



3Q2019 Report

November 15, 2019

Agenda



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

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



- EPM received a positive response from the insurance company Mapfre Seguros Generales de Colombia S.A. on September 16th, in which it reported its decision, in accordance with the “All Risk, Construction and Assembly” policy, to cover the contingency costs for the Ituango hydroelectric project, that took place in April 2018.
- On September 17th, EPM Chile S.A., a subsidiary of Empresas Públicas de Medellín E.S.P. in Chile, agreed the sale of its shares in EPM Transmisión Chile S.A. and Parque Eólico Los Cururos SpA to AES Gener S.A. and its subsidiary, Norgener Renovables SpA, for a value of USD 138 million.
- The risk rating agency Fitch Ratings, in its annual review released on October 30th, affirmed EPM's local and international ratings at AAA and BBB, respectively, both investment grade. The outlook remains rating watch negative.

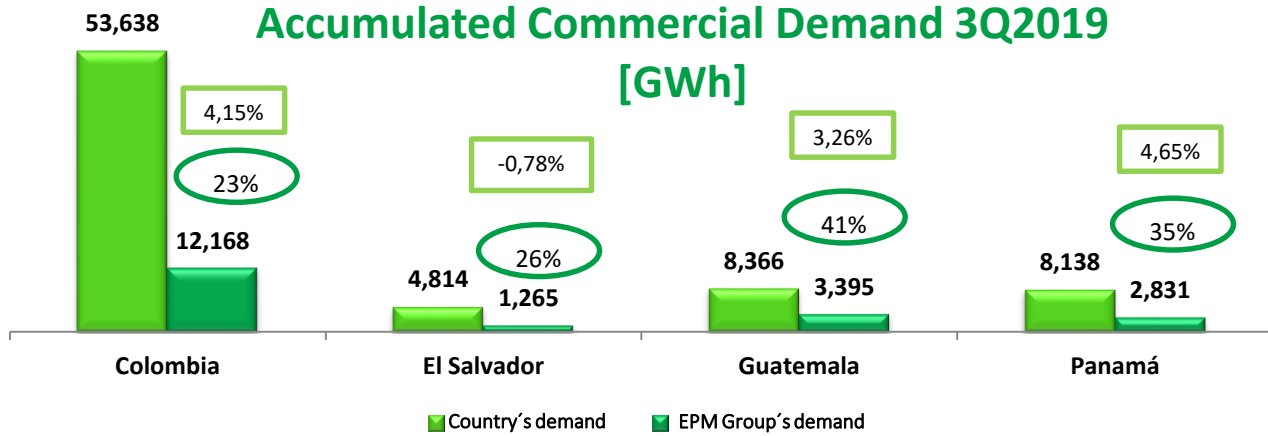
1. Relevant events of the quarter and subsequent to the closing



- EPM Board of Directors, in its sessions of August 27th and September 26th, made the following approvals:
 - The disposal programs of the shares that EPM holds in Promioriente S.A.E.S.P. and in Hidroeléctrica del Río Aures S.A. E.S.P. The First Stage of both sale processes began in October.
 - The merger by absorption of EP RÍO SAS E.S.P., as absorbed society, in which EPM has 100% of participation, and Empresas Públicas de Medellín E.S.P., as absorbent company. In turn, the General Assembly of EPM's Bonholders authorized the merger on November 13th.
 - The modification of EPM and EPM Group Government Code, where the Corporate Governance Code and the bylaws are unified in the same document, and its content is updated in accordance with the definitions of the company and its government bodies, contemplating national and international standards that contribute to the adoption of good practices.

2. Energy Market

EPM Group Commercial Power Demand

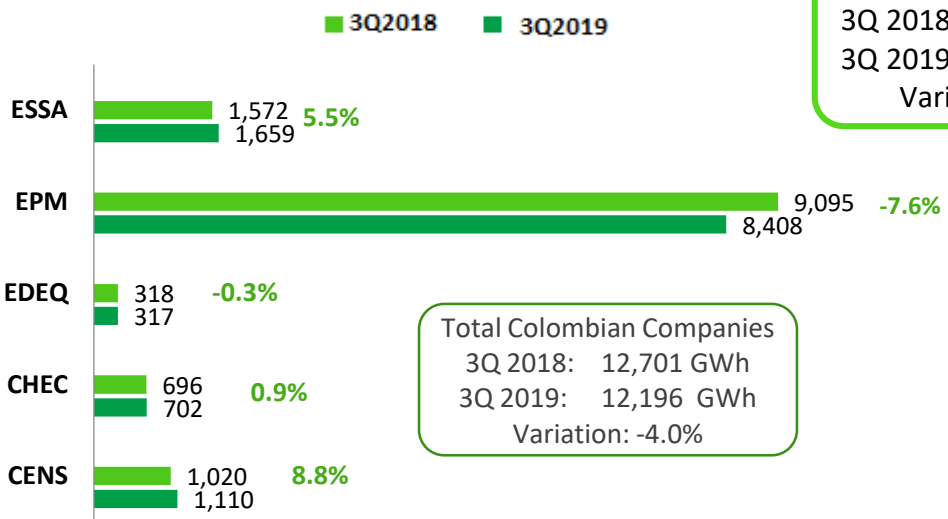


% Country's demand variation 3Q2019 vs 3Q2018
 % EPM Group country demand's share.

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.

3Q = Third Quarter

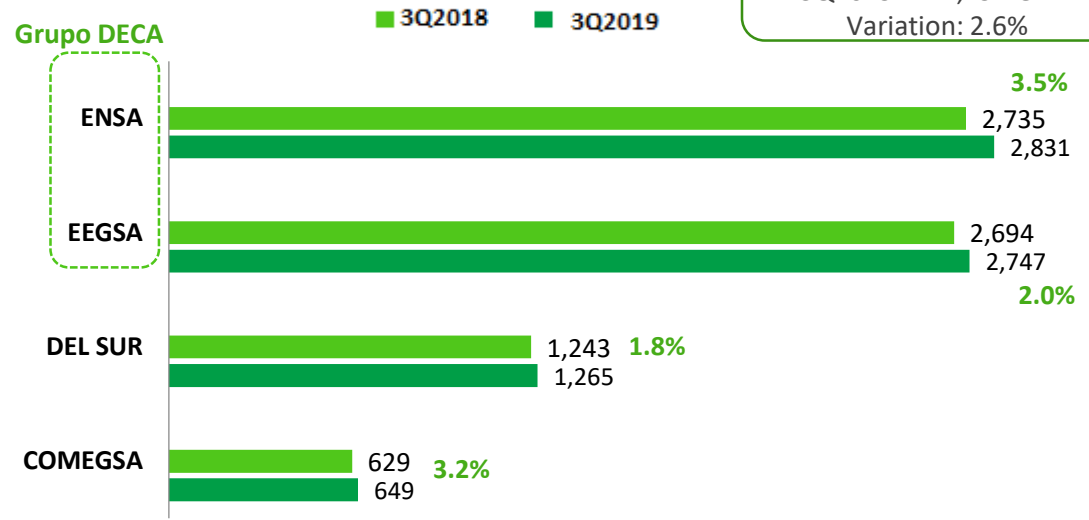
Colombian Companies GWh



Total EPM Group
 3Q 2018: 20,002 GWh
 3Q 2019: 19,688 GWh
 Variation: -1.6%

Total Colombian Companies
 3Q 2018: 12,701 GWh
 3Q 2019: 12,196 GWh
 Variation: -4.0%

