

1. Important Facts

- Cálidda's Equity (Share Capital) was increased by USD 87.2 MM.
 - ✓ USD 25 MM of new Shareholders' funds.
 - ✓ USD 62.2 MM capitalization of retained earnings.
- The Main Grid's expansion project was concluded, increasing the capacity of Cálidda's natural gas distribution system from 255 MMCFD to 420 MMCFD (+65%).
- On April 1st, Cálidda issued USD 320 MM ten-year bullet bonds in the international market under rule 144A/Reg S. Bond offering was rated investment grade by the three agencies. Funds were used to restructure debt maturity, reduce financial costs and fund 2013-2014 CapEx.
- In August, the Peruvian Government increased the Promotional Discounts up to 10,000 per month, simplified the building standards and requirements for internal installations, and stated as mandatory the installation of natural gas in all new multifamily buildings.
- Cálidda's five-year investment plan (2014–2018) and tariff proposal (2014–2017) were submitted to the regulatory entity (OSINERGMIN). According to schedule, it is expected to get the approval by between April and June 2014.
- The thermoelectric plants of Fénix Power (534MW) and Termochilca (200MW) were connected in May and October, respectively, representing additional 126 MMCFD of contracted volume.
- Growing client base is now 164,000 customers. Record high in monthly connections achieved in November, with 8,417 new clients (2.7x November 2012's).
- Cálidda achieved the recertification of ISO 9001 and 14001 standards.

2. Natural Gas Market

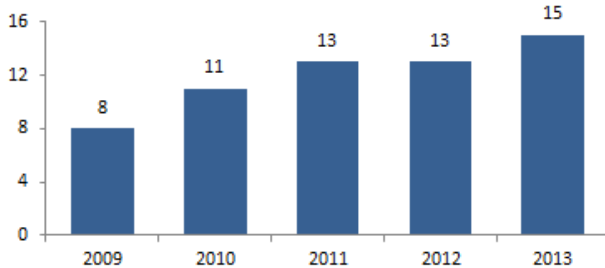
In 2013 Peru produced on average 1,179 MMSCFD (million standard cubic feet per day), showing an increase of 2.80% when compared to the average volume produced in 2012 of 1,147 MMSCFD. However, the average production in the last quarter of 2013 was notably 16% higher than what was produced in the last quarter of 2012.

Out of the total production in 2013, on average 49% was exported to foreign markets whereas the remaining 51% was directed to local consumption. In this scenario, Cálidda's local market share in Q4 was 81%, higher than the 76% obtained in Q4 2012.

3. Commercial Performance

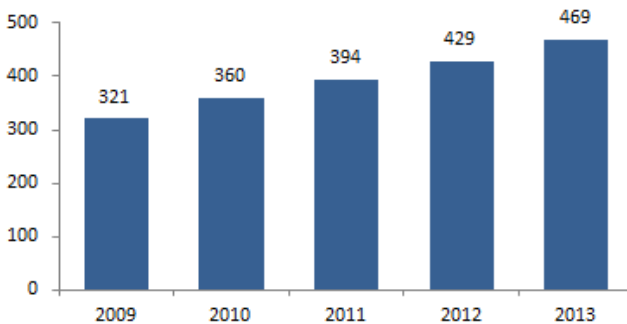
3.1. Client Segments

Power Generation



The Fénix Power (534MW) and Termochilca (200MW) thermoelectric plants were connected and will be fully up and running in 2014, adding 126MMCFD to this segment's volume consumption, a 38% increase vs. current levels.

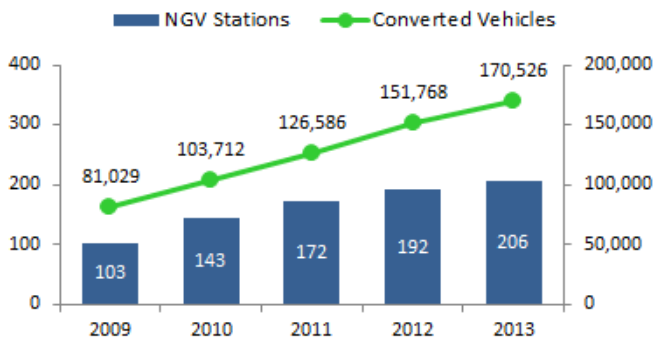
Industrial



A total of 40 new industrial plants were connected during the 2013 period as Cálidda was able to attend the demand for this segment in more than 30 districts.

