/Carey

Mayo de 2018

ENEL CHILE SE REORGANIZA POR SEGUNDA VEZ EN DOS AÑOS

Power company Enel Chile has hired Winston & Strawn LLP in New York and Carey in Santiago to carry out a corporate reorganisation worth US$3.8 billion that sees it increase its stake in Enel Generación Chile and merge with renewables company Enel Green Power Latin America.

Enel Chile increased its stake in its subsidiary Enel Generación, which holds conventional energy assets, to 93.5% from 60% through a tender offer worth some US$2.7 billion. Enel Generación enlisted Cariola, Díez, Pérez-Cotapos in Santiago.

That part of the reorganisation required the elimination of concentration limits barring any shareholder from holding more than 65% in Enel Generación.

Enel Chile has also absorbed Enel Green Power, a subsidiary holding renewables assets. The deal took place through a share swap. Garrigues (Chile) worked with Enel Green Power.

Both deals closed on 2 April.

To finance the tender offer, Enel Chile obtained a US$1.6 billion syndicated loan. Enel Chile worked with seperate teams from Winston & Strawn and Carey on this deal, while the lenders enlisted Davis Polk & Wardwell LLP in New York, Washington, DC and London and Garrigues (Chile) in Santiago. That deal closed on 28 March.

The reorganisation is part of Italian utilities company Enel's strategy to simplify its structure and consolidate its operating companies in South America to less than 30 by 2020. There were 53 Enel companies at the end of 2017.

This is Enel Chile's second reorganisation in less than two years. Back in 2016 – when the company was known as Enersis – it created a spin-off to control its assets in Chile, with another controlling assets in the rest of South America. The company completed the same

Carey y Cía. Ltda.
Isidora Goyenechea 2800, Piso 43.
Las Condes, Santiago, Chile.
www.carey.cl

spin-off process for subsidiaries Endesa and Chilectra. Those entities also took new names, becoming Enel Generación Chile and Enel Distribución Chile respectively.

Carey and Cariola Diez worked on that restructuring, as well as Claro & Cía and Philippi Prietocarrizosa Ferrero DU & Uría (Chile). A team from Chadbourne & Parke LLP – whose New York Latin American practice went to Winston & Strawn last August,pulling out of their former firm's merger with Norton Rose Fulbright – advised on the reorganisation from the US.

Enel is present in 35 countries worldwide including Argentina, Brazil, Chile, Colombia, Costa Rica, Guatemala, Mexico, Panama, Peru and Uruguay in Latin America. Enel is the largest power company in Chile by installed capacity.

For the reorganisation

Counsel to Enel Chile

In-house counsel - Domingo Valdés, José Gaspar de la Fuente, Gonzalo Carreño and Elizabeth Soto

Winston & Strawn LLP

Partners Allen Miller and Sey-Hyo Lee, and associate Tae Sang Yoo and international attorney Juan de Dios Ferrada in New York

Carey

Partners Jorge Carey, Alfonso Silva, Salvador Valdés and Cristián Figueroa, counsel Patricia Silberman, and associates Raimundo Honorato and Vicente Yubini in Santiago

For the financing

Counsel to Enel Chile

Winston & Strawn LLP

Partners Claude Serfilippi, Edmund Cohen and Soyun Park, and associates Amanda Sewell and Justin Trapp in New York

Carey

Partner Diego Peralta and associates Elvira Vial and Juan Pablo Loyola in Santiago

Counsel to Enel Green Power Latin América

In-house counsel - Ali Shakhtur, José Manuel Astudillo and Diego Salinas

Garrigues (Chile)

Partner Pedro García Morales and associates Cristóbal Fainé Henríquez, María Teresa Aldunate and Juan Eduardo Vidal in Santiago

Counsel to Enel Generación Chile

In-house counsel - Ignacio Quiñones and Humberto Bermudez

Cariola, Díez, Pérez-Cotapos

Partners Francisco Javier Illanes and Juan Antonio Parodi, and associate Florencia Grez in Santiago

Counsel to Banco de Chile, Banco Santander Chile, BBVA Securities, Citigroup Global Markets, JP Morgan, Morgan Stanley and Scotiabank Chile

Davis Polk & Wardwell LLP

Partner James Florack and associates Omar Raddawi and Ilona Potiha in New York; counsel Jeanine McGuinness Washington, DC and associate Veronica Orecharova in London

Garrigues (Chile)

Partner Pedro García Morales and associate Francisca Ferrer in Santiago