

A large, full-canopied green tree with a thick trunk, positioned on the left side of the slide. The tree is set against a white background with green decorative elements: a large green circle on the left and a green hill at the bottom.

2Q2019 Report

August 16, 2019

Agenda



- 1. Relevant events**
- 2. Energy Market**
- 3. Financial results as of June 2019
(unaudited)**
- 4. Update on the Ituango Project**
- 5. Divestment plan**

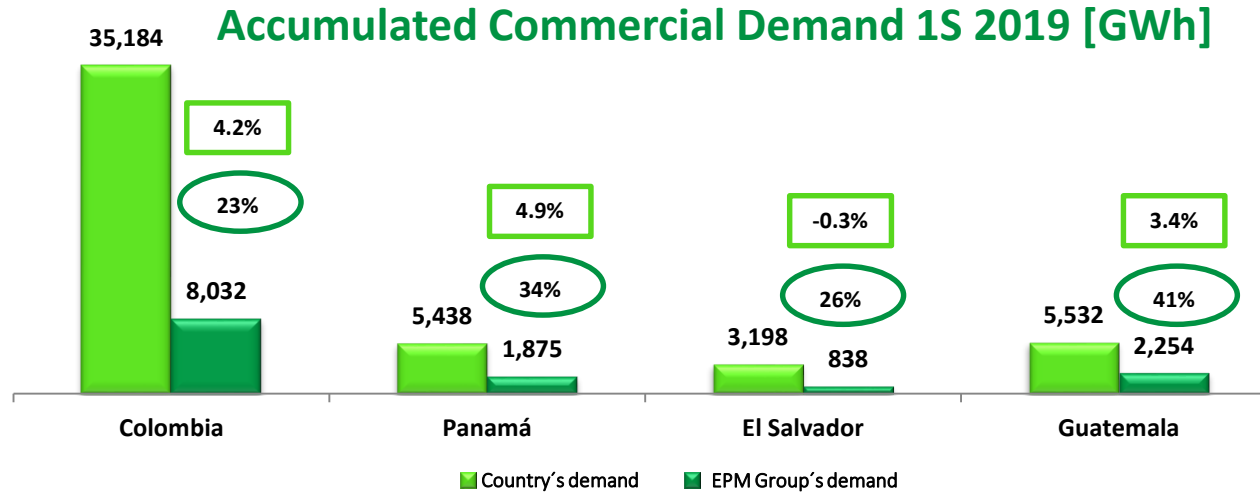
1. Relevant events of the quarter and subsequent to the closing



- On July 11th, EPM placed bonds on the international capital market equivalent to USD 1,382 million, in a combination of US Dollars and Colombian Pesos. The placement allowed EPM to optimize the portfolio of the current debt, without increasing the debt balance. The average life of the debt portfolio was increased in 1,8 years, while the most relevant debt maturities of the period 2020-2022 were relocated to 2027 and 2029.
- The Ituango hydroelectric project meets two relevant milestones: the completion of the final height of the dam, reaching 435 m.a.s.l. on July 19th and the activation of the return plan for the evacuated families, after the modification of the red alert to the orange alert by the National Risk and Disaster Management System (SNGRD), on July 26th.
- Within the scope of the program for the disposal of the shares that EPM owns in ISA, 14,881,134 shares were granted in the First Stage at a price of \$15,700 per share. The Second Stage of the sales process began on July 29.
- In June, EPM began the disposal process of the shares that owns in GASORIENTE, with the publication of the Notice of Offer of the First Stage.

2. Energy Market

EPM Group Commercial Power Demand

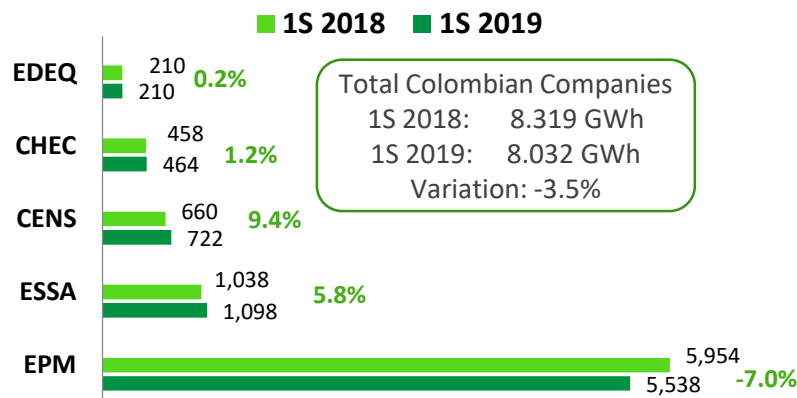


% Country's demand variation 1S2019 vs 1S2018
 % EPM Group country demand's share.

Note: Comercial demand reported depends on the clients that each Company attends directly, regardless of the distribution network they are connected (regulated plus non regulated). The Country's demand reported does not consider energy exports.

1S = First Semester

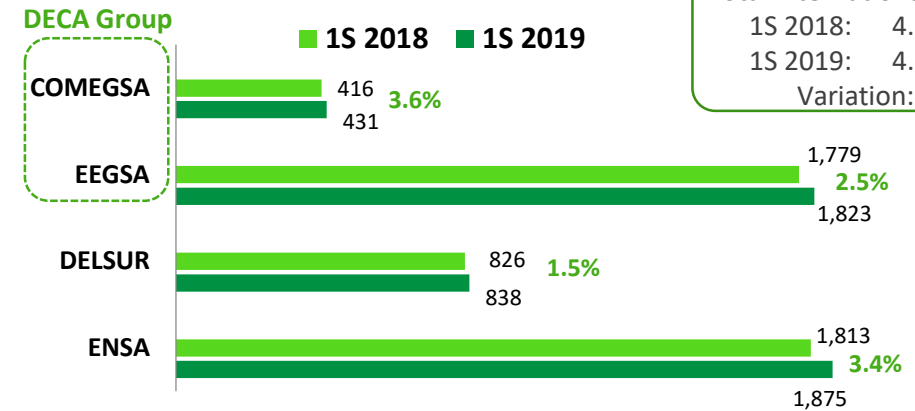
Colombian Companies GWh



Total Colombian Companies
 1S 2018: 8.319 GWh
 1S 2019: 8.032 GWh
 Variation: -3.5%

Total EPM Group
 1S 2018: 13.153
 1S 2019: 12.999
 Variation: -0.9%

Internacional Companies GWh

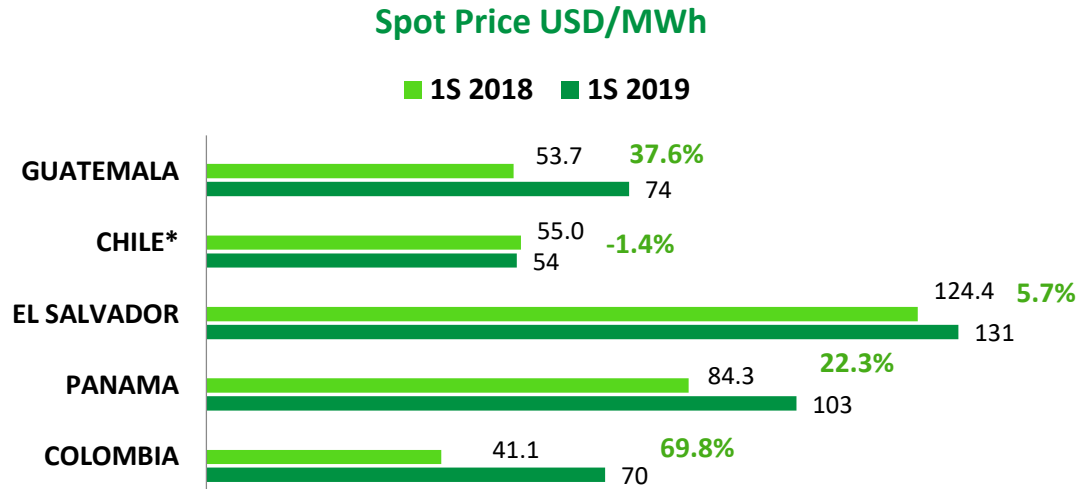


Total International Companies
 1S 2018: 4.834 GWh
 1S 2019: 4.967 GWh
 Variation: 2.8%