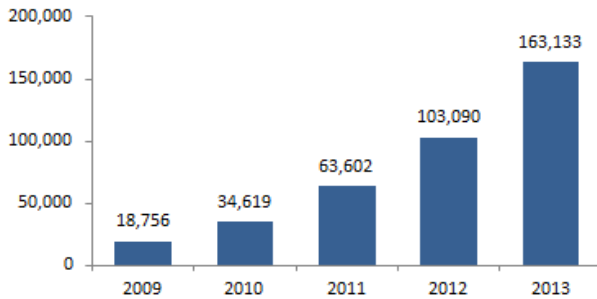
In June, La Pampilla Refinery was connected.

NGV Stations



14 new service stations joined Cálidda's distribution system and more than 170,000 vehicles converted to natural gas were attended in the City of Lima and Callao in 2013. Further increases in natural gas consumption are expected to come as the public transportation in Lima is converted gradually from diesel to natural gas.

Residential & Commercial



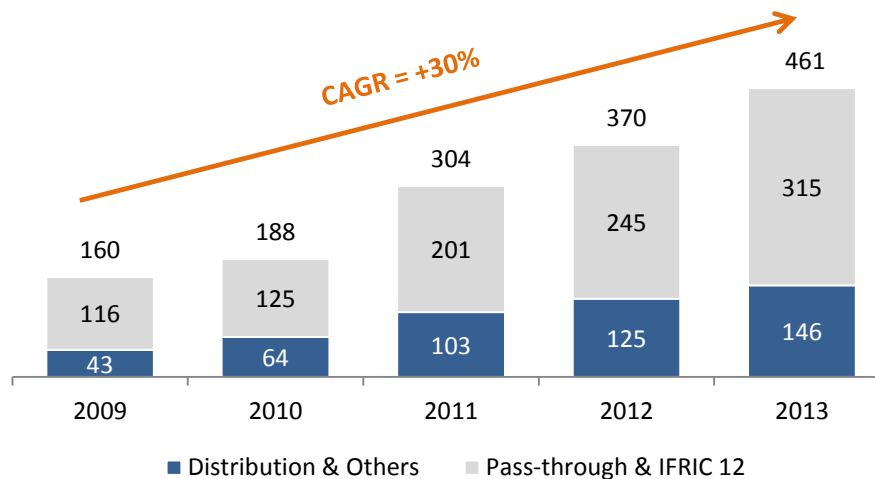
Cálidda added 60,043 clients to the Residential & Commercial segment. As to residential clients only, 59,407 were connected, and therefore a total of 160,694 households are now Cálidda's clients.

3.2. Revenues

Cálidda's revenues are comprised of five items, namely:

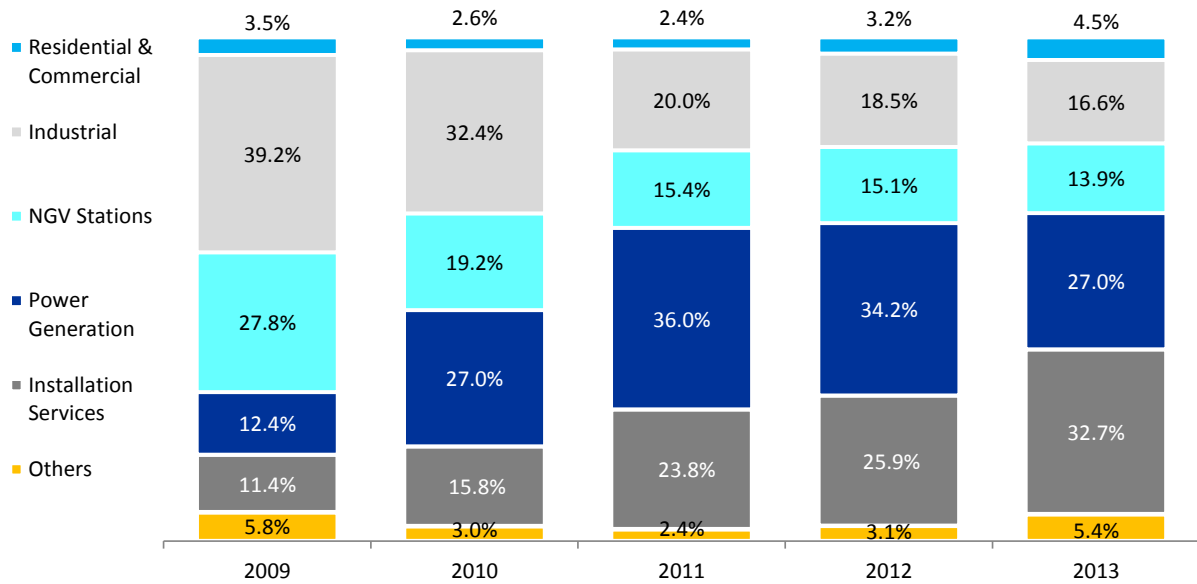
- i) Distribution revenues, containing sales of distribution of natural gas;
- ii) Installation services, represented mainly by the construction of the network within the households (these revenues include connection fees and financial income derived from funding clients' installation);
- iii) Pass-through 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 (USD MM)



