



# Results and Significant Developments 2013

- I. Cálidda Overview
- II. Significant Developments
- III. Commercial Performance
- IV. Operational Performance
- V. Financial Performance and Key Metrics
- VI. Questions and Answers Session
  - (i) Strong Sponsorship with Optimal Experience
  - (ii) Experienced and Proven Management Team & Board

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# Key Credit Highlights



**Regulated Monopoly with Limited Governmental Link**



**Constructive and Stable Regulatory Framework**



**National Strategic Importance**



**Sector's Strong Growth Prospect**



**Low Volume Risk**



**Predictable and Stable Cash Flows**



**Strong Consistent Financial Performance**



**Management Team with Proven Track Record**



**Strong Sponsorship of Proven Shareholders**



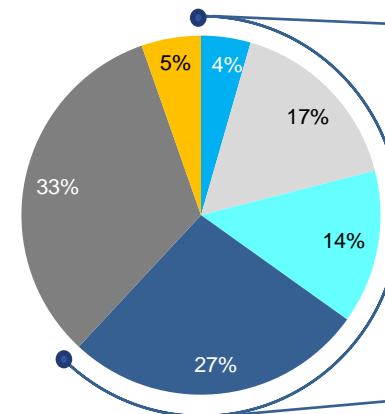
## Highlights

- Cálidda is backed up by the GoP in order to massively expand service and promote natural gas consumption.
- BOOT concession contract expires in 2033 and may be renewed up until August of 2060.
- Cálidda distributes very price-competitive energy compared to other alternative sources available in the energy market (between 58%-88% savings).
- Cálidda's concession area concentrates more than 34% of Peru's population and over 44% of Peru's GDP.
- Diversified and strongly growing client base (CAGR '09-'13: 71%): power generators, industrial companies, NGV stations, commercial and residential customers.
- Installed distribution capacity is 420 MMCFD.
- Cálidda's volume capacity is mostly committed to long term firm contracts (take or pay) with an average life of 16.8 years.
- Over 62% of Total Adjusted Revenues are volume related, and firm contracted revenues account for over 42% of Total Distribution Revenues.
- 93% of firm volume contracts come from power generators, which account for over 70% of the invoiced volume.
- Cálidda serves residential customers in 15 out of the 49 districts in Lima & Callao; and industrial, NGV stations and power generators in 34 districts.

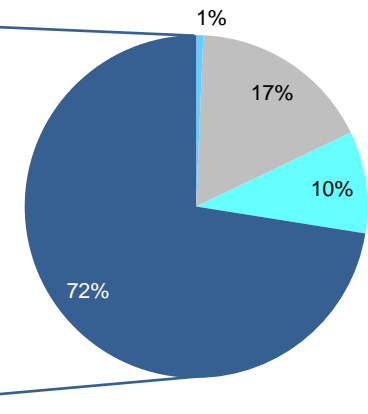
## Key Metrics

| Year-end Results                      | 2013    | 2012    | Var % |
|---------------------------------------|---------|---------|-------|
| Invoiced Volume (MMCFD):              | 577     | 508     | 14%   |
| Total Revenues (USD MM):              | 460.9   | 370.1   | 25%   |
| EBITDA (USD MM):                      | 72.1    | 64.4    | 12%   |
| Adjusted EBITDA Margin <sup>1</sup> : | 49.3%   | 51.6%   | --    |
| Network Length (km):                  | 3,404   | 2,550   | 33%   |
| Accumulated Clients:                  | 163,823 | 103,724 | 58%   |

## Total Adjusted Revenues<sup>2</sup>



## Total Volume



■ Residential & Commercial   
 ■ Industrial   
 ■ NGV Stations  
■ Power Generation   
 ■ Installation Services   
 ■ Others

1) Adjusted EBITDA Margin excludes Pass-through and IFRIC 12 revenues.

2) Total Adjusted Revenues excludes Pass-through and IFRIC 12 revenues. Installation Services include connection fees and facility financing

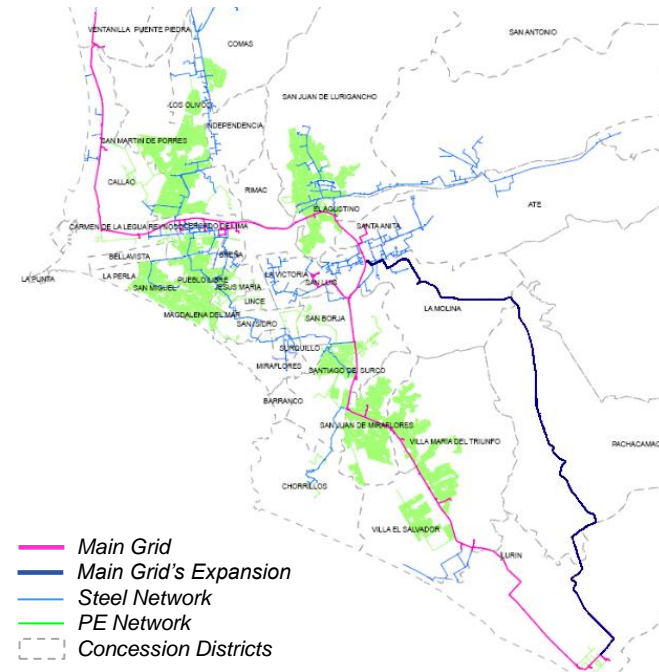
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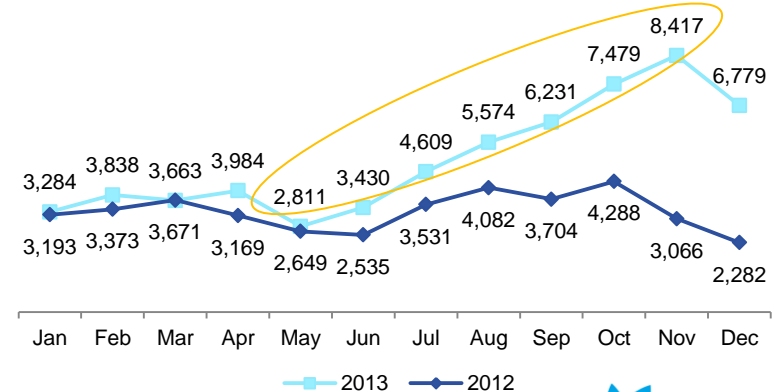
# Significant Developments

- Cálidda's Equity 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 1<sup>st</sup>, 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.