2. Energy Market



Spot price USD/MWh and Power Generation EPM (GWh)



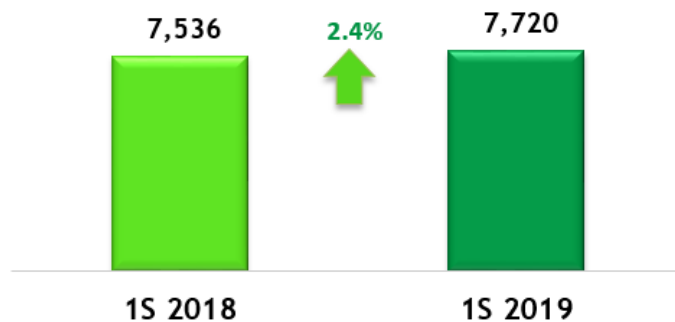
During 1S2019:

- Spot price increased in the countries where the EPM Group has presence, except in Chile, mainly by the increase in fuel prices.
- In Colombia, the spot price increased 69.8%, due to temperature increase and lower water input to the system.

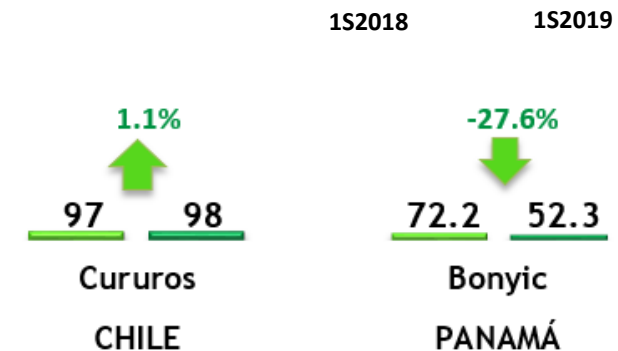
NOTE: First semester average spot prices.

*Price of La Cebada node where EPM's Los Cururos plant is connected.

EPM Group Power Generation in Colombia [GWh]



International Subs. Power Generation [GWh]



3. Financial Results as of June 30, 2019 (unaudited)

Macroeconomic Scenario

Concept	Colombia	Chile	Guatemala	Panama	Mexico	El Salvador
GDP	N.A.	N.A.	N.A.	N.A.	0.4%	N.A.
CPI (annual variation)	2.71%	1.55%	3.17%	0.22%	0.27%	0.49%
CPI (accumulated 12 months)	3.42%	2.31%	4.80%	-0.58%	3.95%	0.53%
PPI/WPI (accumulated 12 months)	2.44%	-0.04%	DNA	DNA	0.48%	0.36%
PPI/WPI (annual variation)	4.44%	-1.62%	DNA	DNA	2.48%	1.09%
Exchange rate (month-end)	3,205.67 COP/USD	679.86 CLP/USD	7.71 GTQ/USD	DNA	19.21 MXN/USD	DNA
Devaluation/Revaluation	-1.36%	-2.28%	-0.37%	DNA	-2.25%	DNA



CPI: Consumer Price Index

PPI: Producer Price Index. In Colombia corresponds to the internal supply index.

WPI: Wholesale Price Index

DNA: Does Not Apply

N.A.: Non Available

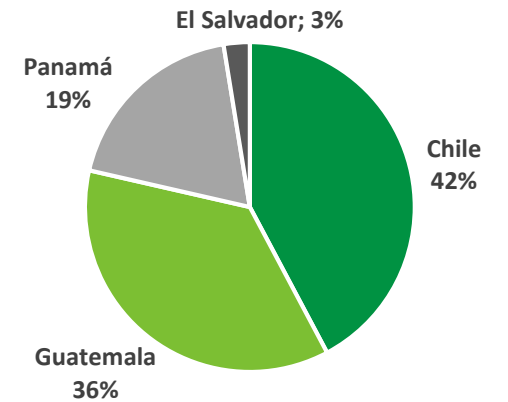
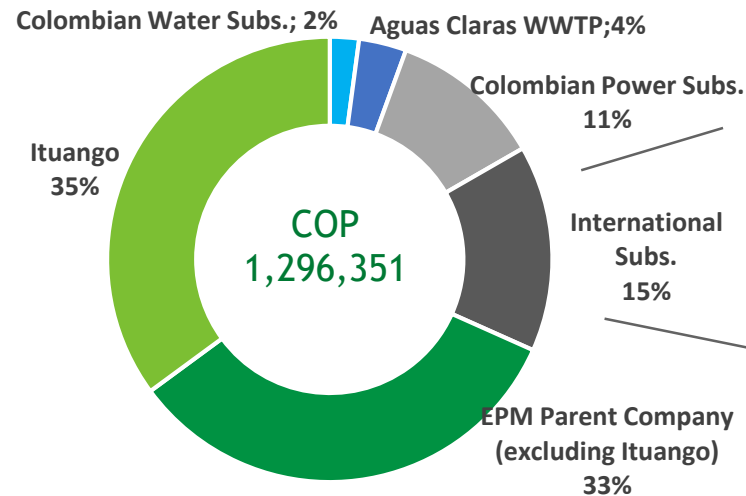
3. Financial Results as of June 30, 2019 (unaudited)

CapEx EPM Group

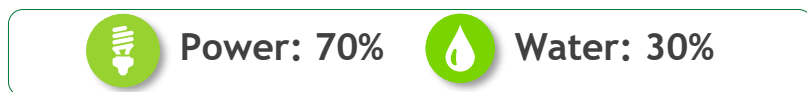
Figures in COP thousand million



EPM Group	Jan.-Jun.2019
Ituango	454,776
EPM Parent Company (excluding Ituango)	430,844
International Subs.	194,367
Aguas Claras WWTP	44,692
Colombia Power Subs.	144,261
Colombian Water Subs.	27,410
Total	1,296,351