International Companies GWh

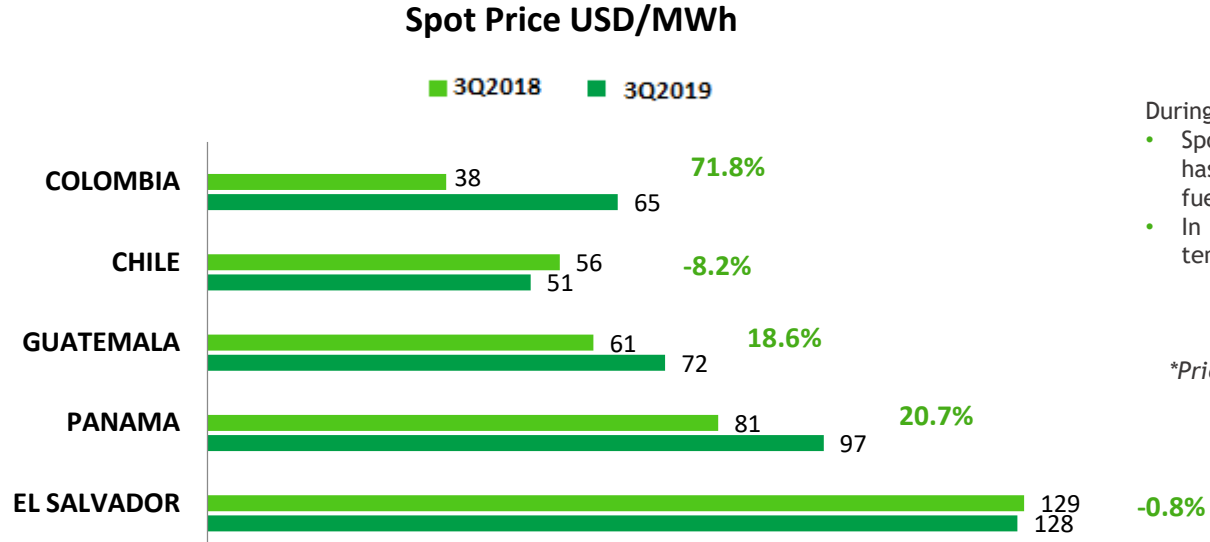


Total International Companies
 3Q2018: 7,301 GWh
 3Q2019: 7,492 GWh
 Variation: 2.6%

2. Energy Market



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



During 3Q2019:

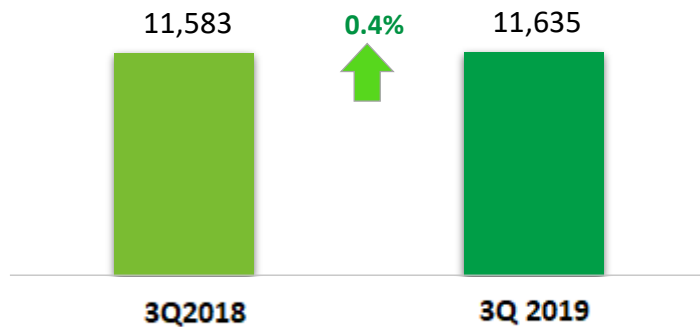
- Spot price increased in the countries where the EPM Group has presence, except in Chile, mainly by the increase in fuel prices.
- In Colombia, the spot price increased 71.8%, due to temperature increase and lower water input to the system.

NOTE:

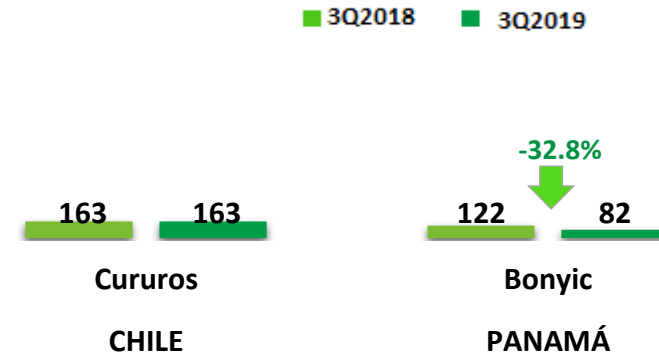
Third quarter average spot prices.

*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 September 30, 2019 (unaudited)

Macroeconomic Scenario

Concept	Colombia	Chile	Guatemala	Panama	Mexico	El Salvador
GDP (annual variation)	N.D	N.D	N.D	N.D	0.10%	N.D
CPI (accumulated 12 months)	3.26%	1.98%	1.63%	0.17%	0.89%	-0.28%
CPI (annual variation)	3.81%	2.11%	1.80%	-0.62%	3.00%	-0.68%
PPI/WPI (accumulated 12 months)	4.55%	-0.7% Agto	N.A.	N.A.	0.65%	0.26%
PPI/WPI (annual variation)	3.81%	2.03% Agto	N.A.	N.A.	2.81%	0.61%
Exchange rate (month-end)	3,462.01 COP/USD	725.68 CLP/USD	7.74 GTQ/USD	N.A.	19.73 MXN/COP	N.A.
Devaluation/Revaluation	6.53%	4.31%	-0.02%	N.A.	0.42%	N.A.