## Distribution Network



## Connection's Performance



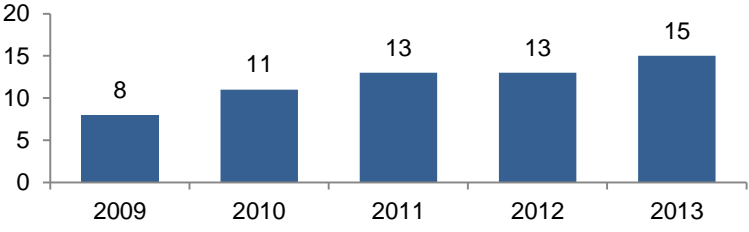
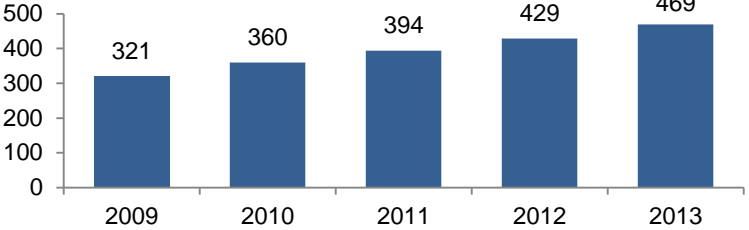
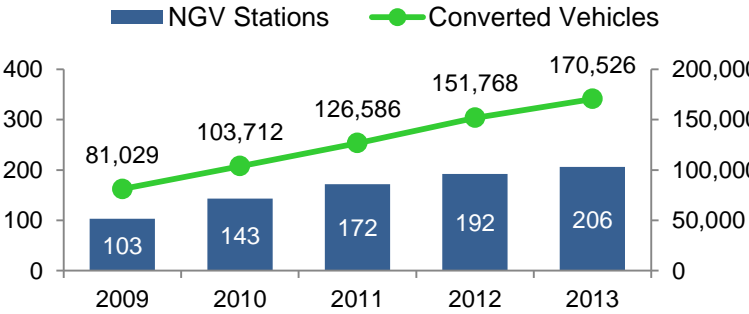
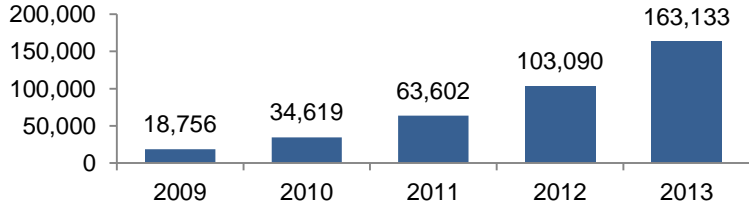


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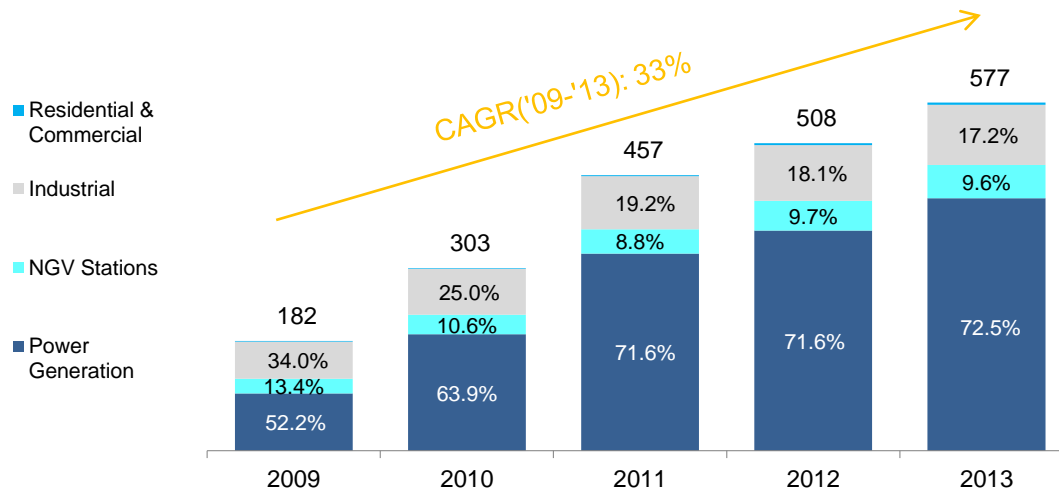