✓ EPM Group Investments as of June: COP 1.3 billion



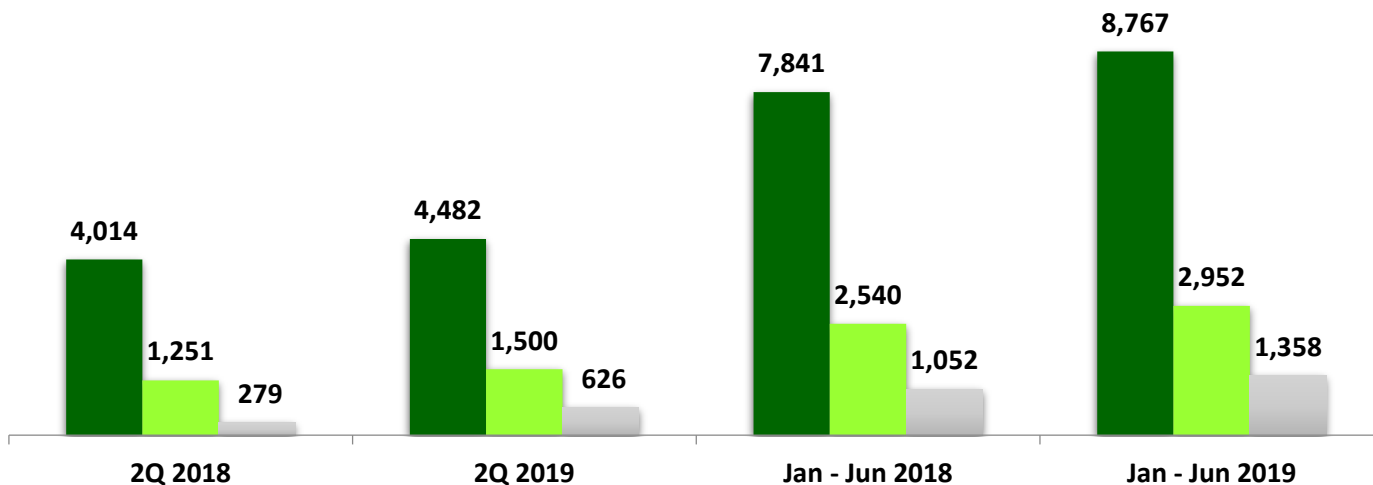
3. Financial Results as of June 30, 2019 (unaudited)

EPM Group Income Statement

Figures in COP thousand million

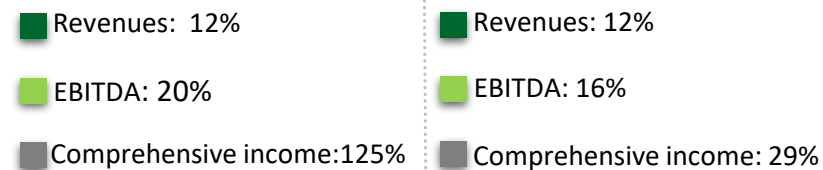


■ Revenues ■ EBITDA ■ Comprehensive income

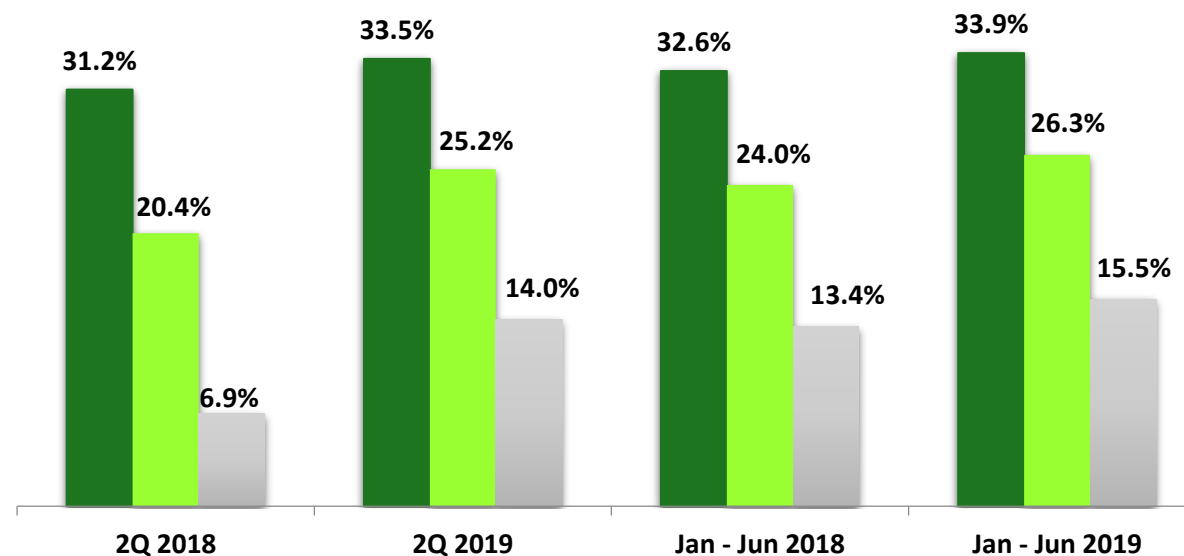


Var. 2Q2018 - 2Q2019

2018 - 2019



■ EBITDA margin ■ Operational margin ■ Net Margin



- Revenues increased COP 927, 12%, explained by higher energy prices, AGC services, and long-term sales in EPM Parent Company.
- EBITDA rose COP 413, 16% with respect to previous year.
- Comprehensive income increased COP 305, 29%, due to higher revenues and FX effect.

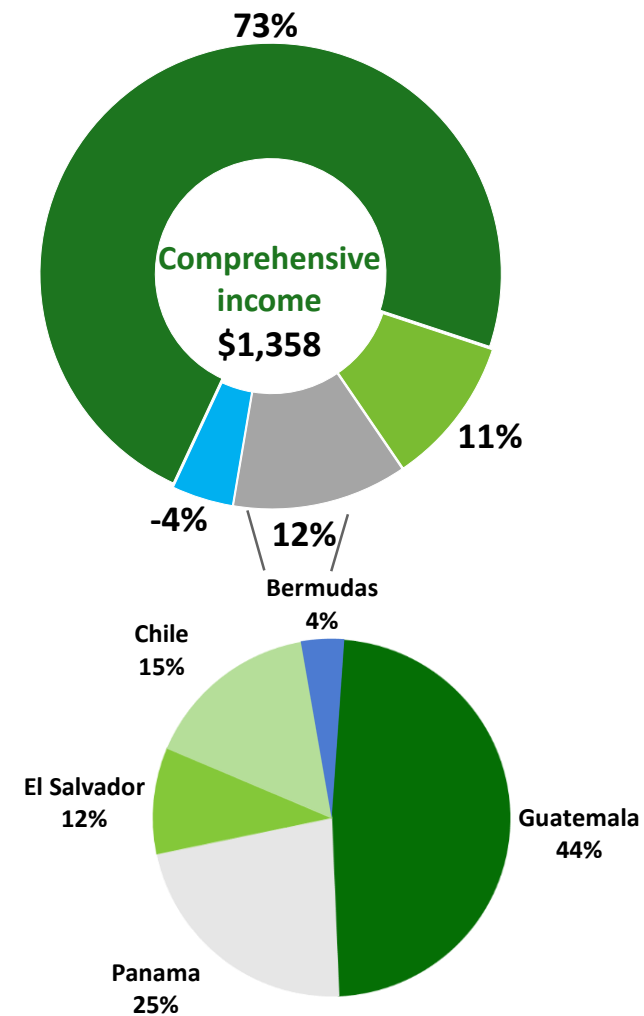
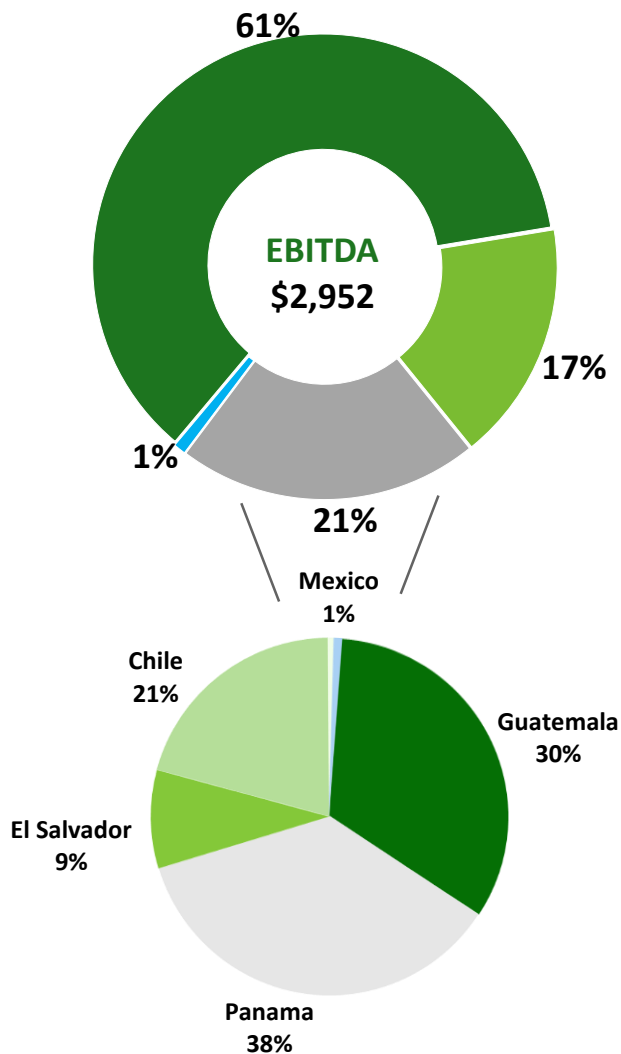
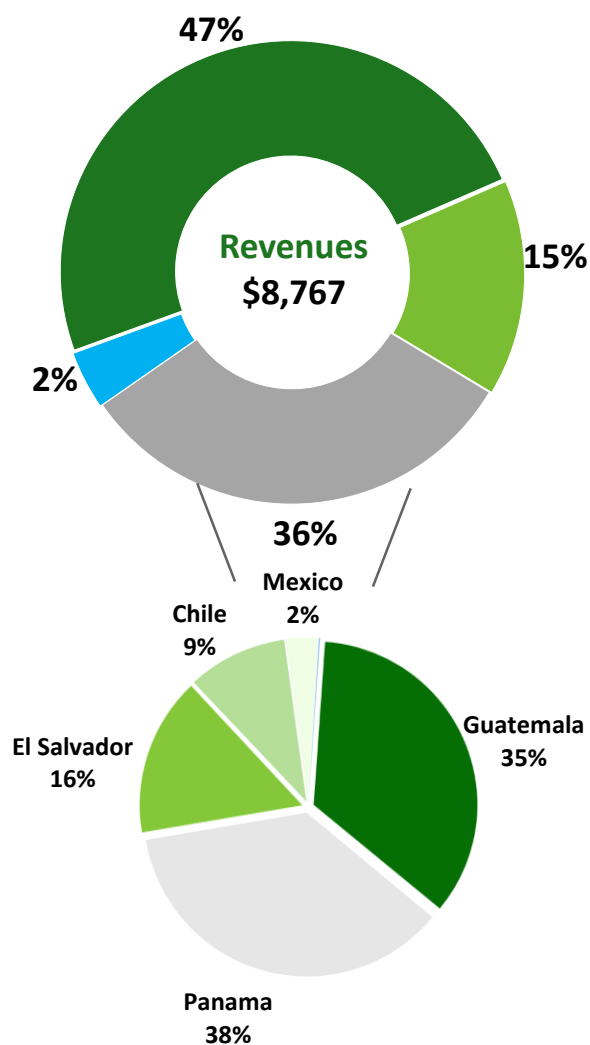
3. Financial Results as of June 30, 2019 (unaudited)