On the other hand, the following chart shows Cálidda's revenues composition by client segment, excluding pass-through and IFRIC 12 revenues.

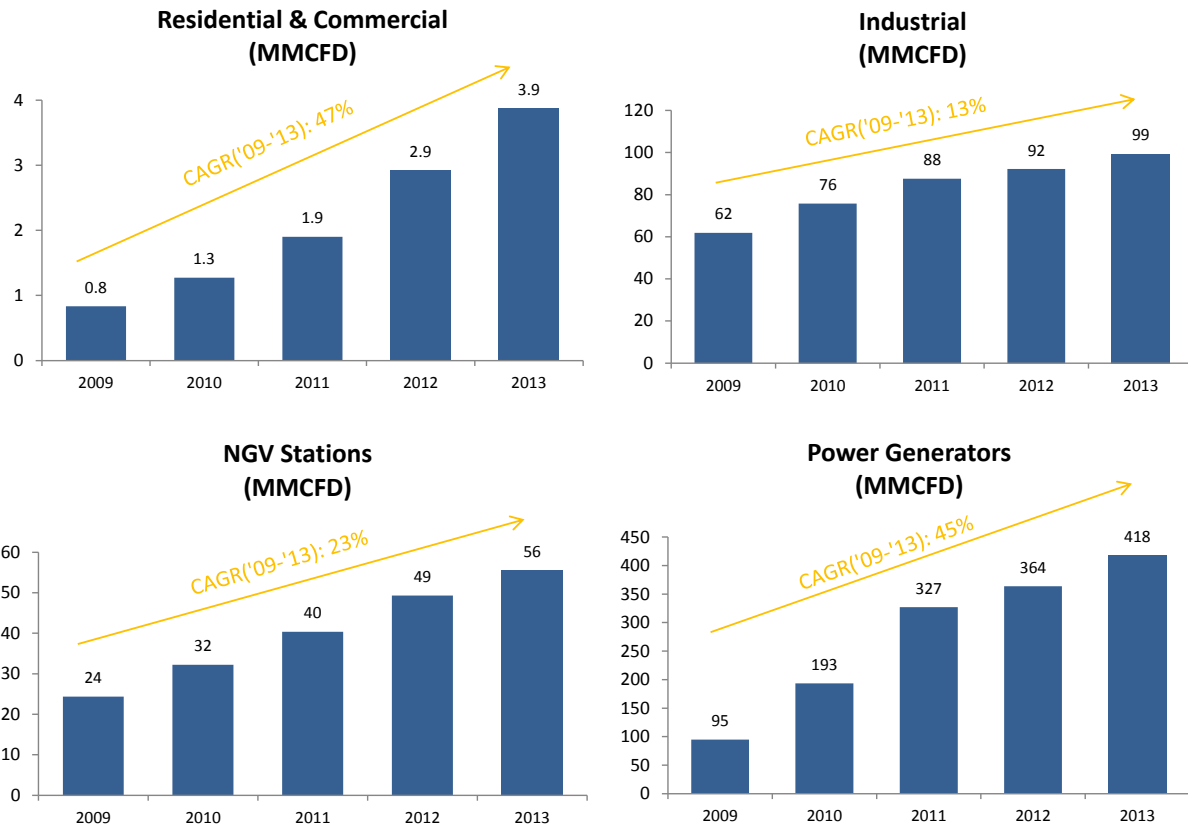
Revenues¹ Composition by Client Segment



(1) Excluding pass-through and IFRIC 12 revenues.