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

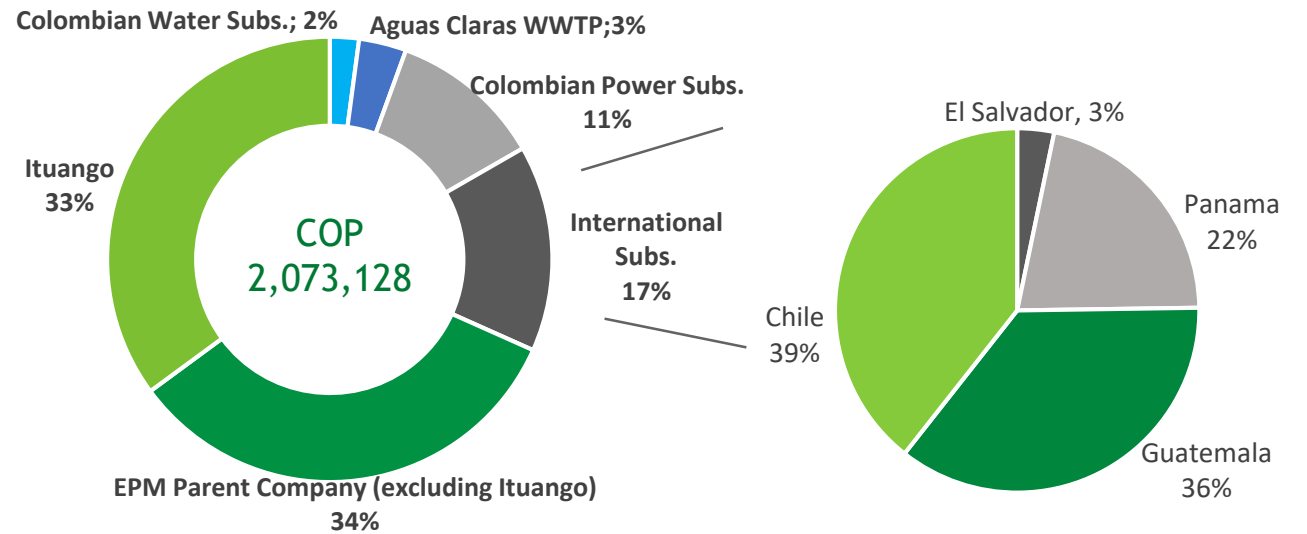
3. Financial Results as of September 30, 2019 (unaudited)

CapEx EPM Group

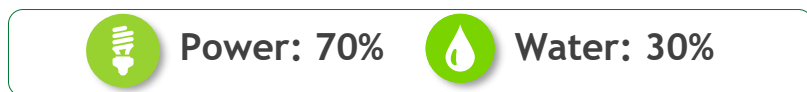
Figures in COP thousand million



Grupo EPM	Jan-Sept 2019
Ituango	692,690
EPM Parent Company (excluding Ituango)	703,504
International Subsidiaries	343,239
Aguas Claras WWTP	59,498
Colombian Power Subsidiaries	227,916
Colombian Water Subsidiaries	46,281
Total	2,073,128



✓ EPM Group Investments as of September: **COP 2 billion**



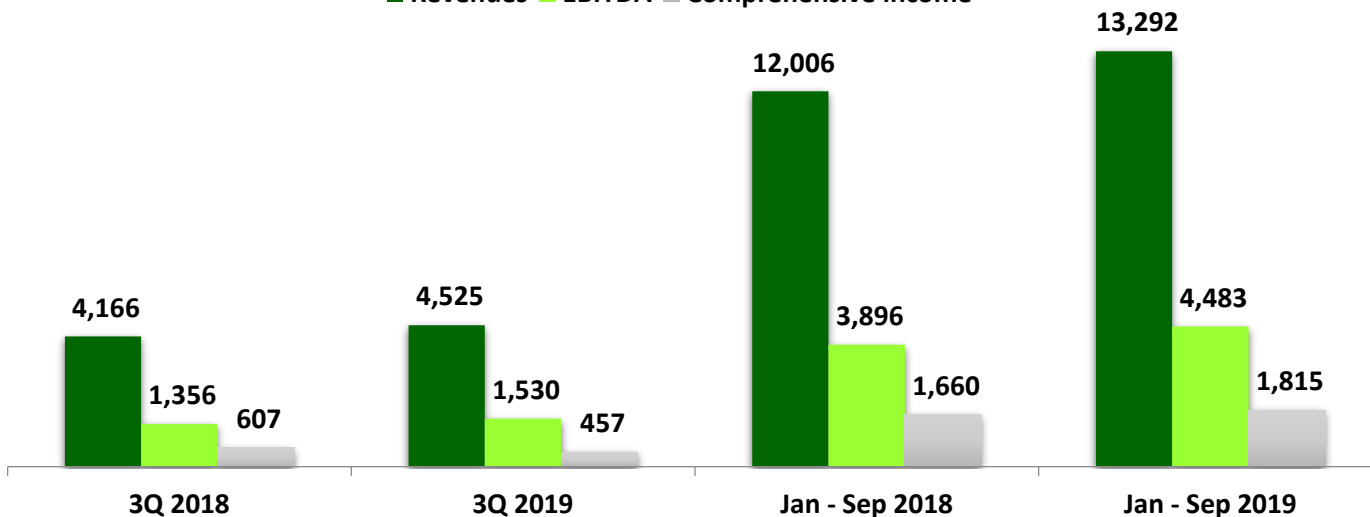
3. Financial Results as of September 30, 2019 (unaudited)

EPM Group Income Statement

Figures in COP thousand million

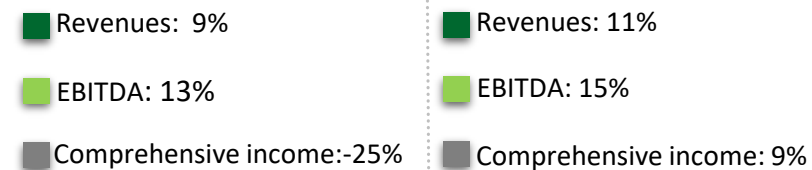


■ Revenues ■ EBITDA ■ Comprehensive income

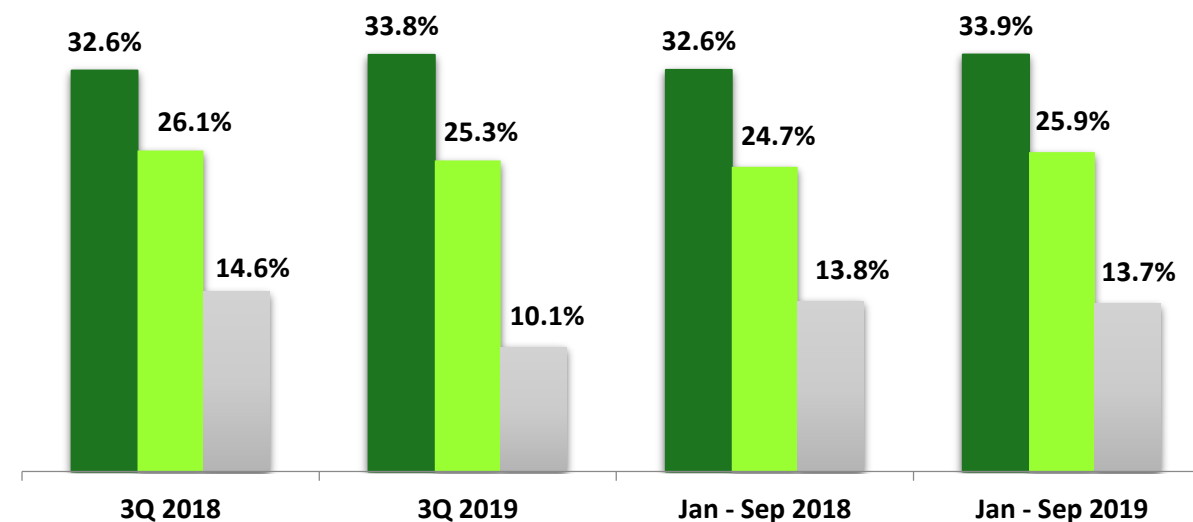


Var. 3Q2018 - 3Q2019

Jan - Sep 2018 - 2019



■ EBITDA margin ■ Operational margin ■ Net Margin



- Revenues increased COP 1,286, 11%, explained by higher consumptions and energy prices in Central America, and higher energy commercialization in EPM parent company to the regulated market.
- EBITDA rose COP 587, 15% with respect to previous year.
- Comprehensive income increased COP 155, 9%, due to higher revenues and lower income tax provision.

