CÁLIDDA INVESTOR REPORT

4Q2016

Agenda

1 Highlights

- Calidda's client base and invoiced volume both increased during 2016 by 27% and 6%, respectively, compared to 2015's figures (438,400 vs 345,136 clients).

- During 2016, our network length was enlarged by 1,435 km, wherewith the distribution system reached a total of 7,425 km of underground pipelines.

- Total Revenues of 2016 have decreased 1% due to the reduction in natural gas prices, a pass-through concept for Cálidda. However, Total Adjusted Revenues increased by 4% driven by higher distribution revenues, mainly from Take-or-Pay contracts, and pipeline relocation services (USD 206.8MM vs USD 199.1MM).

- The EBITDA and Adjusted EBITDA margin grew mainly due to the higher income mentioned above (higher demand of natural gas) and a lower operational expenses (-10% vs. 2015).

- In 2016 there were two important events related to our residential business, which starts with the client's connection to our distribution system. The connection consists of three services invoiced to the client: construction of the internal facility (internal installation), installation of the gas meter, and the connection fee. The first event is that in July the Promotional Discount program was reactivated. This discount subsidizes the cost of the client's gas meter and connection fee. The second event was the announcement, by the Peruvian Government, of a new mechanism that would beneficiate potential low-income residential clients: the Bonogas program. Since September, this would subsidize the client's one point internal facility (internal installation) by between 50% and 100% of the installation cost, depending on the client's acquisitive power. This subsidy could also be applicable to those customers already eligible to receive the Promotional Discount.

- On the other hand, we are currently working on creating a two separate businesses approach within our commercial structure: Business to Business (B2B) and Business to Client (B2C). Our view is that we must anticipate the market needs in order to create a more adequate value proposal for each client segment.

Therefore, we expect develop our new commercial strategy by business unit within the next months.

2 Natural Gas Market

- In Q4 2016, the monthly average total volume of natural gas produced in Peru was 1,460 MMCFD (million cubic feet per day), showing an increase of 8.1% when compared to the monthly average total volume produced in Q4 2015 of 1,351 MMCFD.

3 Commercial Performance

In 2016, Calidda connected a total of 93,263 customers. In the Residential segment, Calidda has operations in 20 out of the 49 districts from the Metropolitan area of Lima and Callao, which are the following: Villa El Salvador, Comas, San Juan de Lurigancho, El Agustino, San Miguel, Santiago de Surco, Jesús María, Magdalena, Pueblo Libre, Cercado de Lima, Los Olivos, San Martín de Porres, San Juan de Miraflores, Santa Anita, Villa María del Triunfo, Ate, Callao, Independencia, Carabayllo and Lurin. Likewise, in the Industrial, Commercial and NGV Stations segments, Calidda has operations in 37 districts.

3.1 Client Base

Client Base	2010	2011	2012	2013	2014	2015	2016
Power Generation	11	13	13	16	16	17	18
Industrial	360	394	429	466	489	507	535
GNV Stations	143	172	192	206	220	232	240
Converted Vehicles	103,204	124,853	148,693	166,141	189,547	208,385	224,408
Residential & Commercial	34,619	63,602	103,090	163,129	254,280	344,380	437,607
Total Clients	**35,133**	**64,181**	**103,724**	**163,817**	**255,005**	**345,136**	**438,400**

- A new cogeneration client was connected in Q3 2016 (Progenere).