EPM Group by Colombian and International Subsidiaries

Figures in COP thousand million



■ EPM
■ Colombian Power Subsidiaries
■ International Subsidiaries
■ Colombian Water Subsidiaries

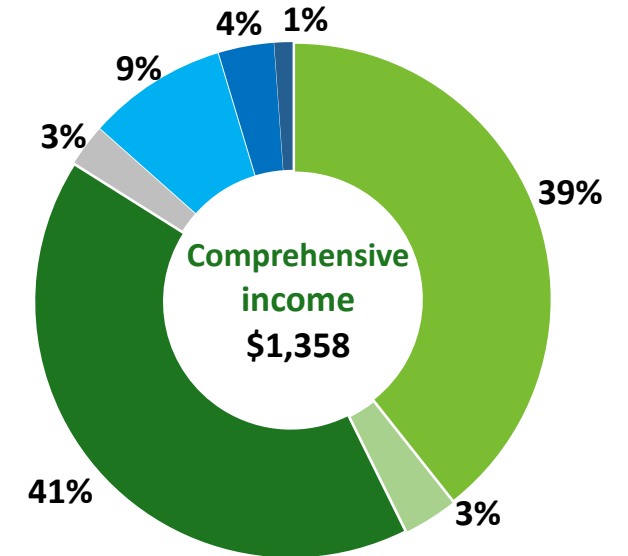
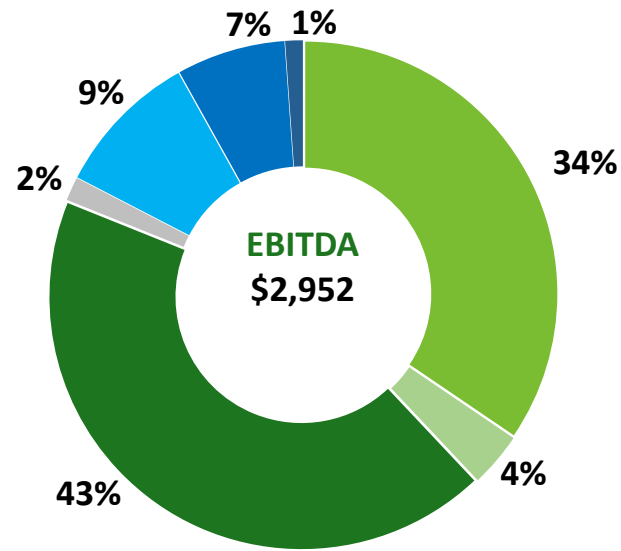
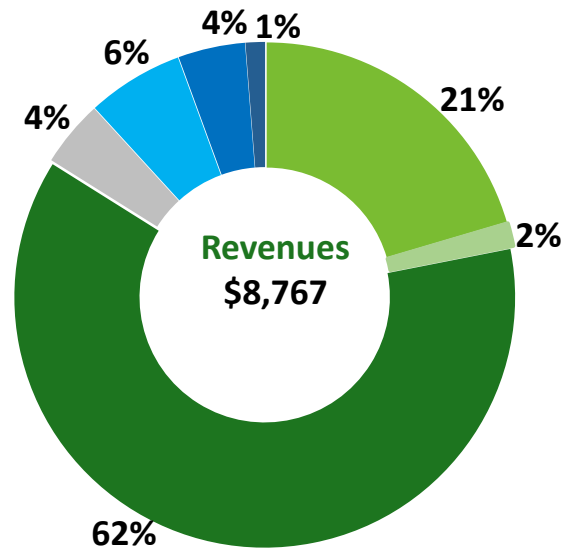


The percentages do not include the Other Segment and Eliminations.

3. Financial Results as of June 30, 2019 (unaudited)

EPM Group by Segments

Figures in COP thousand million



- Power Generation
- Power Distribution
- Water
- Solid Waste Management
- Power Transmission
- Gas
- Wastewater Management

The percentages do not include the Other Segment and Eliminations.