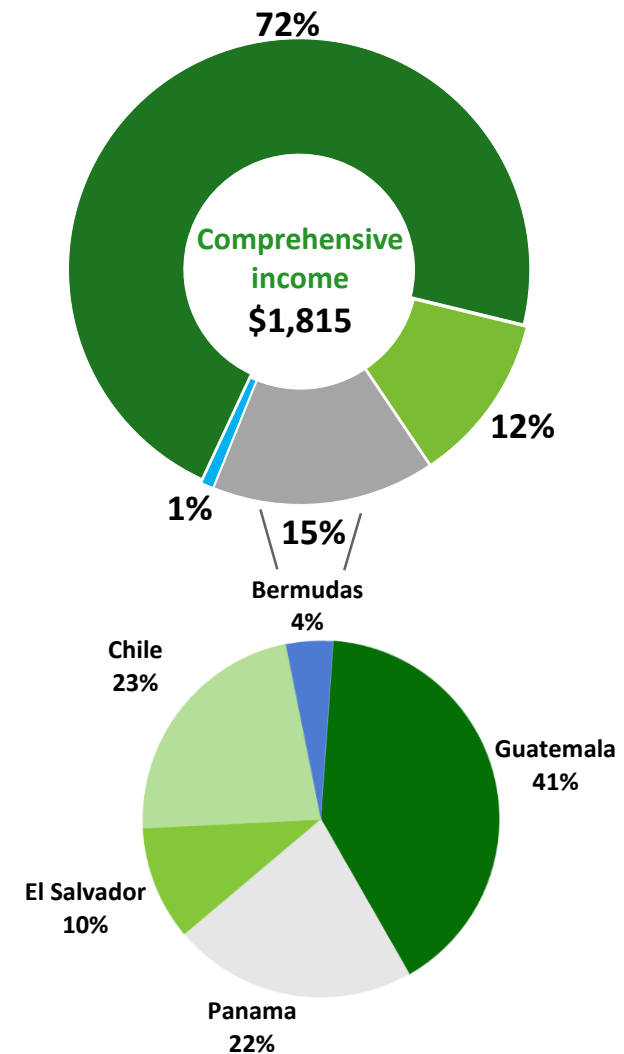
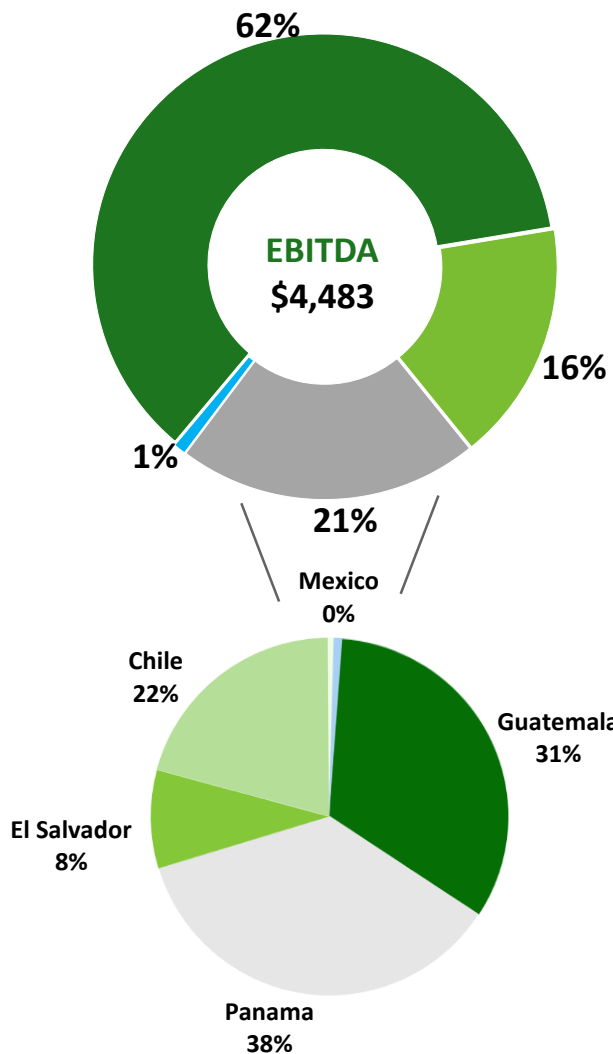
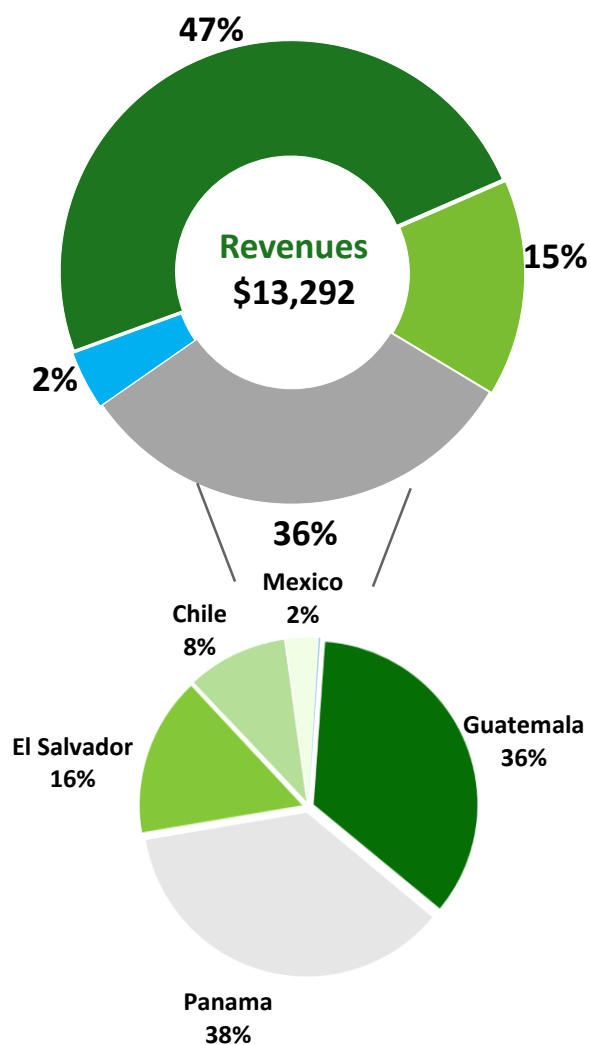
3. Financial Results as of September 30, 2019 (unaudited)