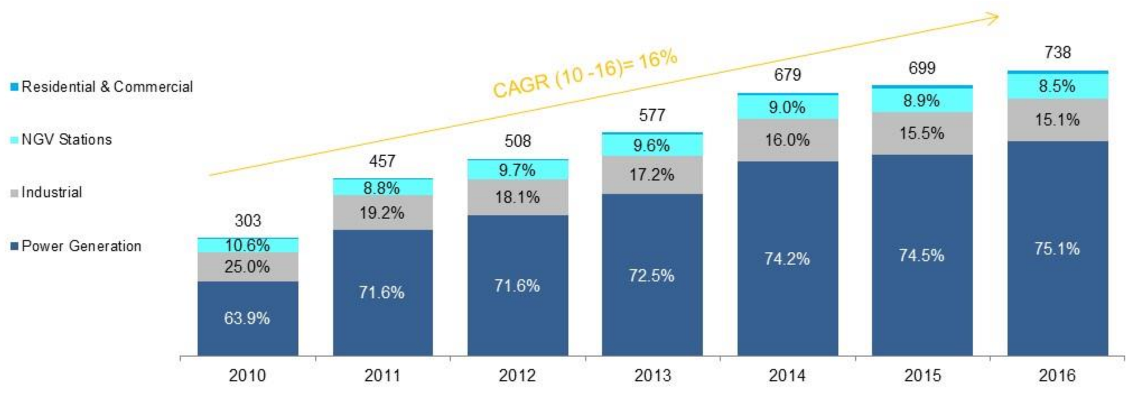
- 28 new industrial plants were connected during 2016.

- 8 new NGV stations joined Calidda's distribution system and 224,408 converted vehicles are attended in the cities of Lima and Callao.

- Calidda added 91,934 clients in the Residential segment and 1,293 clients in the Commercial segment.

3.2 Volume

The graph below shows Calidda's Invoiced Volume since 2010, which as of 2016 grew at a rate of 16% per year. Invoiced Volume has increased by 6% when compared to 2015. This is mostly explained by the increase in Take-or-Pay volume contracts, which amounted 582 MMCFD (547 MMCFD Power Generation + 35 MMCFD Industrial), totaling 79% of Calidda's invoiced volume.



The volume breakdown by client segments is shown in the following chart:

Volume (MMCFD)	2010	2011	2012	2013	2014	2015	2016	Var (15 vs 16)
Power Generation	193	327	364	418	504	521	555	7%
Industrial	76	88	92	99	109	108	111	3%
GNV Stations	32	40	49	56	61	62	63	1%
Residential & Commercial	1.3	1.9	2.9	3.9	5.8	7.5	9.6	27%

- The segment that presents the highest growth rate is the Residential & Commercial segment, which shows a volume increase of 27% compared when compared to 2015. This is explained by a higher client base: 344,380 as of 2015 vs. 437,607 as of 2016.

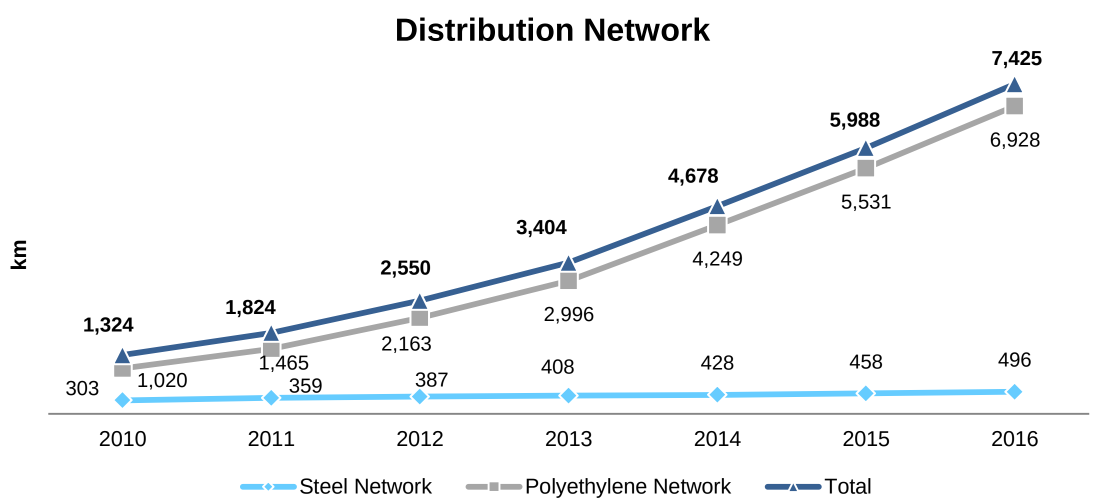
- The Power Generation segment shows an increase of 7% YoY mainly due to additional take-or-pay volume contracted with two of our biggest clients.