4. Financial Results as of June 30, 2019 (unaudited)

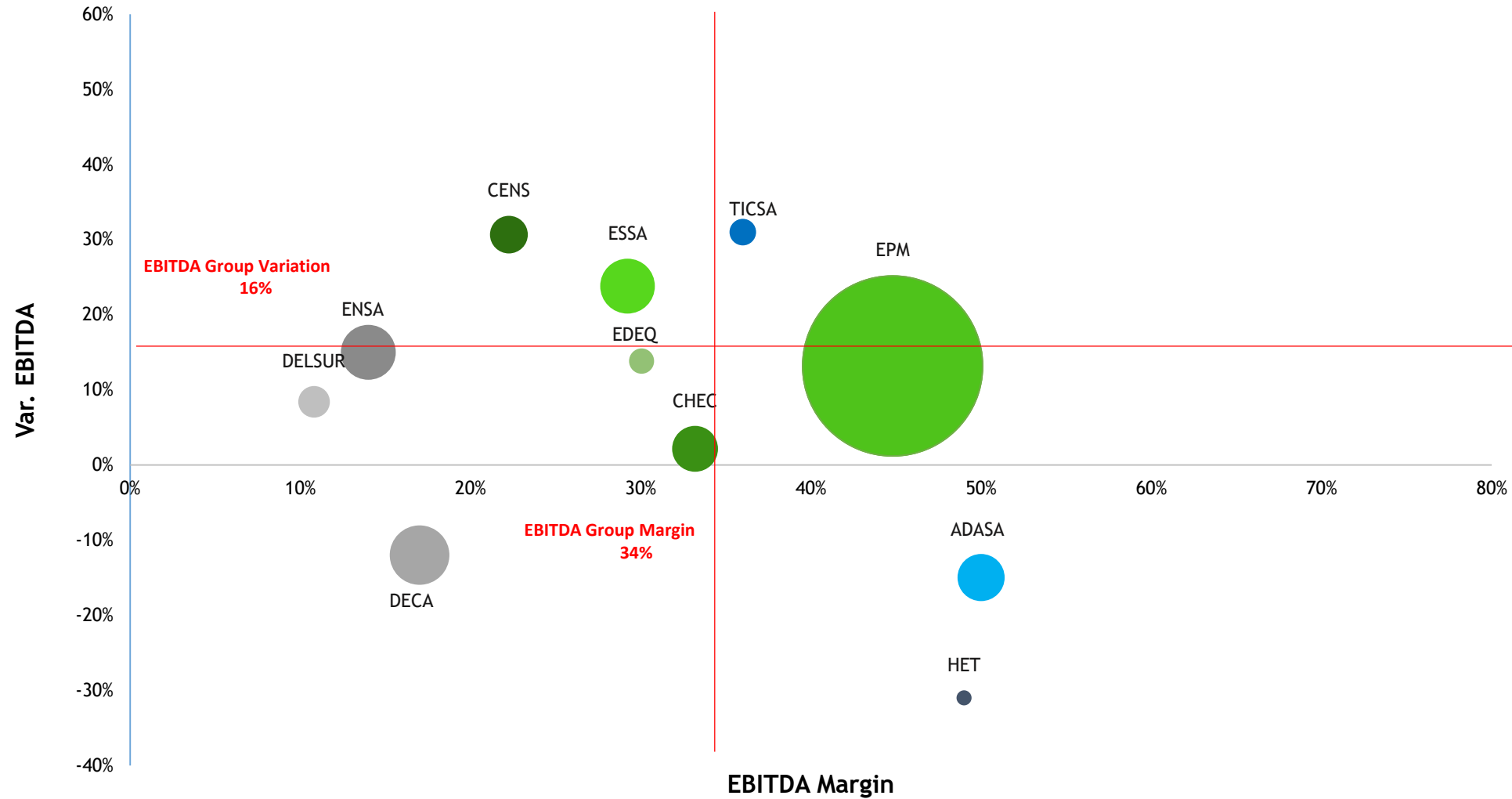
EPM Group EBITDA

Figures in COP thousand million



Cururos
(257%,63%)

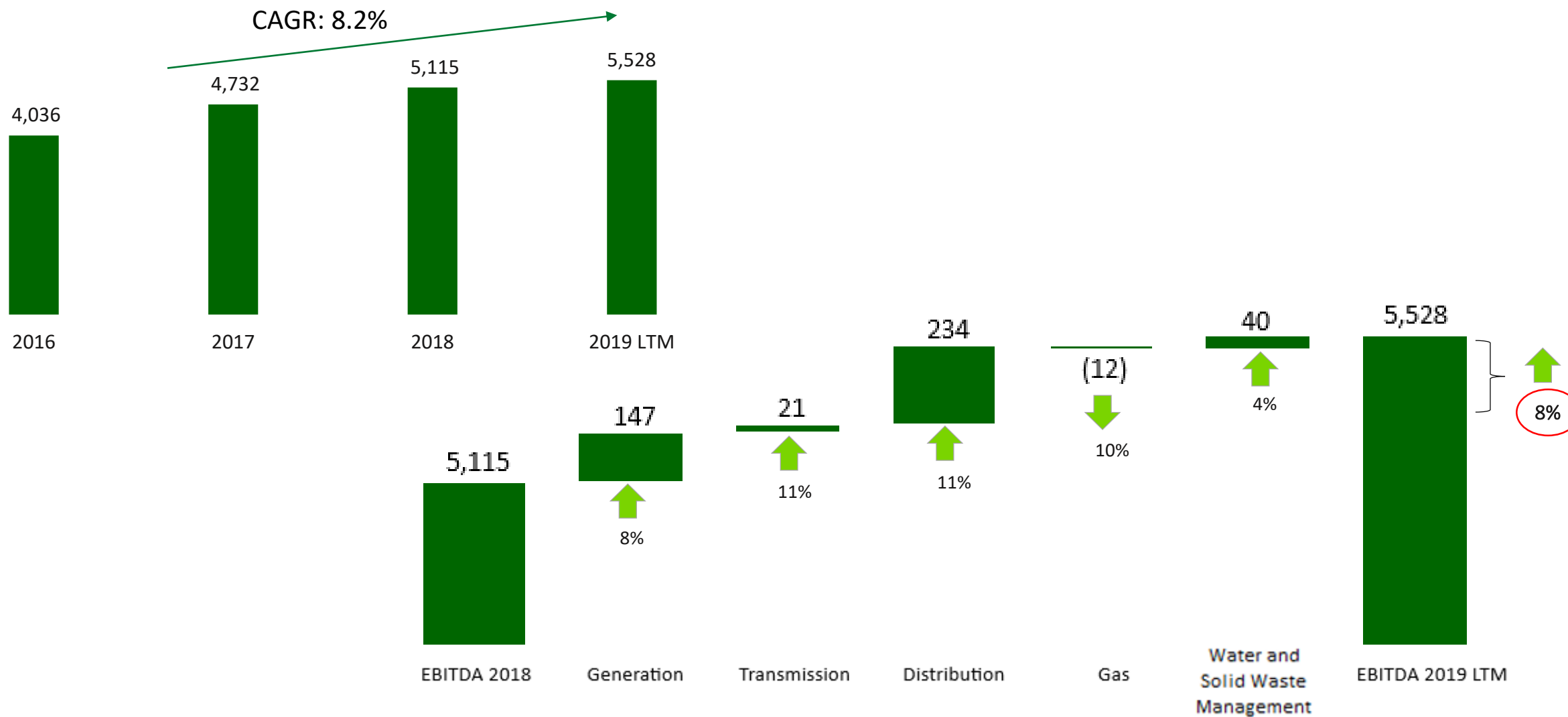
EPM
Transmisión
Chile
(212%,78%)