3.3. Volume

Cálidda has experienced a sustained increase in volume sold over the last few years, as shown in the next charts:



Positive trends were present in all four client segments for the 2013, as total volume sold reached 577 MMCFD in 2013, 14% higher when compared against similar period from 2012 (508 MMCFD). This is explained mainly by the connection of the two power generation plants mentioned above (Fénix and Termochilca), which firm contracts amount to 126 MMCFD.

4. Operational Performance

In 2013, Cálidda made 60,099 natural gas connections, achieving in November a new monthly record high of 8,417 connections, the majority of these in the Residential & Commercial segment, and therefore setting us further into our goal of providing natural gas and its benefits to the people of Lima and Callao.

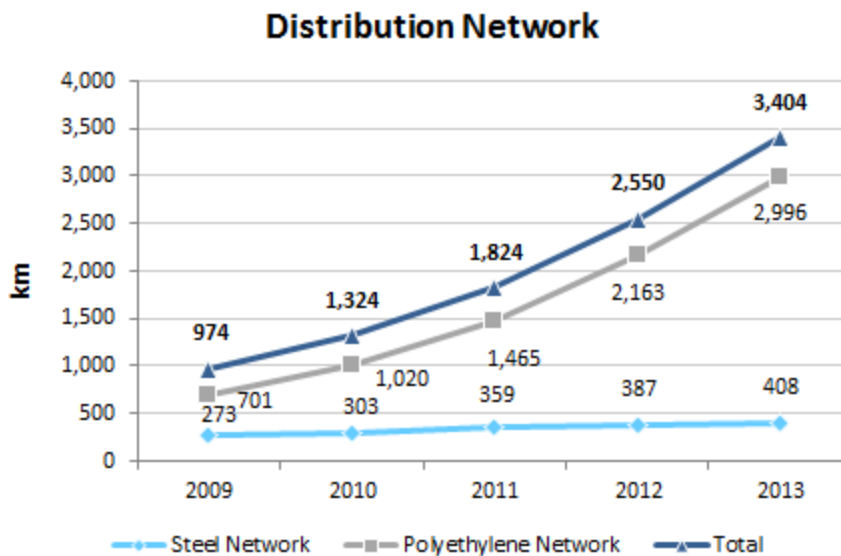
Also in September, Cálidda entered for the first time into the district of Villa El Salvador and in October entered into the district Comas.

In the Residential segment, Cálidda distributes natural gas to 15 out of the 49 districts in the city of Lima and Callao: 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, San Borja, and Villa María del Triunfo. Likewise, in the Industrial and NGV Stations segments, Cálidda is present in more than 30 districts.

4.1. Distribution Network

In 2013, Cálidda’s distribution network was expanded by 854 km, reaching a total of 3,404km of underground pipelines.

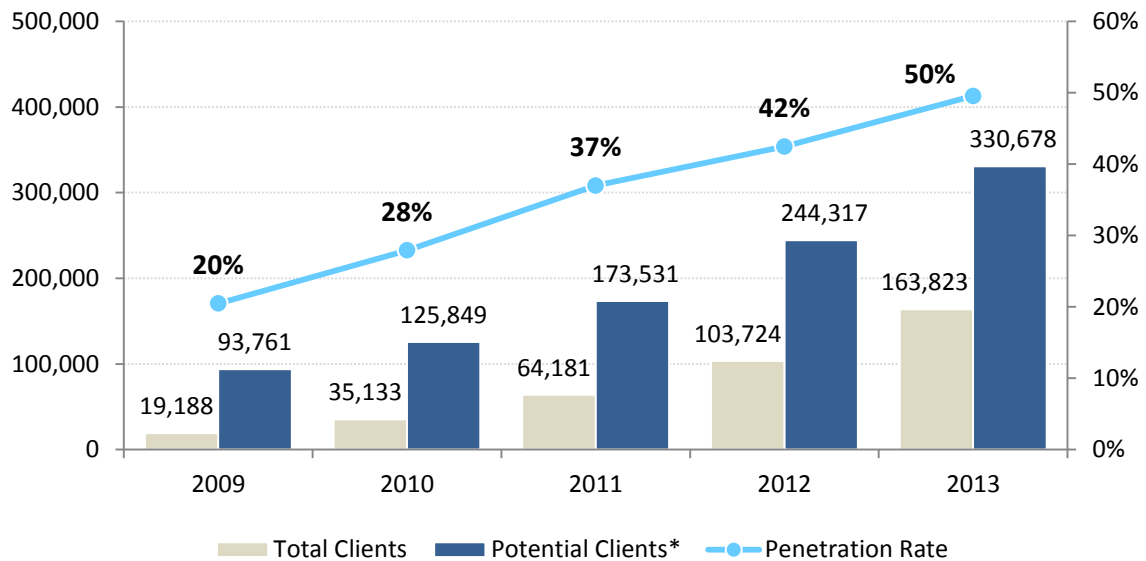
In 2013, Cálidda has built 20km of steel high pressure network and 834km of polyethylene secondary network.