EPM Group by Colombian and International Subsidiaries

Figures in COP thousand million



- EPM
- International Subsidiaries
- Colombian Power Subsidiaries
- Colombian Water Subsidiaries

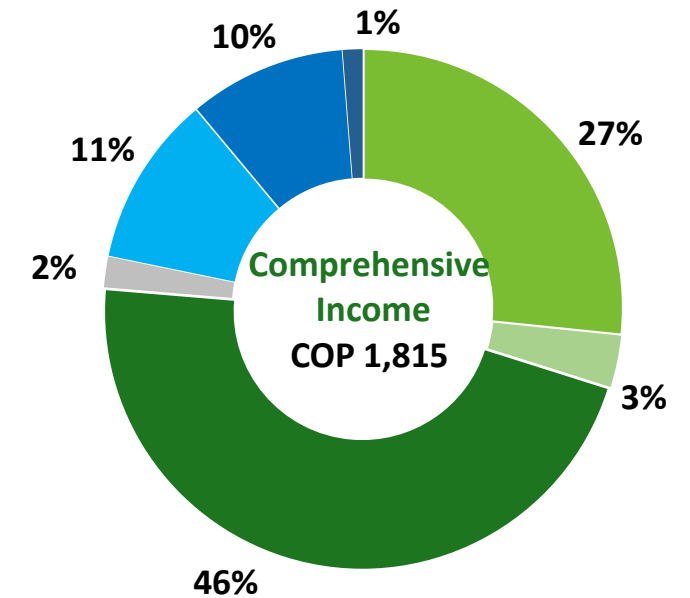
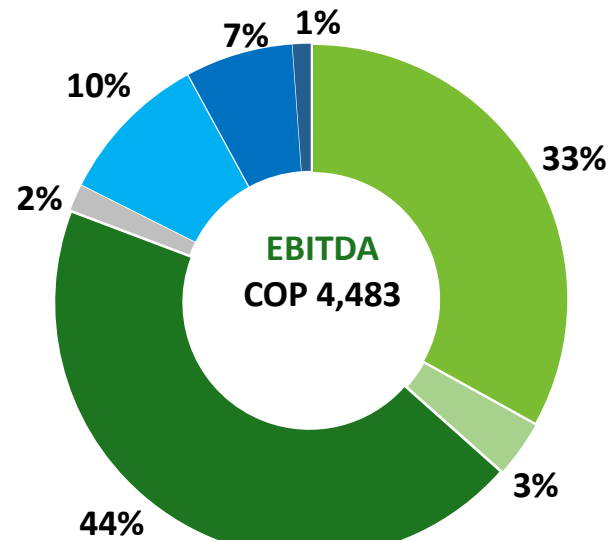
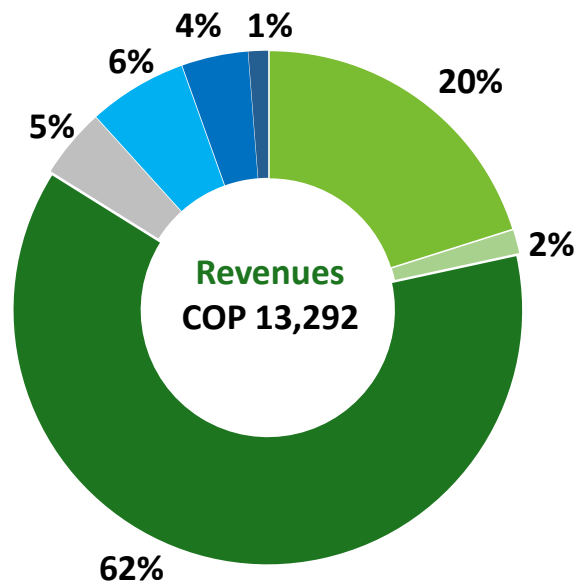


The percentages do not include the Other Segment and Eliminations.