# Diverse Client Base

| Clients Segments                           | Growth   | Highlights |         |         |         |      |      |              |        |        |        |         |         |  |        |         |         |         |         |  |
|--|--|------------|---------|---------|---------|------|------|--------------|--------|--------|--------|---------|---------|--|--------|---------|---------|---------|---------|--|
| <p><b>Power Generation</b></p>             |  <table border="1"> <tr><th>Year</th><td>2009</td><td>2010</td><td>2011</td><td>2012</td><td>2013</td></tr> <tr><th>Value</th><td>8</td><td>11</td><td>13</td><td>13</td><td>15</td></tr> </table>   | Year       | 2009    | 2010    | 2011    | 2012 | 2013 | Value        | 8      | 11     | 13     | 13      | 15      | <p>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.</p> |        |         |         |         |         |  |
| Year                                       | 2009   | 2010       | 2011    | 2012    | 2013    |      |      |              |        |        |        |         |         |  |        |         |         |         |         |  |
| Value                                      | 8  | 11         | 13      | 13      | 15      |      |      |              |        |        |        |         |         |  |        |         |         |         |         |  |
| <p><b>Industrial</b></p>                   |  <table border="1"> <tr><th>Year</th><td>2009</td><td>2010</td><td>2011</td><td>2012</td><td>2013</td></tr> <tr><th>Value</th><td>321</td><td>360</td><td>394</td><td>429</td><td>469</td></tr> </table>   | Year       | 2009    | 2010    | 2011    | 2012 | 2013 | Value        | 321    | 360    | 394    | 429     | 469     | <p>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.</p>  |        |         |         |         |         |  |
| Year                                       | 2009   | 2010       | 2011    | 2012    | 2013    |      |      |              |        |        |        |         |         |  |        |         |         |         |         |  |
| Value                                      | 321  | 360        | 394     | 429     | 469     |      |      |              |        |        |        |         |         |  |        |         |         |         |         |  |
| <p><b>NGV Stations</b></p>                 |  <table border="1"> <tr><th>Year</th><td>2009</td><td>2010</td><td>2011</td><td>2012</td><td>2013</td></tr> <tr><th>NGV Stations</th><td>103</td><td>143</td><td>172</td><td>192</td><td>206</td></tr> <tr><th>Converted Vehicles</th><td>81,029</td><td>103,712</td><td>126,586</td><td>151,768</td><td>170,526</td></tr> </table> | Year       | 2009    | 2010    | 2011    | 2012 | 2013 | NGV Stations | 103    | 143    | 172    | 192     | 206     | Converted Vehicles   | 81,029 | 103,712 | 126,586 | 151,768 | 170,526 | <p>14 new NG service stations joined Cálidda's distribution system and more than 170,000 vehicles converted to natural gas were served in the City of Lima and Callao in 2013.</p> |
| Year                                       | 2009   | 2010       | 2011    | 2012    | 2013    |      |      |              |        |        |        |         |         |  |        |         |         |         |         |  |
| NGV Stations                               | 103  | 143        | 172     | 192     | 206     |      |      |              |        |        |        |         |         |  |        |         |         |         |         |  |
| Converted Vehicles                         | 81,029   | 103,712    | 126,586 | 151,768 | 170,526 |      |      |              |        |        |        |         |         |  |        |         |         |         |         |  |
| <p><b>Residential &amp; Commercial</b></p> |  <table border="1"> <tr><th>Year</th><td>2009</td><td>2010</td><td>2011</td><td>2012</td><td>2013</td></tr> <tr><th>Value</th><td>18,756</td><td>34,619</td><td>63,602</td><td>103,090</td><td>163,133</td></tr> </table>  | Year       | 2009    | 2010    | 2011    | 2012 | 2013 | Value        | 18,756 | 34,619 | 63,602 | 103,090 | 163,133 | <p>Cálidda added 60,043 clients to the Residential &amp; Commercial segment. As to residential clients only, 59,407 were connected, and therefore a total of 160,694 households are now Cálidda's clients.</p>                 |        |         |         |         |         |  |
| Year                                       | 2009   | 2010       | 2011    | 2012    | 2013    |      |      |              |        |        |        |         |         |  |        |         |         |         |         |  |
| Value                                      | 18,756   | 34,619     | 63,602  | 103,090 | 163,133 |      |      |              |        |        |        |         |         |  |        |         |         |         |         |  |

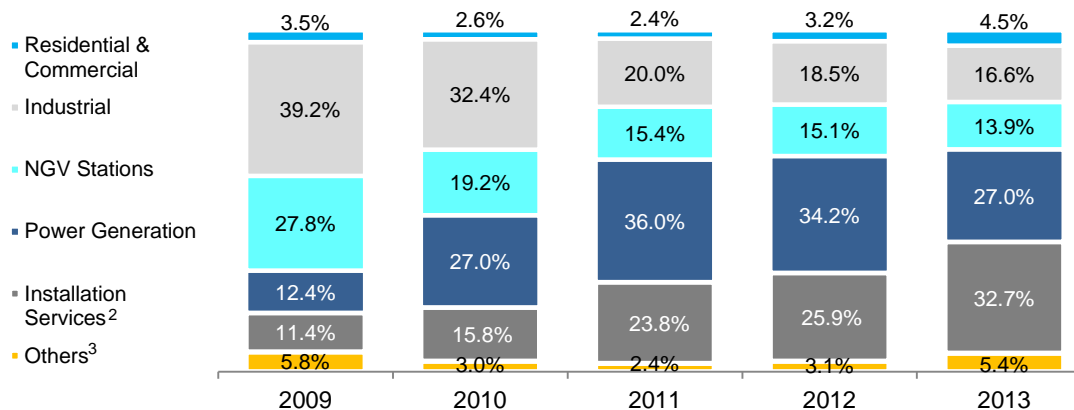
# Client's Performance

## Volume Sold by Client Segment (MMCFD)



- Cálidda now sells more than 3x the volume in 2009.
- As of December, 2013, contracted volume amounts to 419 MMCFD, 73% of the total volume sold.