4 Operational Performance

4.1 Distribution Network

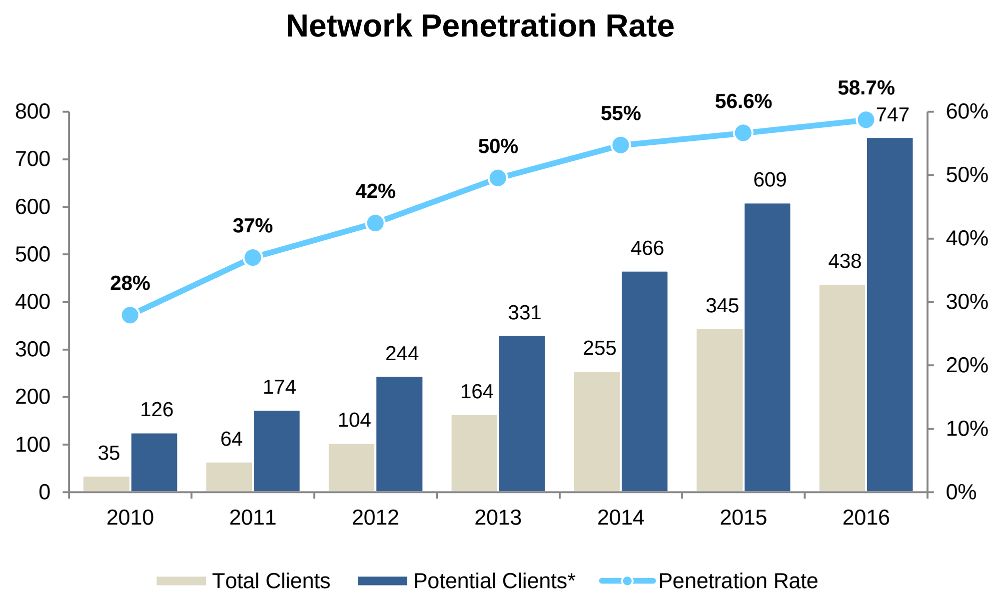
In 2016, Calidda built 1,435km, out of which 39km were steel high pressure network while the remaining 1,396km were low pressure polyethylene pipelines. The network now reaches 7,425km of underground pipelines.

The next chart shows the evolution of Calidda's distribution system:



4.2 Network Penetration Rate

The network penetration rate is measured as the number of connected clients over the number of potential clients that are located in front of Calidda's network. By the end of 2016, Calidda estimated that there are over 747,000 potential clients adjacent to Calidda's network, out of which 438,400 are currently connected. Therefore, the network penetration rate is 58.7%.



(*) Clients who are adjacent to Cálidda's distribution network.

Calidda's focus is on low income districts benefited by the subsidies mentioned before, where the savings produced by the use of natural gas against other alternative fuels are more appreciated.

5 Financial Performance

5.1 Revenues

Calidda's Revenues are comprised of five items, which are the following:

i) Distribution revenues, containing sales of distribution of natural gas;

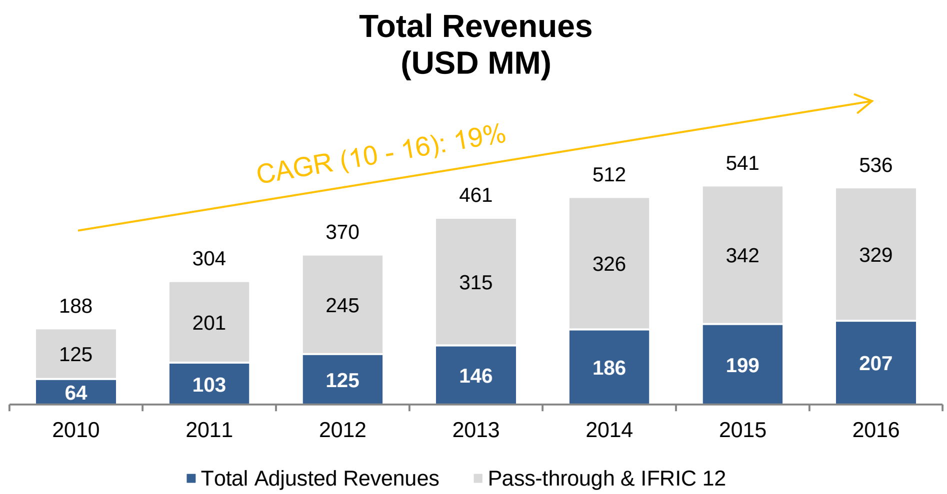
ii) Installation services, represented mainly by the construction of the network of natural gas within households (these revenues include connection fees and financial income derived from funding clients' installations);

iii) Pass-through revenues, which are derived from gas supply and gas transportation services (which also represent cost of sales, without a margin);