3. Financial Results as of June 30, 2019 (unaudited)

EPM Group EBITDA

Figures in COP thousand million

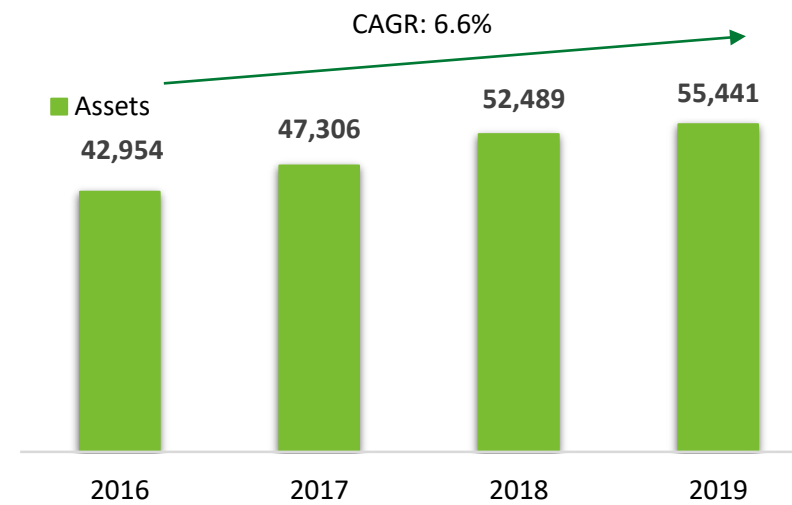
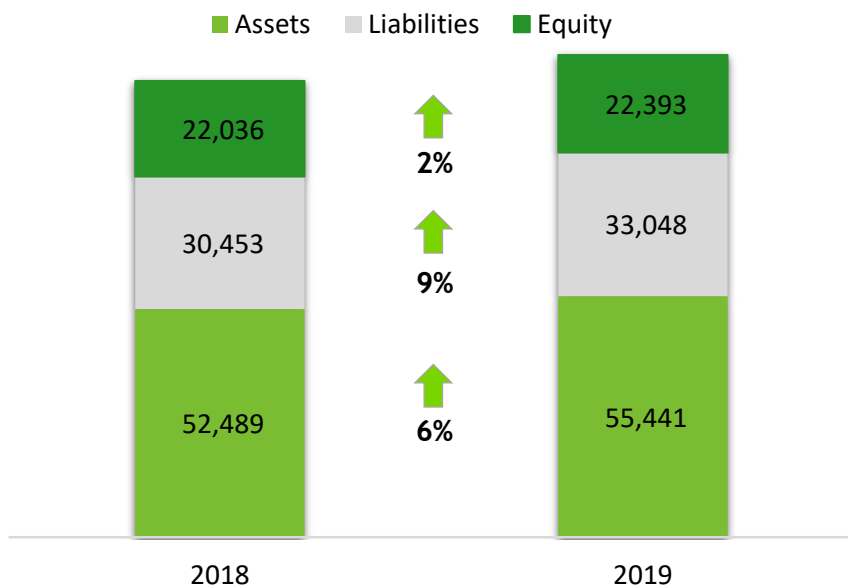


It does not include the Other Segment and eliminations.

3. Financial Results as of June 30, 2019 (unaudited)

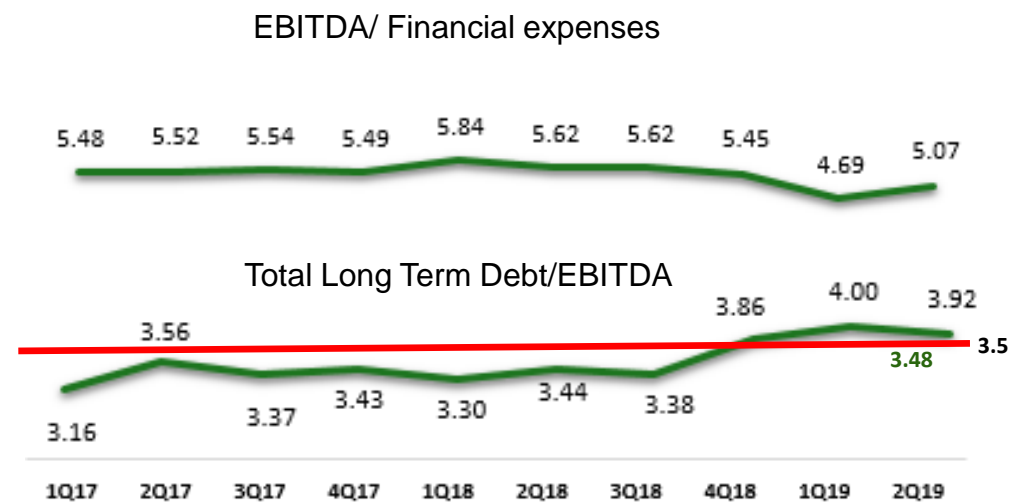
EPM Group Statement of Financial Position

Figures in COP thousand million



Ratios	2018	2019
Total debt	58	60
Financial debt	40	42
EBITDA/financial expenses	5.62	5.07
Total Long Term Debt/EBITDA	3.44	3.92 (*)

(*) Net Debt/EBITDA: 3.48



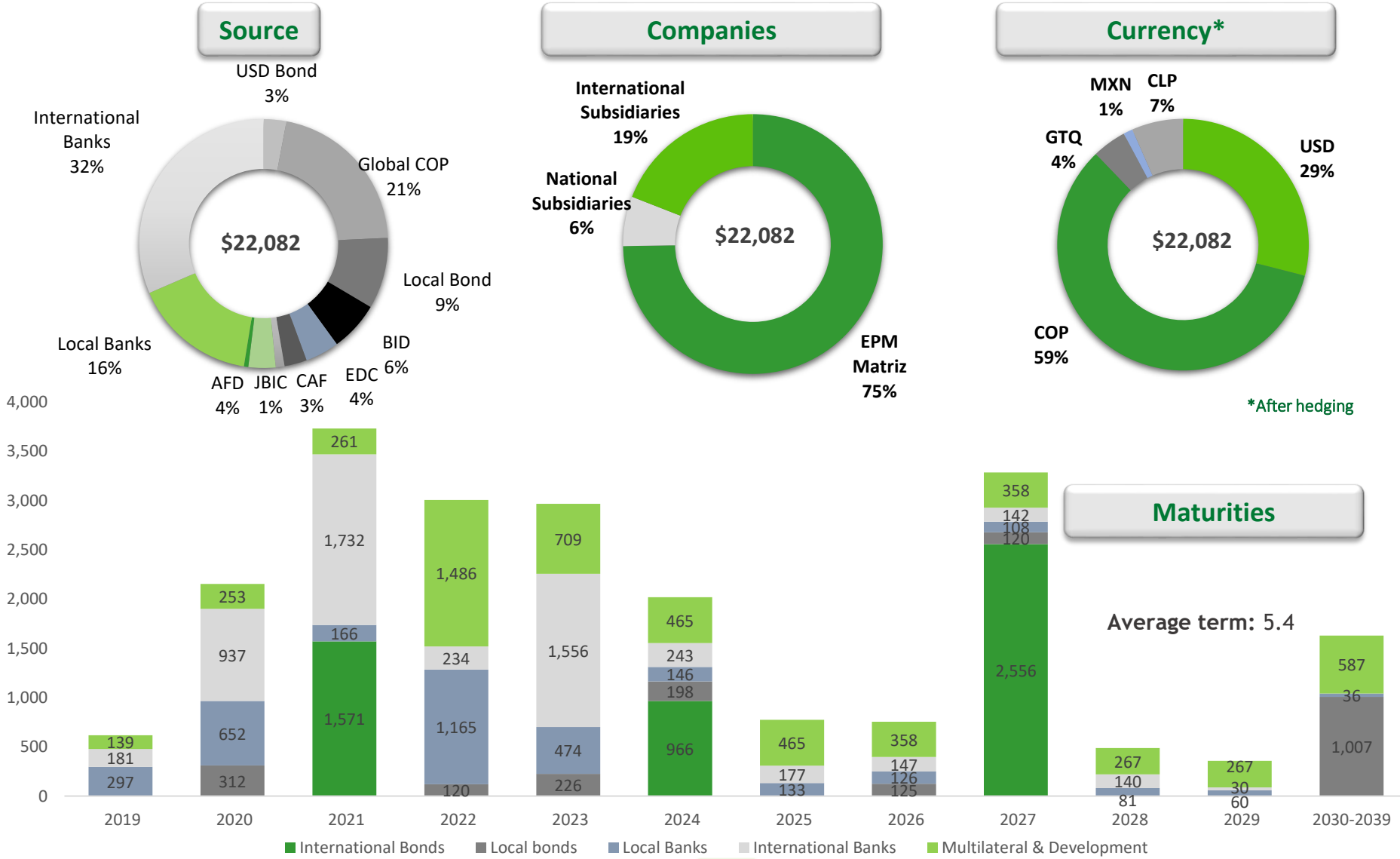
- Cash position as of June 30, 2019 was COP 3.16 billion