## Total Adjusted Revenues<sup>1</sup> by Client Segment

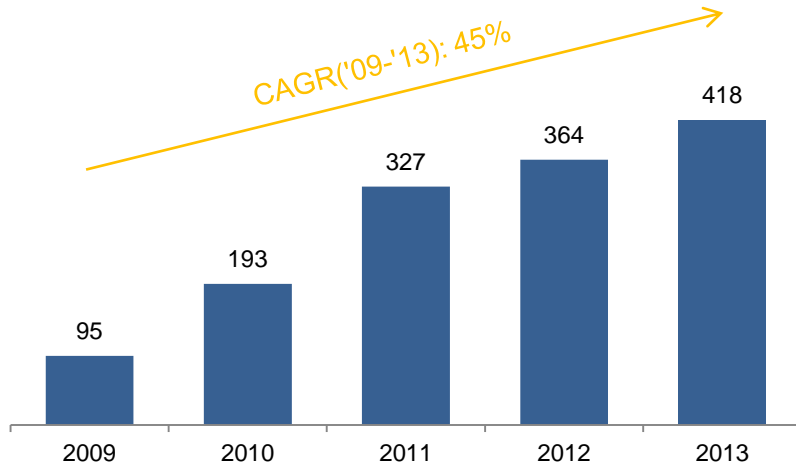


- Volume related revenues account for 62% of Total Adjusted Revenues.
- On the other hand, over 59% of Total Adjusted Revenues are not dependable on volume volatility (firm contracts: 26%; installation services: 33%).
- Installation Services revenues increased by 48% vs. 2012's results.

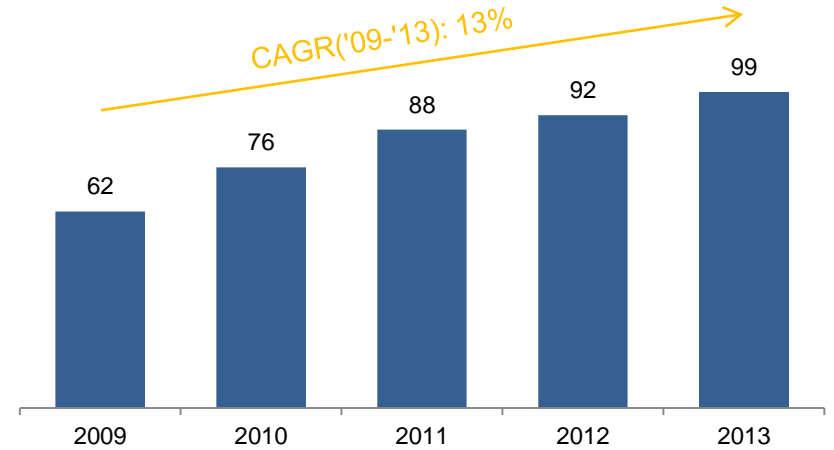
(1) Total Adjusted Revenues exclude Pass-through and IFRIC 12 revenues.  
 (2) Installation Services include revenues from connection fees and facility's financing.  
 (3) Others: mainly derived from network relocation and other non recurrent services.

# Volume Sold by Client Segment

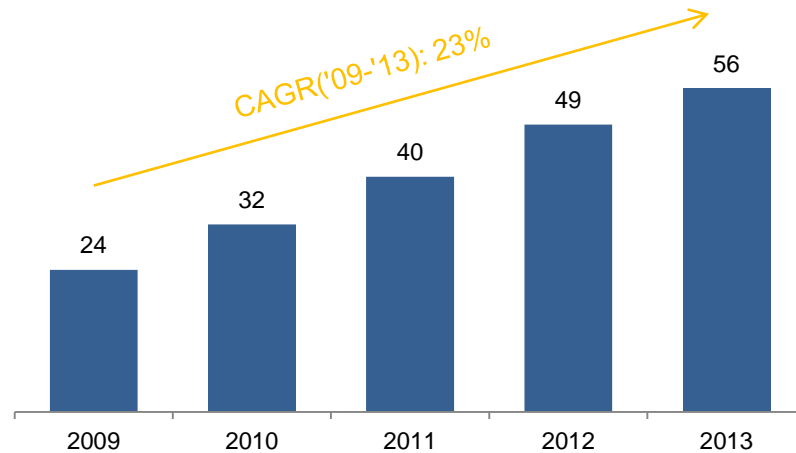
## Power Generation (MMCFD)



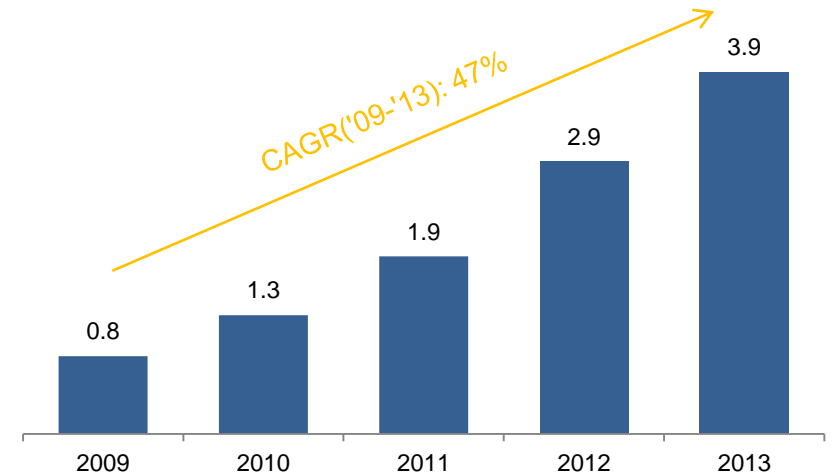
## Industrial (MMCFD)