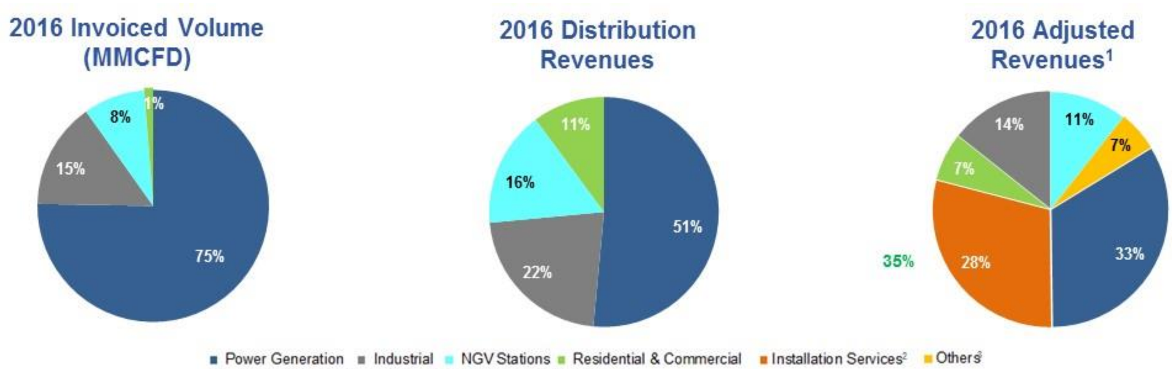
iv) IFRIC 12, which represents an accounting standard to book concession investments; and,

v) Other revenues, comprising maintenance and other non-recurrent services.

Total revenues of 2016 were US$ 536 MM (including pass-through and IFRIC 12 revenues), having decreased by 1% when compared to 2015. However, Total Adjusted Revenues increased 4%, from US$ 199 MM to US$ 207 MM, mainly driven by higher distribution revenues from the increase of Take-or-Pay contracts and pipeline's relocation services.



In the next chart we can observe that even though Residential & Commercial segment represents only 1% of the Invoiced Volume, it explains 11% of the Distribution Revenues. Furthermore, if we add the revenues generated by the Installation's business, this segment represents 35% of the Adjusted Revenues.



1/ Total Adjusted Revenues exclude Pass-through and IFRIC 12 revenues.
2/ Installation Services Revenues include revenues from connection fees and financing.
3/ Others: mainly derived from network relocation and other non recurrent services.

On the other hand, Power Generation segment represents 75% of the Invoiced Volume, 51% of the Distribution Revenues, and 33% of the Adjusted Revenues.

Other Revenues represent 7% of the Adjusted Revenues, mainly explained by income from pipeline's relocation services.

5.2 Financial Ratios

The financial results of 2015 and 2016 were the following:

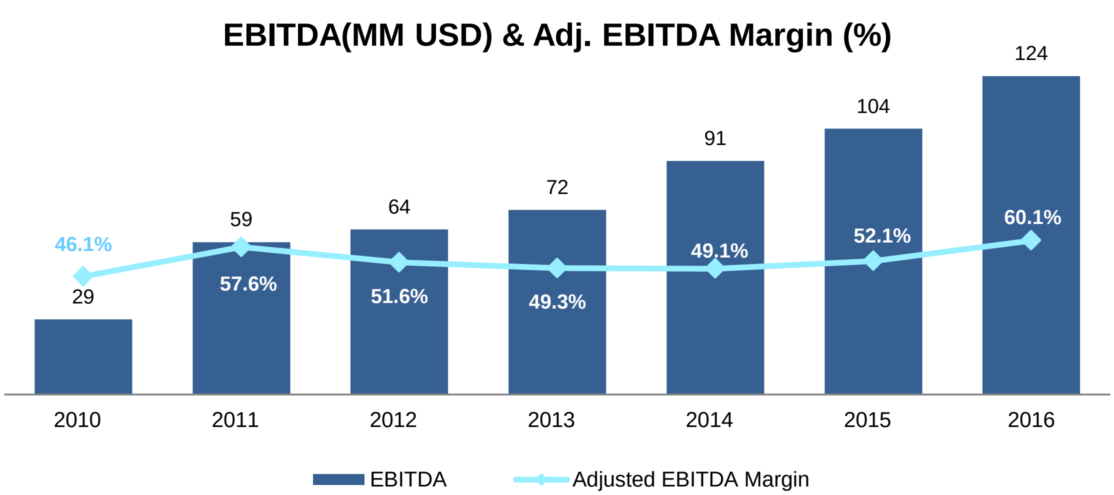
Financial Information	2016	2015	Var (15 vs 16)
Total Revenues (USD MM)	535.8	540.8	-1%
Total Adj. Revenues (USD M	206.8	199.1	4%
EBITDA (USD MM)[2]	124.3	103.7	20%
Adjusted EBITDA Margin[3]	60.1%	52.1%	15%
Net Income (MM USD)	55.4	33.6	65%

1/ Revenues exclude Pass-through and IFRIC 12 revenues.

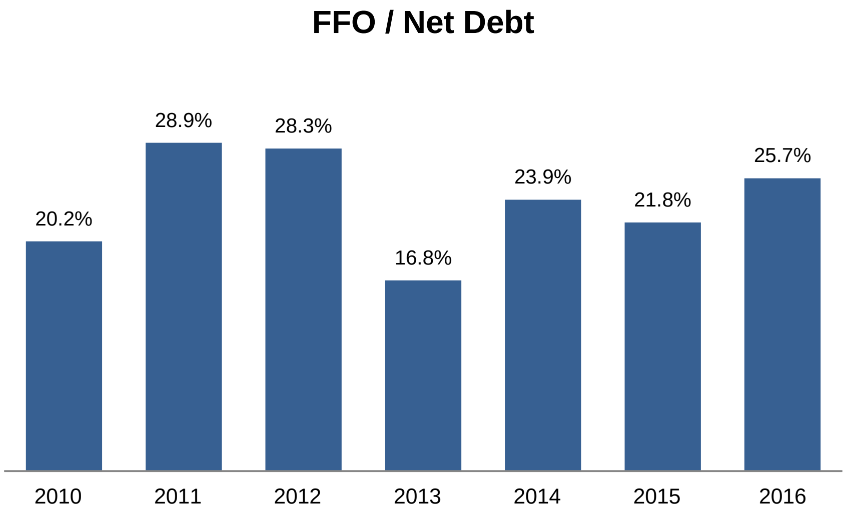
2/ Last twelve months EBITDA.

3/ Last twelve months EBITDA & Adjusted Revenues.

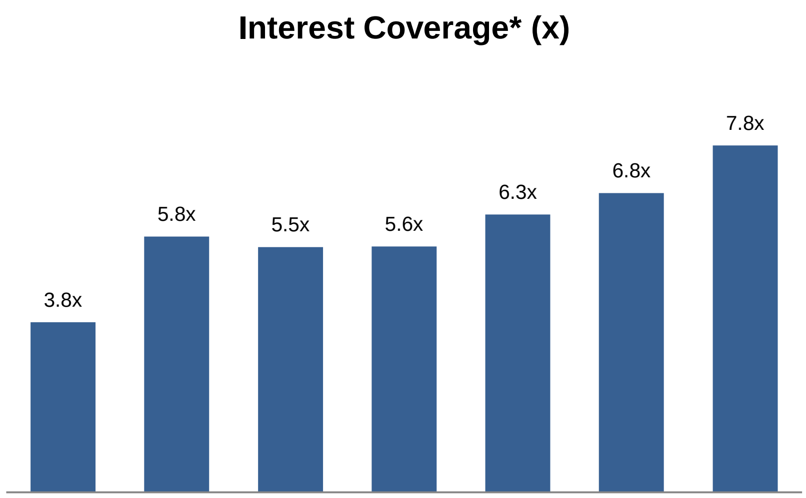
The EBITDA for 2016 was US$ 124 MM, which increased by 20% when compared to 2015's EBITDA, and has been steadily growing over the past 7 years, as shown in the next graph:



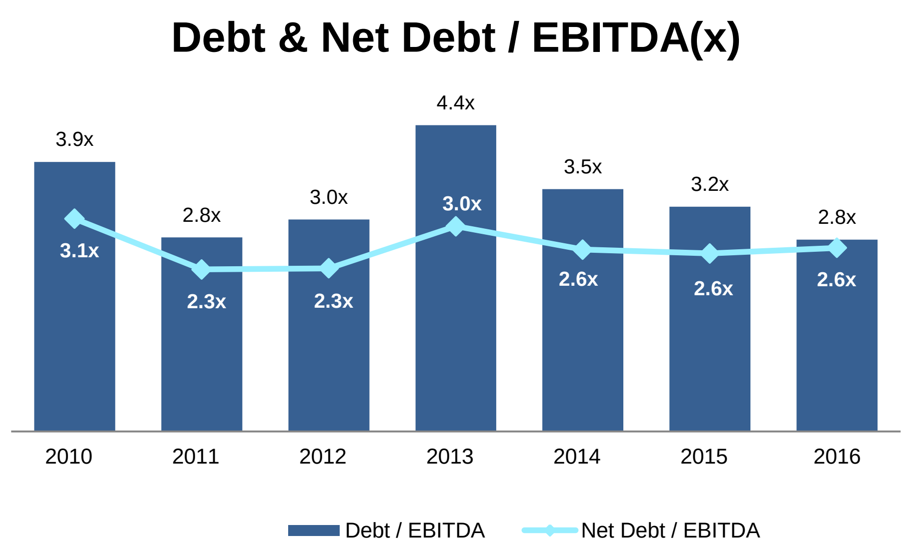
This has been achieved while maintaining solid financial ratios, as can be appreciated in the following graphs:



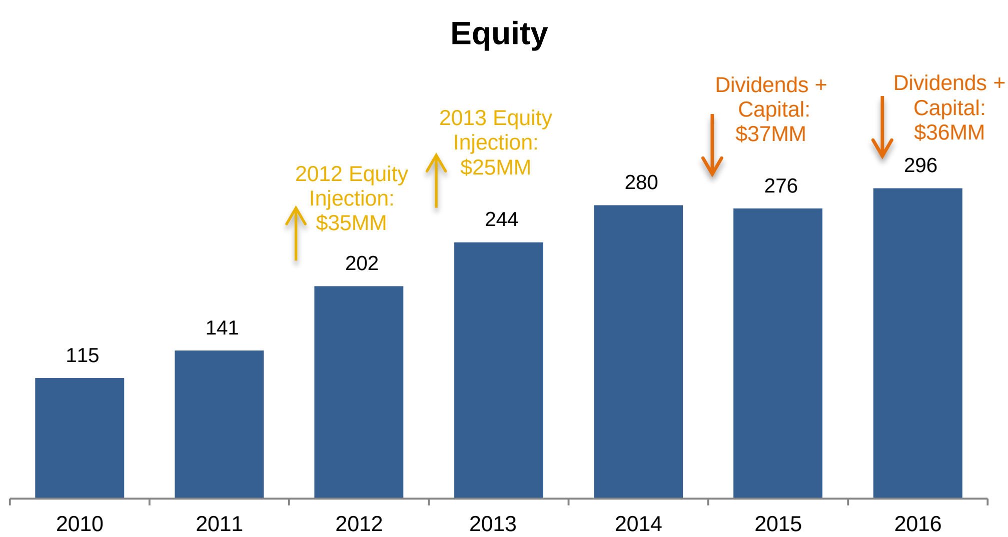
FFO – Funds From Operations: Net Profit + Depreciation + Amortization



Ratio does not include 2013's debt prepayment penalties (US$ 7.8 MM).
Interest Coverage: EBITDA / Interests from debt