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

EPM Group by Segments

Figures in COP thousand million

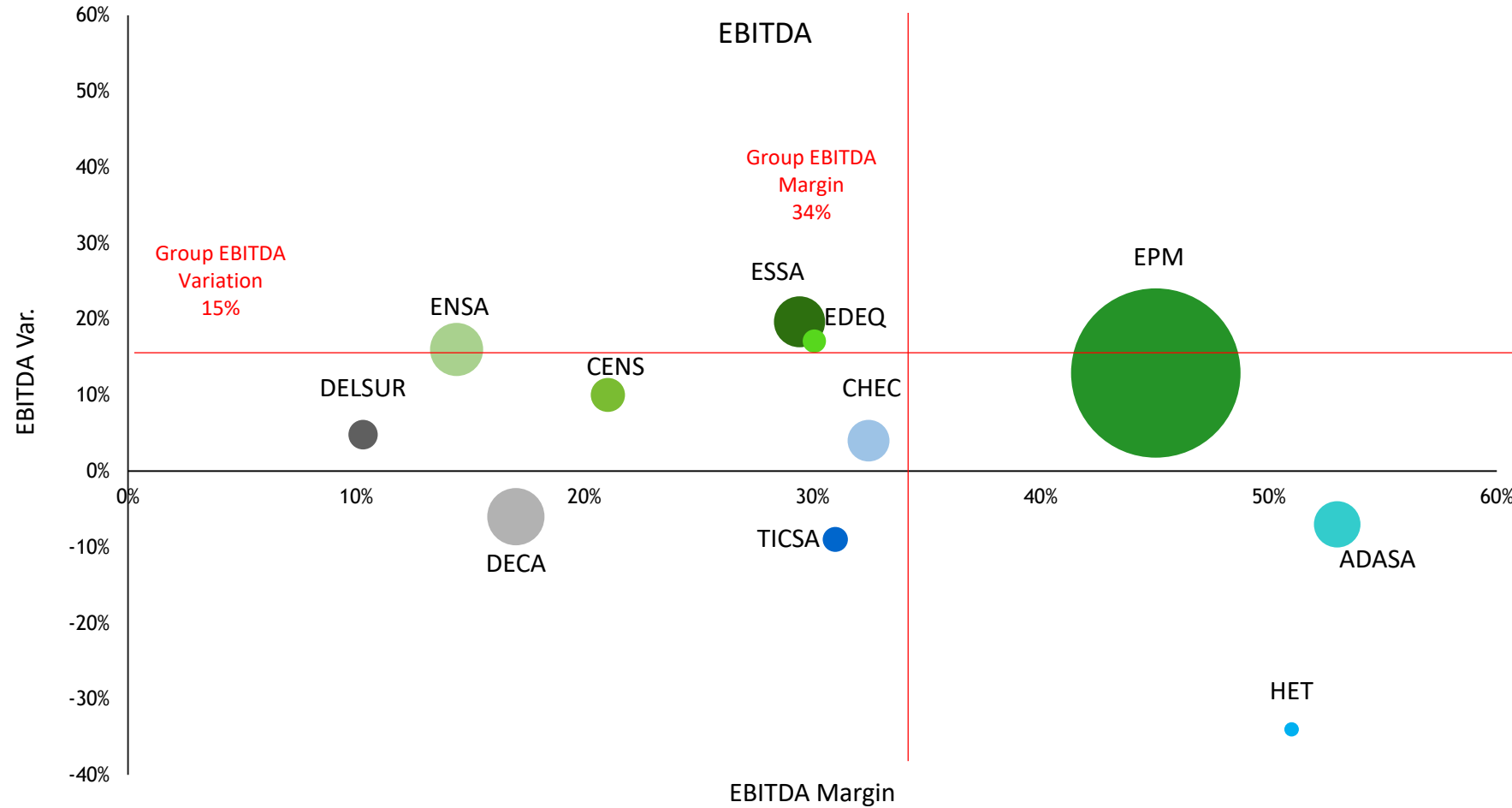


- Power Generation
- Power Distribution
- Water
- Solid Waste Management
- Power Transmission
- Gas
- Wastewater Management

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

EPM Group EBITDA

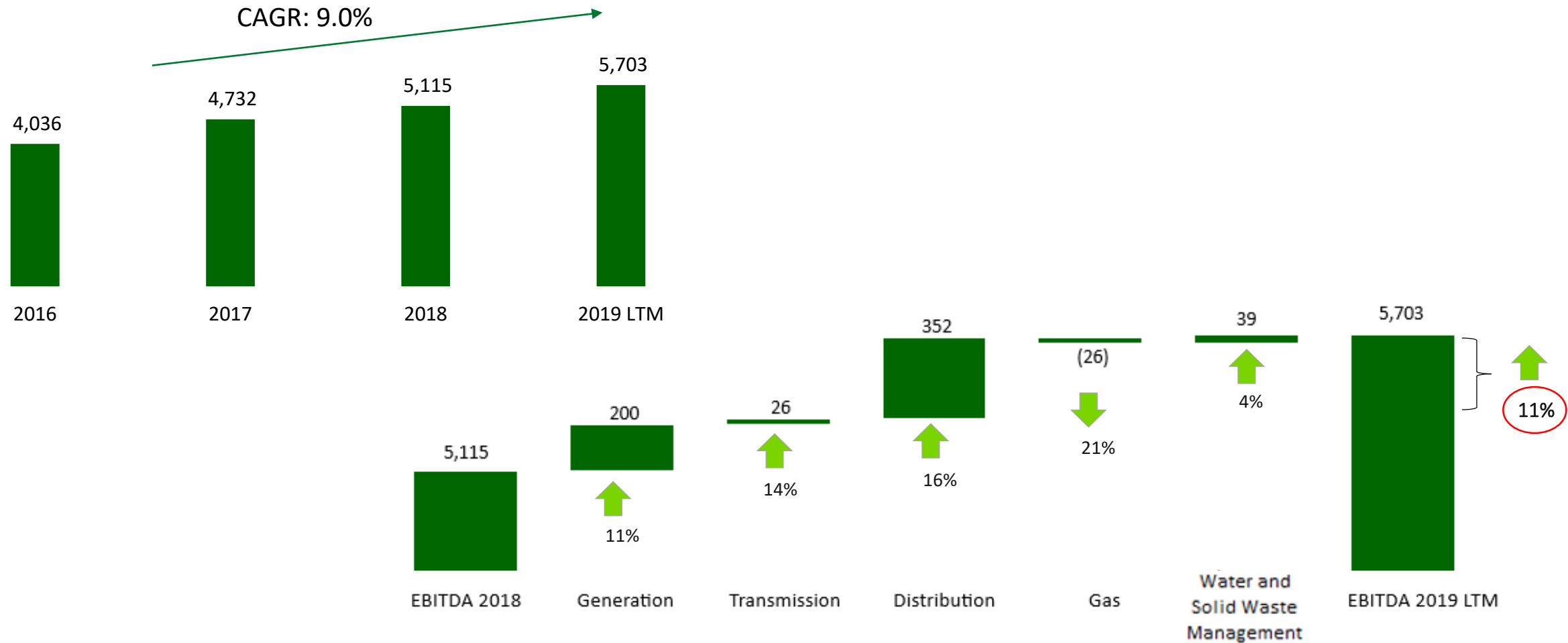
Figures in COP thousand million



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

EPM Group EBITDA

Figures in COP thousand million

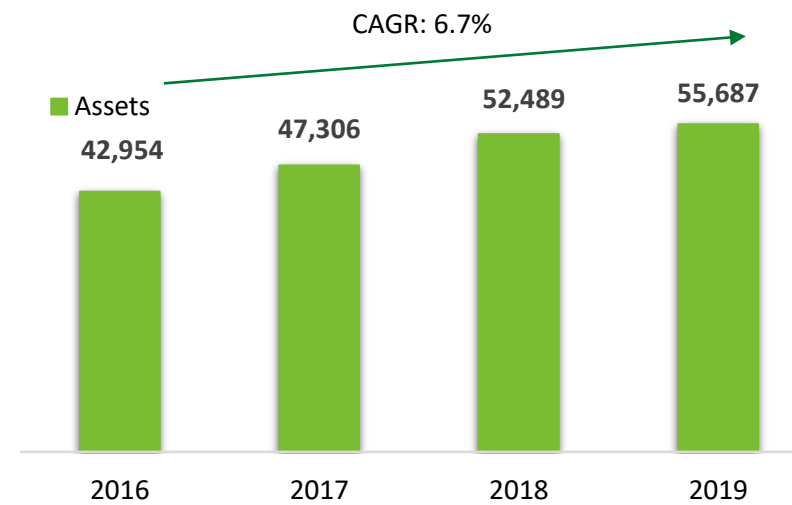
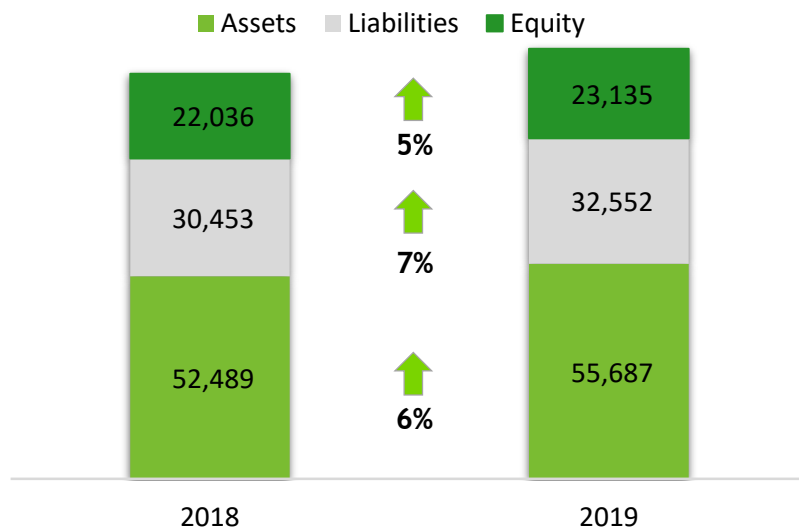