## NGV Stations (MMCFD)



## Residential & Commercial (MMCFD)

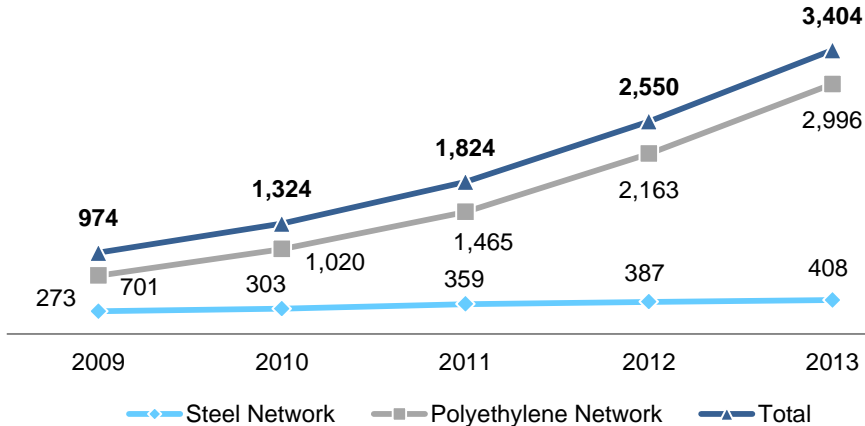


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## Distribution System

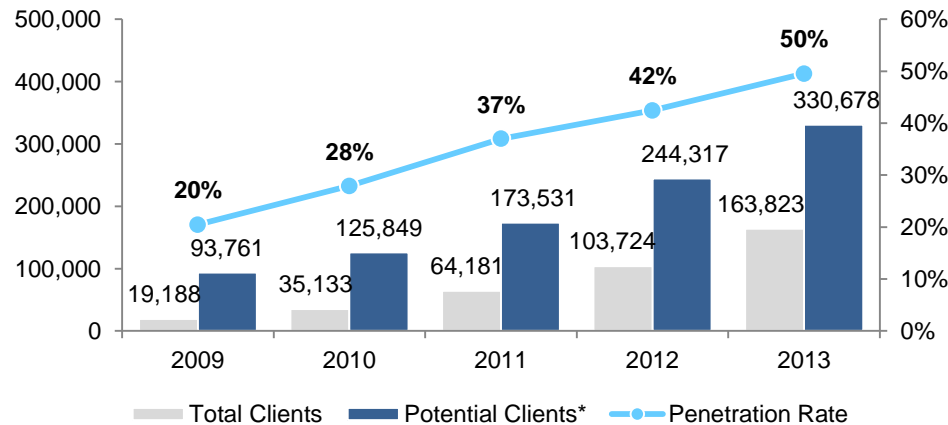
### Infrastructure in kilometers



- In 2013, Cálidda's distribution network was expanded by 854 km, out of which 21 km were steel high pressure network mainly used for the Industrial and NGV Stations segments, while the remaining 853 km were polyethylene pipelines and focused on connecting residential customers.
- Total network now consists of 3,404 km of underground pipelines and its 3.5x longer than what it was in 2009.

## Network Efficiency

### Penetration Rate



- The network penetration rate has increased to 50% over the years due to Cálidda's commercial strategy main focus: districts characterized by medium and low income families who have access to the promotional discount and where the savings produced by the use of natural gas against other alternative fuels are more appreciated.

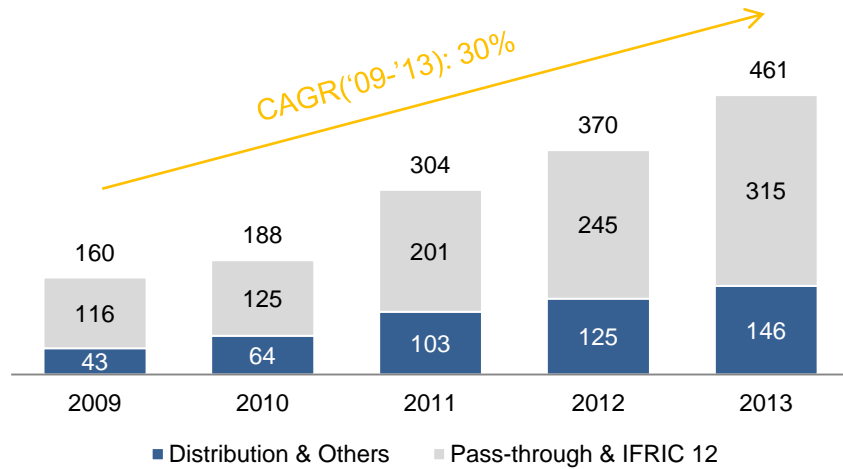
(\*) Clients who are adjacent to Cálidda's distribution network.

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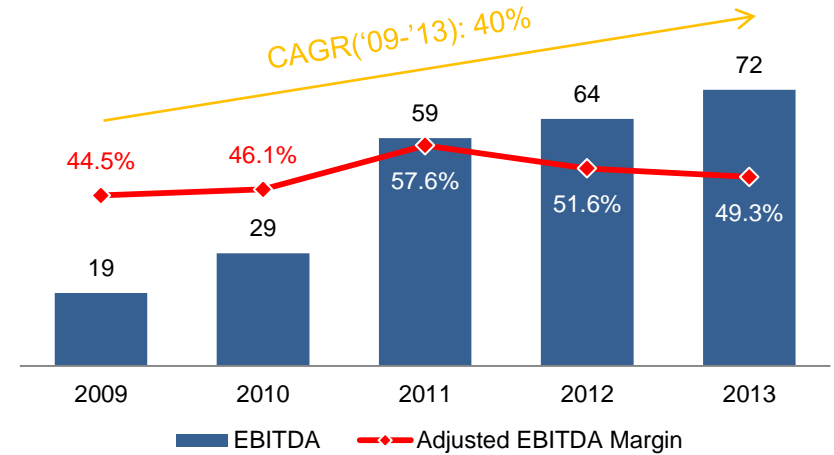
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# Financial Performance

