company can be classified as a small size company, no audit has been performed in compliance with the statutory size exemption under Article 2:396 of the Dutch Civil Code.

#### **Provisions in the articles of association governing the appropriation of profit**

Under article 19 of the Company's articles of association, the profit is at the disposal of the General Meeting of Shareholders, which can allocate said profit either wholly or partly to the formation of – or addition to – one or more general or special reserve funds.

The Company can only make payments to the shareholders and other parties entitled to the distributable profit insofar as the shareholders' equity is greater than the paid-up and called-up part of the capital plus the legally required reserves.

#### **Proposal for profit appropriation**

The Executive Board proposes to deduct the net loss for 2015 amounting to EUR 12 thousand from the Shareholders equity.

#### **Post balance sheet events**

No events materially affecting the Company have occurred.