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3. Financial Results as of September 30, 2019 (unaudited)

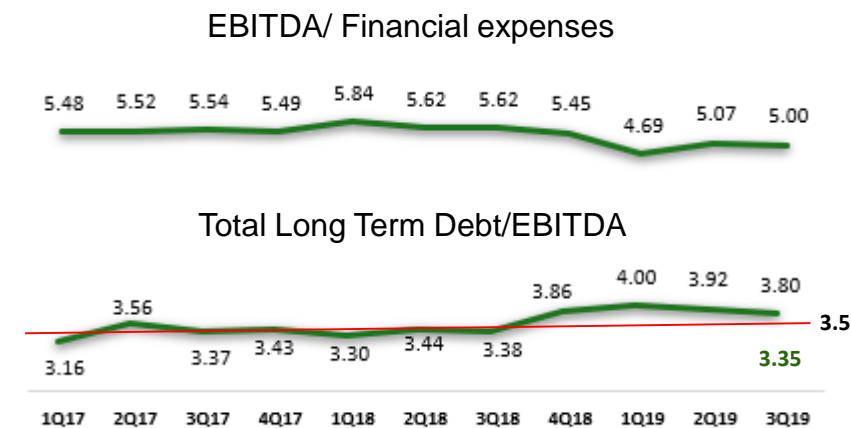
EPM Group Statement of Financial Position

Figures in COP thousand million



RATIOS		2018	2019
Total Debt	%	58	58
Financial Debt	%	40	42
EBITDA/financial expenses	Times	5.63	5.00
Total Long Term Debt/EBITDA	Times	3.36	3.80 (*)

(*) Net Debt/EBITDA: 3.35



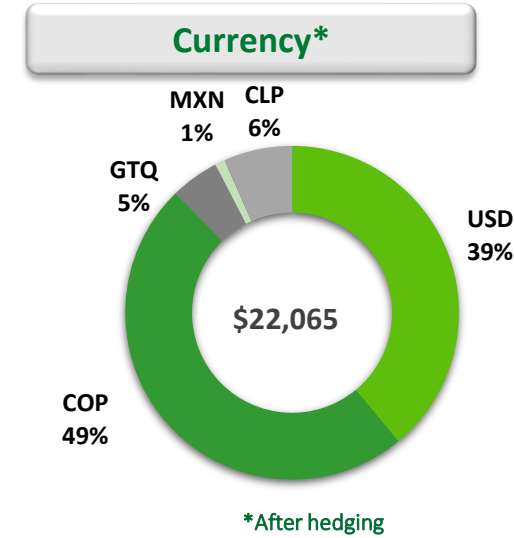
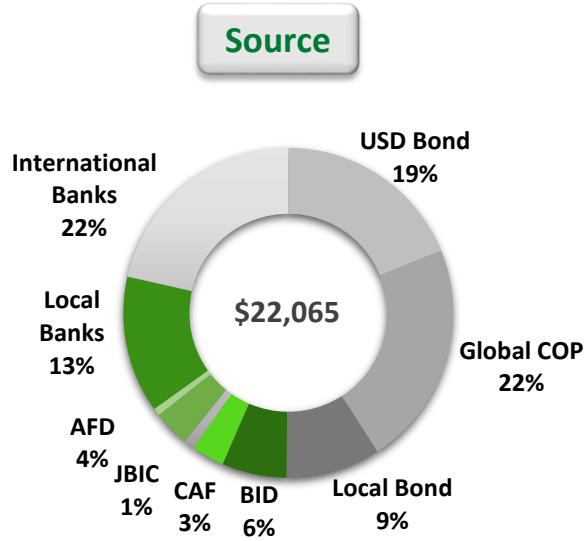
- Cash position as of September 30, 2019 was COP 2.54 billion

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

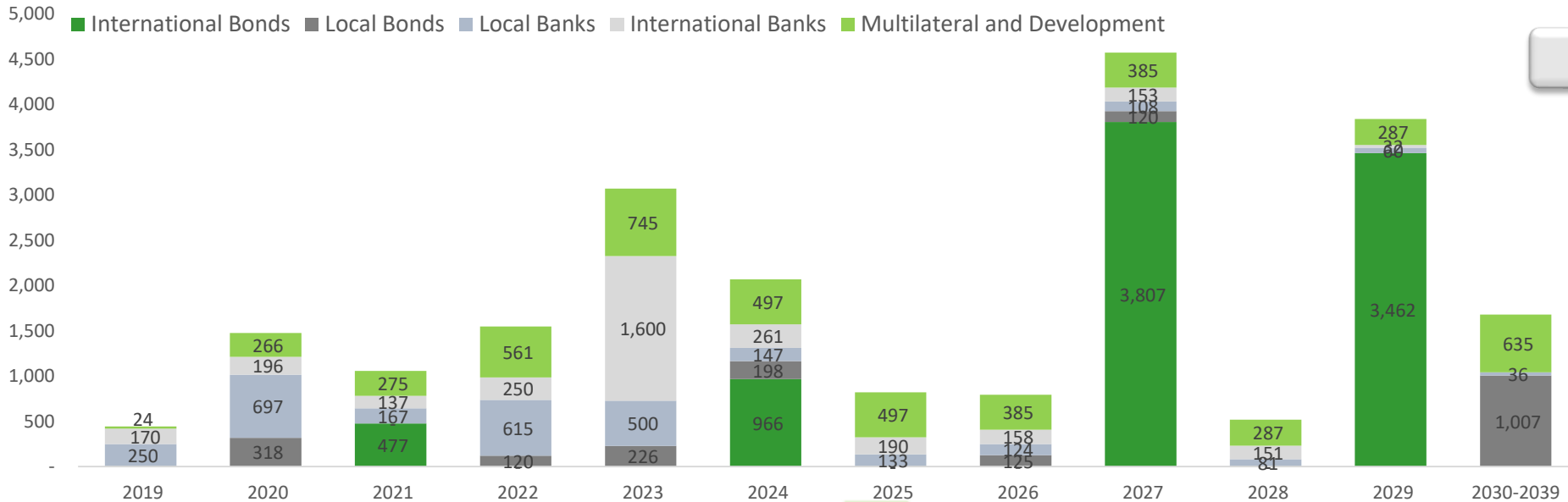


Debt Profile

Figures in COP thousand million



■ International Bonds ■ Local Bonds ■ Local Banks ■ International Banks ■ Multilateral and Development



Maturities

Average term: 7.4

4 . Update on the Ituango Contingency

Milestone achieved: commissioning of the road at the top of the dam, November 8th of 2019



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.:** July 19, 2019.
- ✓ **Road at the top of dam:** was put into service with continuous passage to the community, on November 8, 2019.