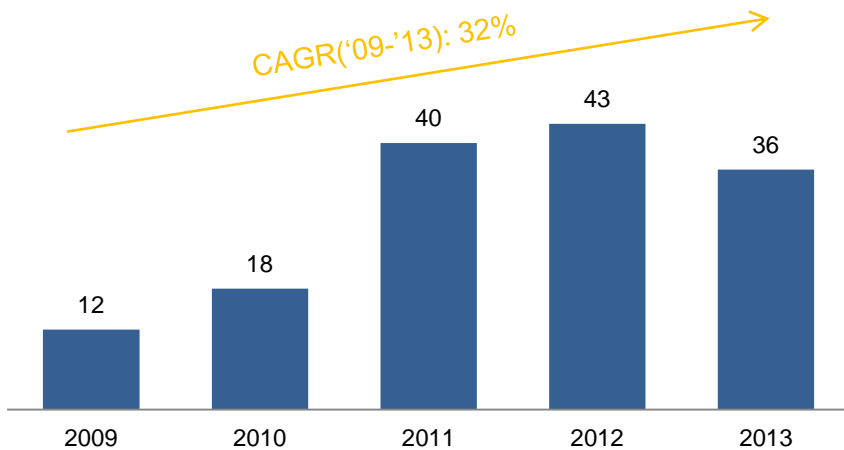
## Total Revenues (USD Millions)



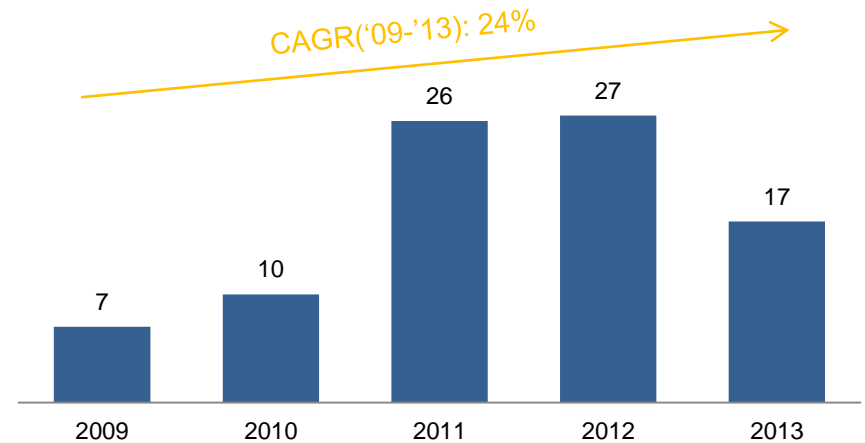
## EBITDA (USD Millions) & Adj. EBITDA Margin (%)



## FFO (USD Millions)



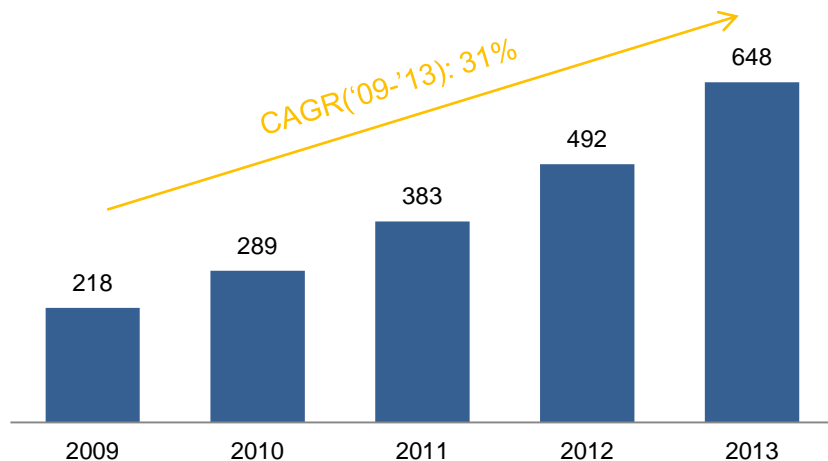
## Net Income (USD Millions)



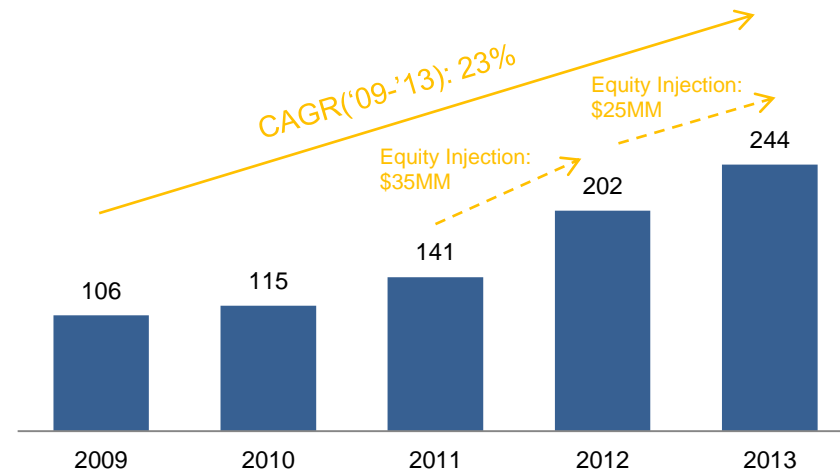


# Financial Performance (Cont'd)

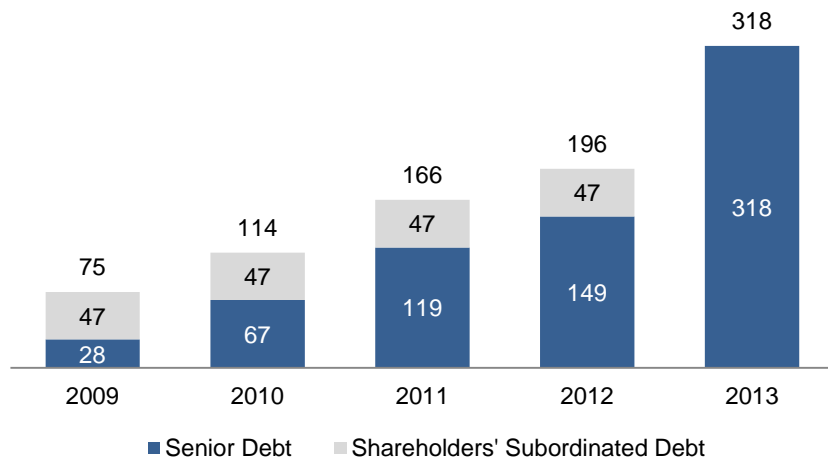
## Total Assets (USD Millions)