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 near Cálidda’s distribution network. As 2013, Cálidda estimates that there are over 330,000 potential clients (among households and other types of clients) close enough to Cálidda’s distribution network, out of which 163,823 are currently connected. This results in a network penetration rate of 50%.

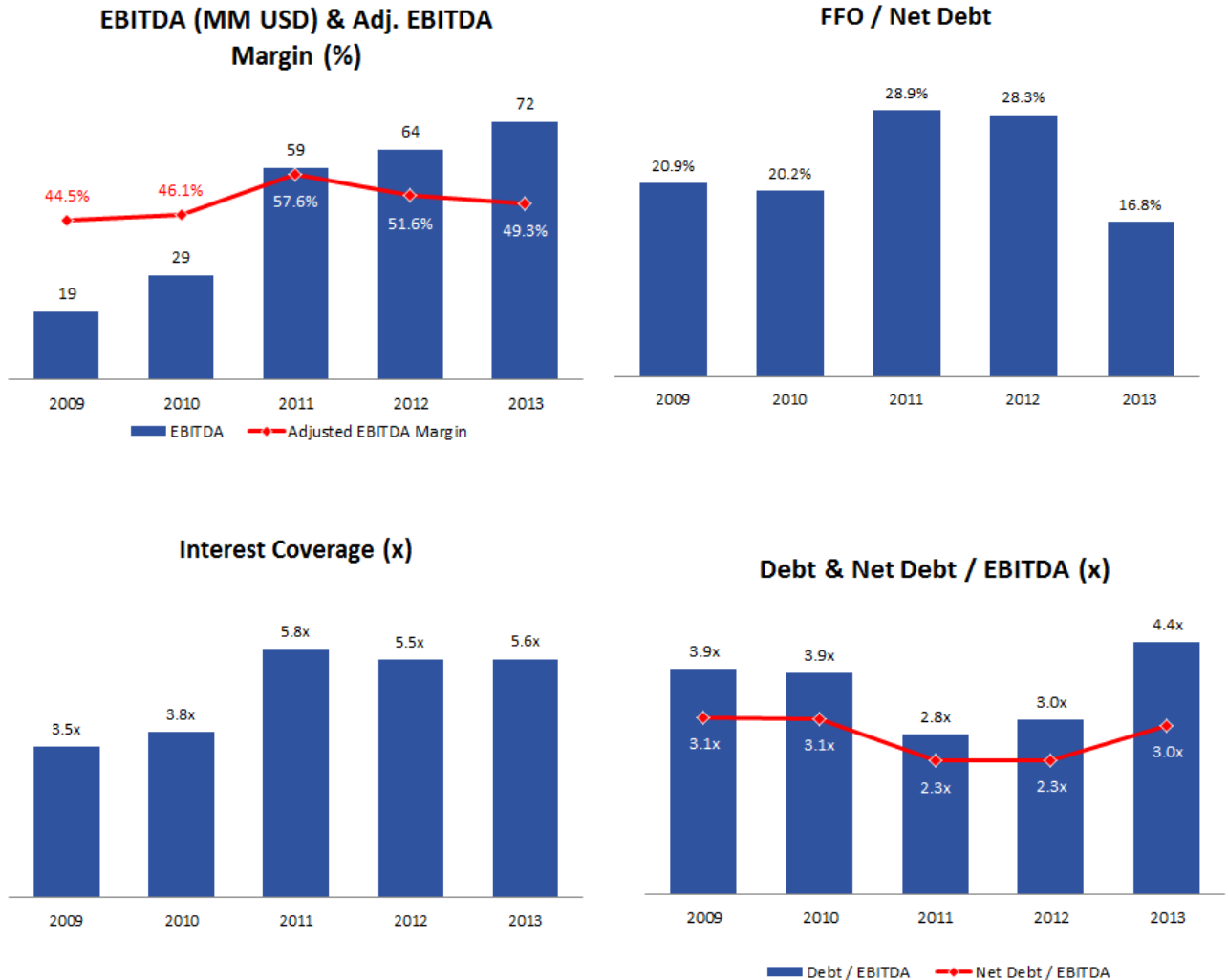
Network Penetration Rate



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

As can be observed, the network penetration rate has increased over the years due to the fact that Cálidda's commercial strategy is mainly focused on districts characterized by medium and low income families, where the savings produced by the use of natural gas against other alternative fuels are more appreciated, and, therefore, there is a greater acceptance to the service provided.

5. Financial Performance



Cálidda's EBITDA 2013 is higher than 2012 by 12.5% due to (i) higher volume invoice coming from two new power generation and more profitable segments such as Residential & Commercial, Industrial and NGV Stations, and (ii) higher revenues from residential internal installations services.

However, the Adjusted EBITDA Margin was slightly reduced due to (i) higher operational costs derived from an increase in Cálidda's contractors' tariffs for internal installations services, which were increased by 16% in June 2012, and (ii) lower average distribution tariff due to quarterly adjustments that reflect a decrease in the international prices of steel and polyethylene commodities.

The Debt/EBITDA ratio reflects the USD 320 MM bonds issuance and the prepayment of our total financial debt paid in Q2, including the Shareholders subordinated and other senior debts.