3. Financial Results as of June 30, 2019 (unaudited)



Debt Profile

Figures in COP thousand million



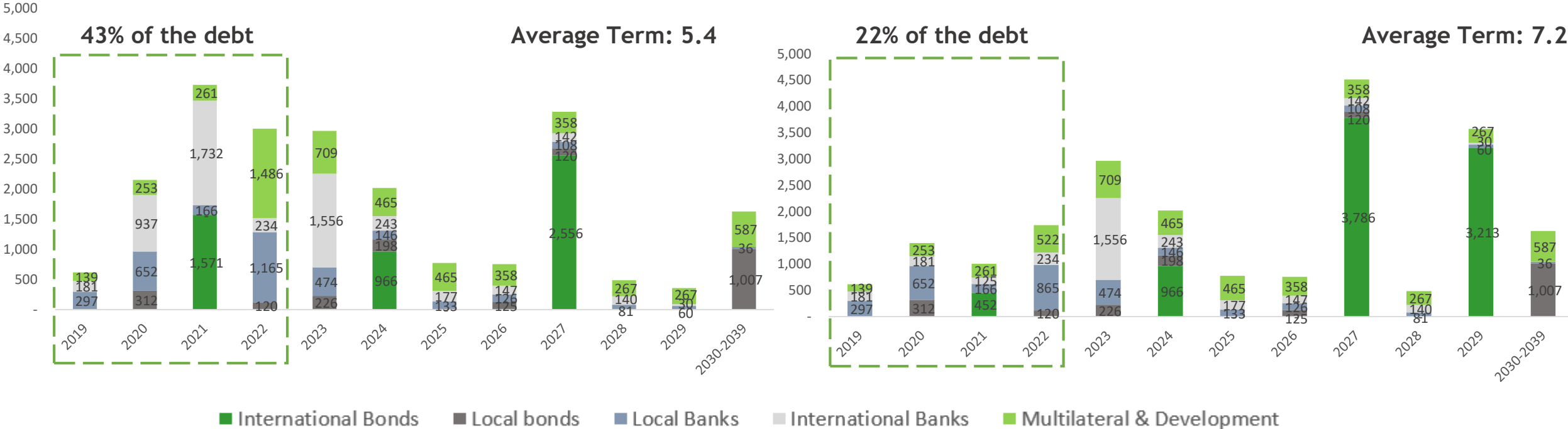
3. Financial Results as of June 30, 2019 (unaudited)



Debt Profile as of June - Before and After the liability management

Before

After



4 . Update on the Ituango Contingency

Milestone achieved: the dam reached its final height, 435 m.a.s.l on July 19th



4 . Update on the Ituango Contingency

All dates estimated subject to changes due to technical findings and design adjustments (*)



Technical actions - What follows



Dam works



Milestone accomplished:

- ✓ Main screen in plastic and dam filling at 435 m.a.s.l.
- Road at the top of dam: under construction.

(*)

Conduction tunnels



Estimated compliance dates: (*)

- Filling of the hollow between wells 1 and 2: 1Q2020



Right Diversion Tunnel (RDT), Auxiliary Diversion Gallery (ADG) and Intermediate Discharge



- RDT pre-plug 2: Preliminary work began with pilot drilling from the intermediate discharge tunnel.
- RDT Final plug: to start this activity, pre-plug 2 must be completed, in order to provide security and decrease the water flow.
- ADG: the left floodgate is completed and operational, work is being done on tuning the right floodgate (300 ton. each).

Estimated compliance dates:

- RDT: 3Q2020
- ADG: Pre-plug (closing of the right gate): 3Q2019
Final plug: 1Q2020 (*)
Intermediate Discharge Recovery: 4Q2020



Powerhouse



Estimated compliance dates: (*)

- Pumping of the Powerhouse: 2Q2019
- Powerhouse sediments extraction: 1Q2020
- Tunnels and caverns recovery: 3Q2020
- Stabilization of the access tunnel to the Powerhouse: 3Q2019
- Stabilization of the buttress between No.1 downstream surge tank and the Powerhouse: 1Q2020

➤ Estimated date of entry into operation (*)
Phase 1 (1 power unit): Dec. 2021
(the other 3 power units): Feb., Aug., and Nov. 2022

4. Update on the Ituango Contingency - Financial Impact

Figures in COP thousand million^(*)



Project Cost

Concept	Before	Contingency	After
Direct Cost	9,993	2,779	12,773
Financial Expenses	1,500	1,038	2,537
Total Cost	11,493	3,817	15,310

Direct Cost: COP 2.8 billion increase, mainly in recovery of the main Works and Equipment.

Financial Expenses: COP 1 billion increase, due to a greater period of construction (accounting effect, does not correspond to additional debt).

Total invested as of June 2019: COP 10.4 billion

Contingency CapEx Execution As of June 2019

Investments	783
Expenses	98
Total executed	881

Financial resources as of June 2019

Concept	Amounts accrued June 2019	Payments as of June 2019
Shelters Support	46	36
Affected Care and Compensation	39	3
Reliability Charge Guarantee	135	0
Contingency and environmental sanction	40	2
Payment to transmitter	106	0
Contingency attention	57	57
Removal of assets	185	DNA
Total	608	98

Pending Financial Resources to be executed Estimated Figures^(*)

Contingency Investments: It is estimated that additional resources of up to COP 2 billion will be invested in works associated with the contingency. It should be noted that a recovery is expected for compensation of damage insurance for COP 1.92 billion.

Contingency expenses: in the financial projections, a value of up to COP 0.6 billion, of which COP 1 billion has been executed.

^(*) Figures subject to variation based on technical findings and design adjustments

4. Update on the Ituango Contingency - Financial Impact

Project Cost Breakdown

Figures in COP thousand million (*)

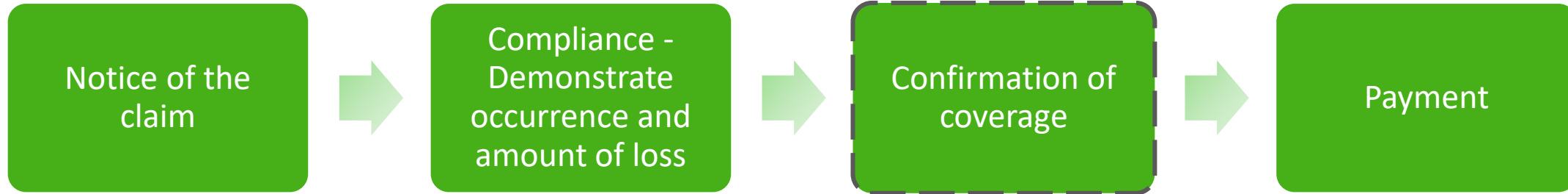


CONCEPT	Before Contingency	After (*) Contingency	% Var.
Engineering administrative expenses	1,803	2,166	20%
Infrastructure and Main Works	5,335	7,344	38%
Equipment	1,506	2,129	41%
Environmental and Social Management	914	1,044	14%
Land and Easements	83	89	8%
Unforeseen delays and downward adjustments	353	0	-100%
DIRECT COST	9,993	12,773	28%
Capitalized interests	1,500	2,537	69%
TOTAL COST	11,493	15,310	33%

(*) Figures subject to variation based on technical findings and design adjustments

4. Update on the Ituango Contingency

Insurance policy for non-contractual civil liability



- Currently, we are in the process of reimbursement of compensation that EPM made to third parties and the costs incurred to repair or rebuild the affected community infrastructure.