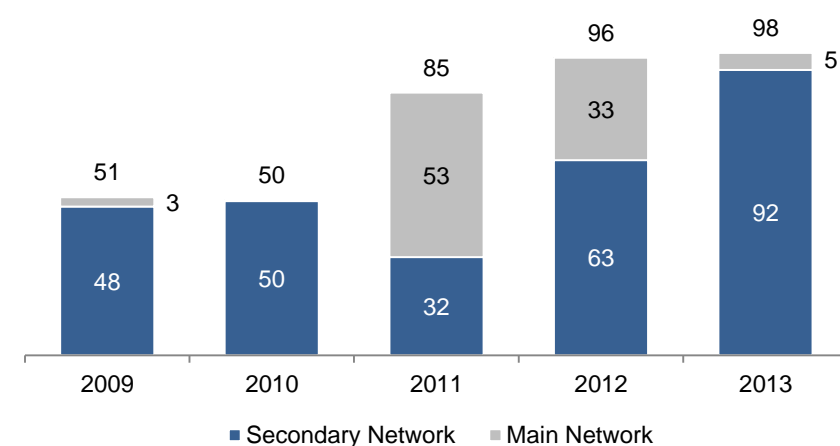
## Equity (USD Millions)



## Total Debt<sup>1</sup> (USD Millions)



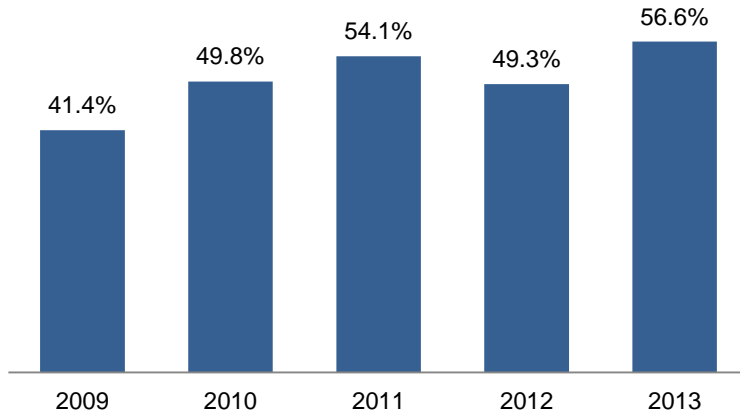
## Capex (USD Millions)



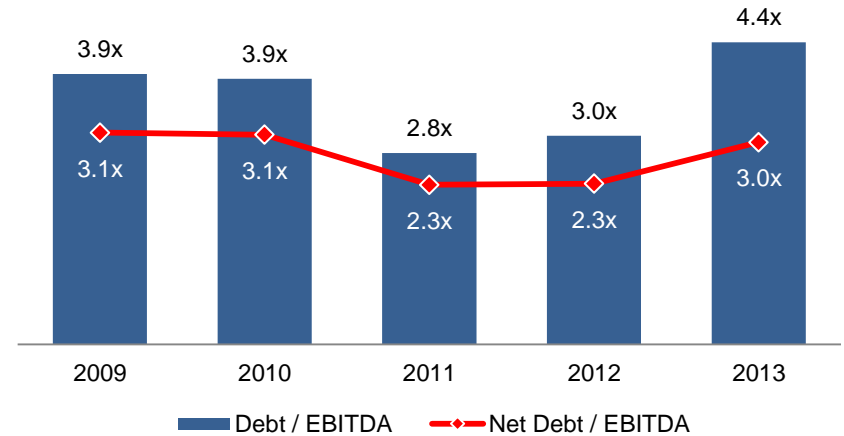
(1) Total Debt: net of debt associated costs.

# Financial Metrics

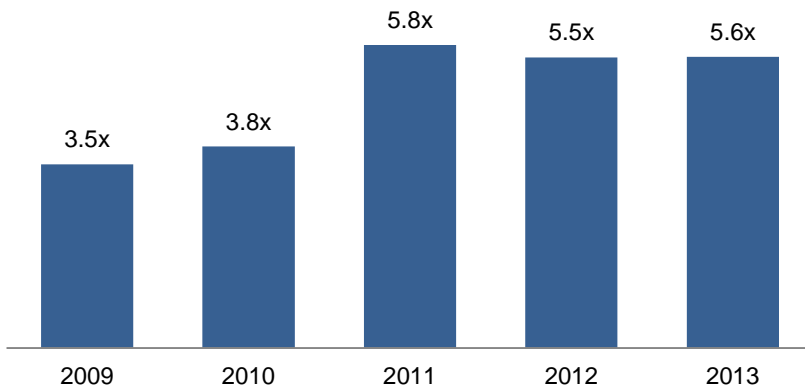
## Debt / Capitalization (%)