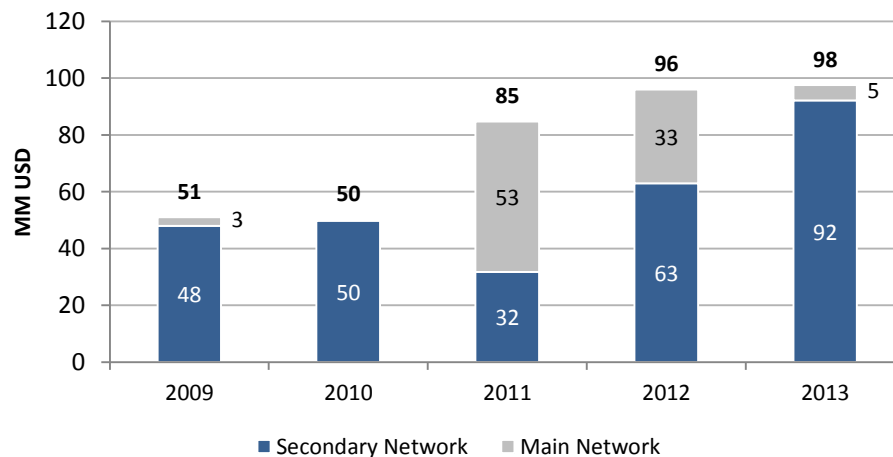
The Interest Coverage ratio does not consider the penalties charged for the prepayment of the Multilateral Agencies debt (USD 7.8 MM paid in Q2).

5.1. Capital Expenditures

In 2013, Cálidda has invested USD 98 MM in the expansion of its distribution network.

According to Cálidda's five-year investment plan proposal for 2014 - 2018, subject to be approved by OSINERGMIN later this year, we expect capital expenditures for the expansion of the distribution network to amount up to USD 440 MM by the end of such period.

Capital Expenditures



6. Annexes

6.1. 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.

Cálidda and its Shareholders expressly disclaim any responsibility for actions taken or not taken based on this information. Neither Cálidda nor its Shareholders accept any responsibility for losses that might result from the execution of the proposals or recommendations herein presented. Neither Cálidda nor its Shareholders are responsible for any content that may originate with third parties. Cálidda or its Shareholders may have provided, or might provide in the future, information that is inconsistent with the information herein presented.

6.2. 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, Cálidda must analyze its application to the Financial Statements. Based on the fact that the services to be provided by Cálidda are set forth by the MEM, who also determines the tariff rates, and that the assets comprising the Cálidda'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 Cálidda's assets comprising the natural gas distribution system and used for natural gas distribution should be recorded as an intangible asset.