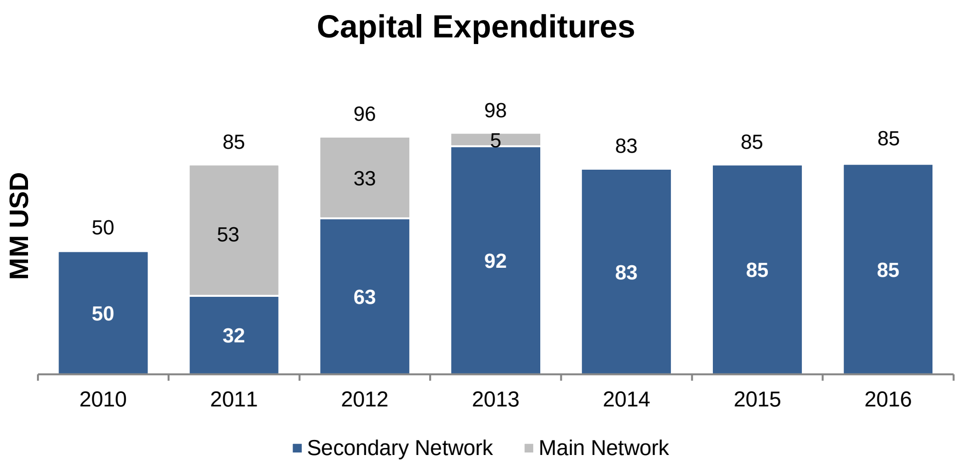


Net Debt = Debt net of Cash Balance



5.3 Capital Expenditures

In 2016 Calidda invested a total of US$ 85 MM, mainly in the construction of polyethylene network in order to connect new household



6 Conclusions

Calidda's overall results and expanding infrastructure show that we continue on track to reach our main objective, which is the massification of the natural gas service in Lima & Callao. In this sense, we maintain our view for five years from now, expecting to supply a total of one million households and benefiting around five million people, almost half of the population of Lima & Callao, while attending the demand of more than 12,000 Industrial and Commercial clients and more than 300 NGV Stations.

7 Annexes

7.1 Disclaimer

The information provided here is for informational and illustrative purposes only and is not, and does not seek to be, a source of legal or financial advice on any subject. This information does not constitute an offer of any sort and is subject to change without notice. Calidda and its Shareholders expressly disclaim any responsibility for actions taken or not taken based on this information. Neither Calidda nor its Shareholders accept any responsibility for losses that might result from the execution of the proposals or recommendations herein presented. Neither Calidda nor its Shareholders are responsible for any content that may originate with third parties. Calidda or its Shareholders may have provided, or might provide in the future, information that is inconsistent with the information herein presented.

7.2 Definitions

Adjusted EBITDA: Our adjusted EBITDA, or Adjusted EBITDA, consists of our net profit for such period, plus (i) income tax expense, (ii) minus financial income, plus (iii) the sum of (a) financial expenses, and (b) amortization and depreciation included in each of general and administrative expenses, selling expenses and cost of sales, in each case, for such period. Our management considers that Adjusted EBITDA is a meaningful measure for understanding operating and financial performance. Adjusted EBITDA is not a presentation made in accordance with IFRS. Adjusted EBITDA has important limitations as an analytical tool, and you should not consider it in isolation, as indicative of the cash available to us to make payments under or as substitute for analysis of our results as reported under IFRS. For example, Adjusted EBITDA does not reflect (a) cash expenditures, or future requirements of capital expenditures or contractual commitments; and (b) changes in, or cash requirements for, working capital needs. In addition, because other companies may calculate adjusted EBITDA differently than we do, Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies.

Application of IFRIC 12: Given that IFRIC 12 refers to service concession arrangements, as holder of the BOOT Concession Agreements, Calidda must analyze its application to the Financial Statements. Based on the fact that the services to be provided by Calidda are set forth by the MEM, who also determines the tariff rates, and that the assets comprising the Calidda's natural gas distribution system shall be returned to such entity upon termination of the concession, management considers that IFRIC 12 applies to the Financial Statements. Under IFRIC 12, management considers that Calidda's assets comprising the natural gas distribution system and used for natural gas distribution should be recorded as an intangible asset.