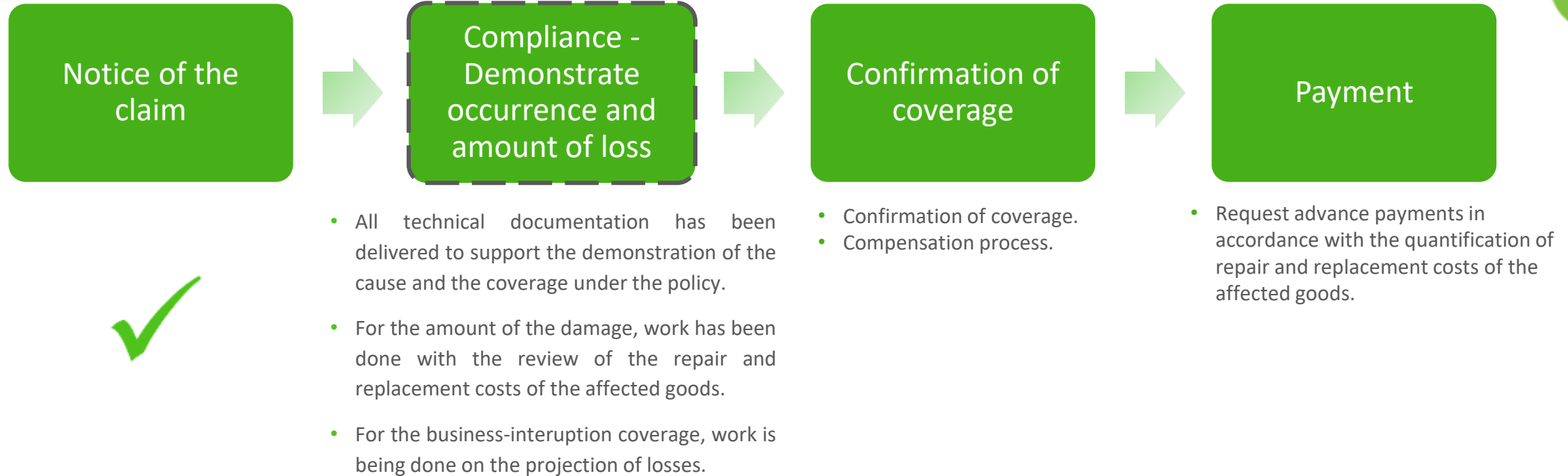
➤ Total coverage: COP 50,000 million, with COP 150 million deductible.

Premises for loss management:

- Relationship of trust and joint work with the adjuster through constant exchange of information about the compensation strategy for people affected.
- Accompaniment of the adjuster to the EPM team on the site to participate in the valuation of homes and negotiation.

4. Update on the Ituango Contingency

Insurance policy all risk construction and assembly



➤ **Total coverage: USD 2,556 million, with USD 1 million deductible.**

Premises for loss management:

Construction of a relationship of trust and joint work with the Loss Adjuster and the insurer and reinsurers:

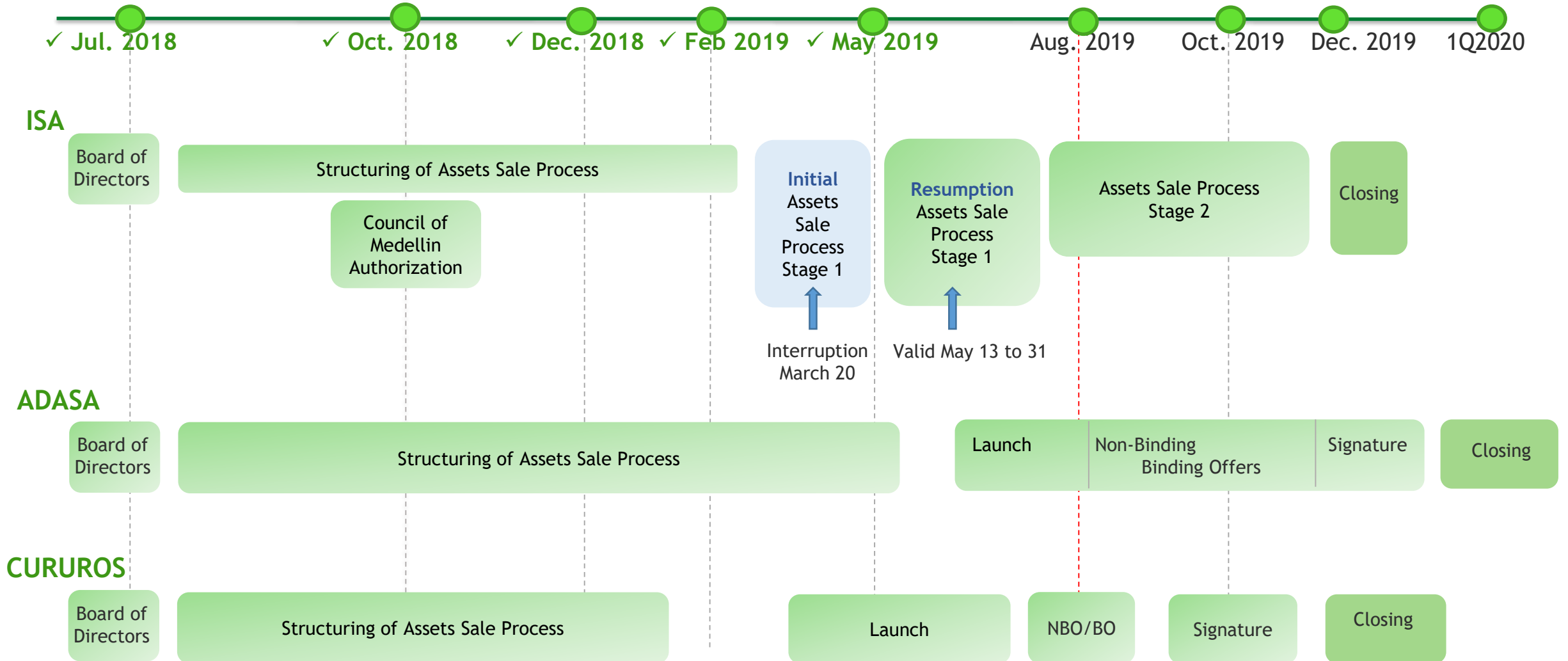
- Report of contingency progress, weekly.
- Visits of the leader Adjuster, monthly.
- Visits to the project with reinsurers leaders of claims and experts appointed by them.
- Continuous answers to requested information.
- Recruitment of experts in management of large claims to support the claim process.

5. Divesment Plan

Indicative schedule



Estimated value of sales: COP 3.5 - COP 4.0 bn approx.



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Thank you!