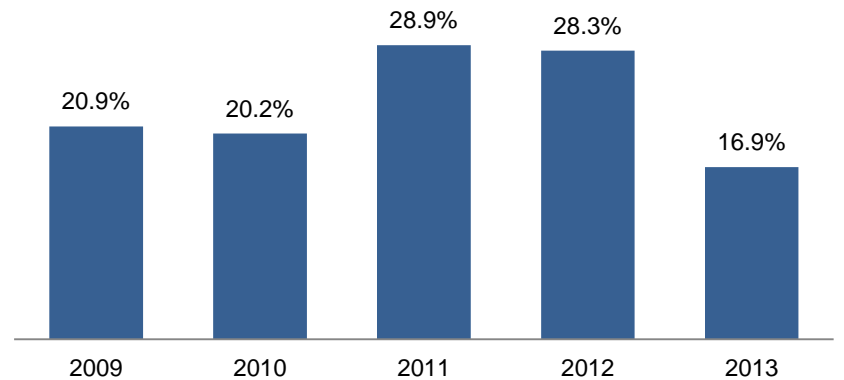
## Debt and Net Debt / EBITDA



## Interest Coverage<sup>1</sup>



## FFO / Net Debt



(1) Ratio does not include 2013's debt prepayment penalties (USD 7.8 MM).

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# Strong Sponsorship with Optimal Experience



## Controlling Shareholder – 60% Ownership in Cálidda

Leading energy holding company with interests across the electricity and natural gas sectors in Colombia, Peru and Guatemala

- Founded in 1896, controlled by the Distrito de Bogotá since 1956 with a 76.2% ownership stake
- Leader in the Energy Sector: major player in the transmission and distribution of electricity and natural gas
- International presence: Colombia, Peru and Guatemala

### Controlling Investments



### Non Controlling Investments



## Shareholder – 40% Ownership in Cálidda

One of the largest natural gas distribution and transportation companies in Colombia

- Founded in 1974 by the government of Colombia. Currently controlled by Grupo Aval
- Only vertically-integrated natural gas company in Colombia
- Major player in the gas distribution sector in Colombia through Gases de Occidente, Surtigas and Gases del Caribe
- Participation in the power distribution in Colombia and telecommunications sector in Panama and Costa Rica
- International Presence: Panama, Peru and Costa Rica
- EEB has 15.6% stake in Promigas

### Controlling Investments



Compañía Energética de Occidente

### Non Controlling Investments



# Experienced and Proven Management Team & Board

Cálidda's management team and board have a successful track record in the oil and gas sector

## Board of Directors

|   |  |  |  |  |  |  |
|---|--|--|--|--|--|--|
| <p><b>President</b><br/><b>Sandra Stella Fonseca Arenas</b></p> <p>18 years of working experience in the energy sector</p> <p>Former Executive Director of the Energy and Gas Regulation Commission in Colombia</p> | <p><b>Luis Betancur Escobar</b></p> <p>Served as Director of Fondo Financiero Desarrollo Urbano</p> <p>President of Colombia's restructuring of the Energy and Gas Regulatory Commission</p> | <p><b>Jose Elias Melo Acosta</b></p> <p>President of Corporación Financiera Colombiana S.A</p> <p>Minister of Colombia's Treasury and Public Credit and Labor and Social Security departments.</p> | <p><b>Antonio Celia Martínez-Aparicio</b></p> <p>President of Promigas</p> <p>Served on the board of directors of various companies in the natural gas sector.</p> | <p><b>Manuel Guillermo Camargo Vega</b></p> <p>Management positions in distribution and transportation utilities of natural gas and project experience in transportation of crude oil and natural gas.</p> | <p><b>Felipe Castilla Canales</b></p> <p>CFO in EEB</p> <p>Previously CFO in ContourGlobal Latinoamerica. He also held the position of CFO in REFCAR - Refinería de Cartagena.</p> | <p><b>Luis Ernesto Mejía Castro</b></p> <p>Director of Promigas</p> <p>Minister of Mines and Energy and Vice Minister of Hydrocarbons and Mines.</p> |
|---|--|--|--|--|--|--|

## Management Team

### Chief Executive Officer Adolfo Heeren

Years in Industry: 16 Years  
Years at Cálidda: 2 years

|  |   |  |   |  |   |   |   |  |
|--|---|--|---|--|---|---|---|--|
| <p><b>Chief Operating Officer</b></p> <p>Jorge Monterroza</p> <p>Years in industry: 16 years<br/>Years at Cálidda: 2 years</p> | <p><b>Chief Commercial Officer</b></p> <p>Carlos Cerón</p> <p>Years in industry: 16 years<br/>Years at Cálidda: 2 years</p> | <p><b>Chief Procurement Officer</b></p> <p>Patricia Pazos</p> <p>Years in industry: 16 years<br/>Years at Cálidda: 8 years</p> | <p><b>Chief Financial Officer</b></p> <p>Jaime Quintana</p> <p>Years in industry: 7 years<br/>Years at Cálidda: 2 years</p> | <p><b>Chief Human Resources Officer</b></p> <p>Rosario Jiménez</p> <p>Years in industry: 4 years<br/>Years at Cálidda: 4 years</p> | <p><b>Chief External Affairs Officer</b></p> <p>Tania Silva</p> <p>Years in industry: 2 years<br/>Years at Cálidda: 1 years</p> | <p><b>Chief Legal and Regulatory Officer</b></p> <p>Amadeo Arrarte</p> <p>Years in industry: 11 years<br/>Years at Cálidda: 9 years</p> | <p><b>Chief Strategy Officer</b></p> <p>Tatiana Rivas</p> <p>Years in industry: 5 years<br/>Years at Cálidda: 5 years</p> | <p><b>Chief Internal Auditor</b></p> <p>Carolina Hernández</p> <p>Years in industry: 7 years<br/>Years at Cálidda: 5 years</p> |
|--|---|--|---|--|---|---|---|--|

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**Cálidda**  
GAS NATURAL DEL PERÚ



**GRUPO ENERGÍA  
DE BOGOTÁ**