Conduction tunnels

- **Hollow between pressure tunnels 1 and 2:** the perforations for the concrete launch from the upper driving elbows (5 of 12”) culminated.

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:** The six perforations for the launch of spheres, filter material and the by-pass in the pre-plug 2 were completed. The drilling for micropiles is scheduled to begin in November 2019.
- **ADG:** the left floodgate is completed and operational. The closing of the right floodgate is scheduled for the end of November of 2019.

Estimated compliance dates: (*)

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



Powerhouse

Milestone accomplished:

- ✓ **Pumping of the Powerhouse**
- ✓ **Stabilization of the access tunnel to the Powerhouse**

Estimated compliance dates: (*)

- **Powerhouse sediments extraction:** 1Q2020
- **Tunnels and caverns recovery:** 3Q2020
- **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	980	2,480
Total Cost	11,493	3,759	15,252

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 September 2019: COP 11 billion

Contingency CapEx Execution As of September 2019

Investments	937
Expenses	112
Total executed	1,050

Financial resources as of September 2019

Concept	Amounts accrued Sept. 2019	Payments as of Sept. 2019
Shelters Support	46	41
Affected Care and Compensation	44	5
Reliability Charge Guarantee	146	0
Contingency and environmental sanction	73	7
Payment to transmitter	107	0
Contingency attention	60	60
Removal of assets	185	N.A.
Total	661	113

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

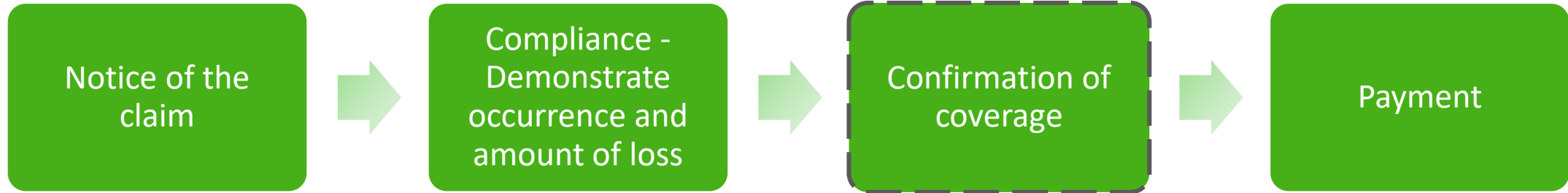
Contingency Investments: It is estimated that additional resources of up to COP 1.8 billion will be invested in works associated with the contingency. It should be noted that a recovery is expected for compensation of damage insurance for COP 1.9 billion.

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

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.

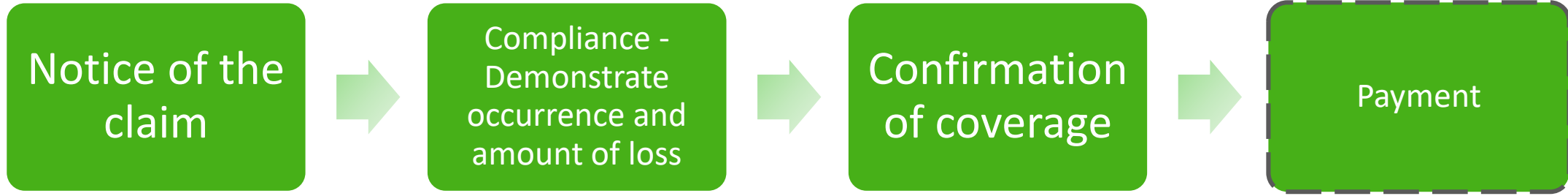
➤ **Total coverage: COP 50,000 million, with COP 150 million deductible.**

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



- Request advance payments in accordance with the quantification of repair and replacement costs of the affected goods.

➤ **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:

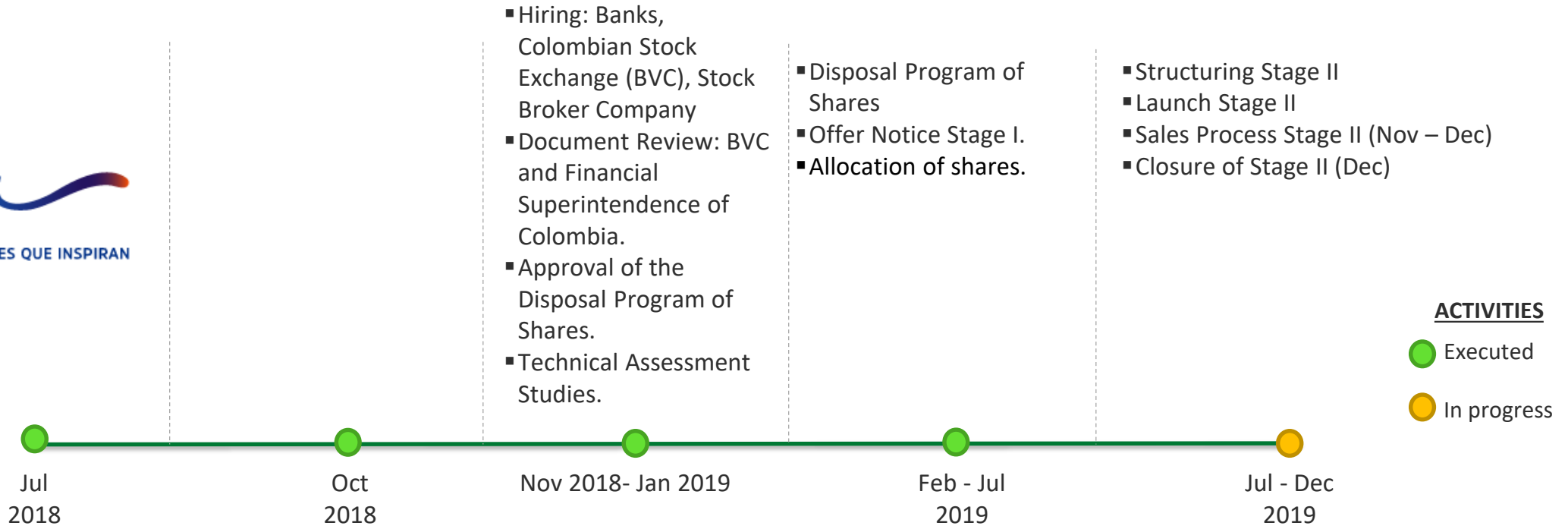
- Report of contingency progress, weekly.
- Visits of the leader Adjuster, monthly.
- Visits to the project with reinsurers leaders of claims and experts appointed by them.
- Continuous answers to requested information.
- Recruitment of experts in management of large claims to support the claim process.

5. Divesment Plan

Indicative schedule



➤ EPM expects to raise resources from the divestment in ISA during the last quarter of 2019.

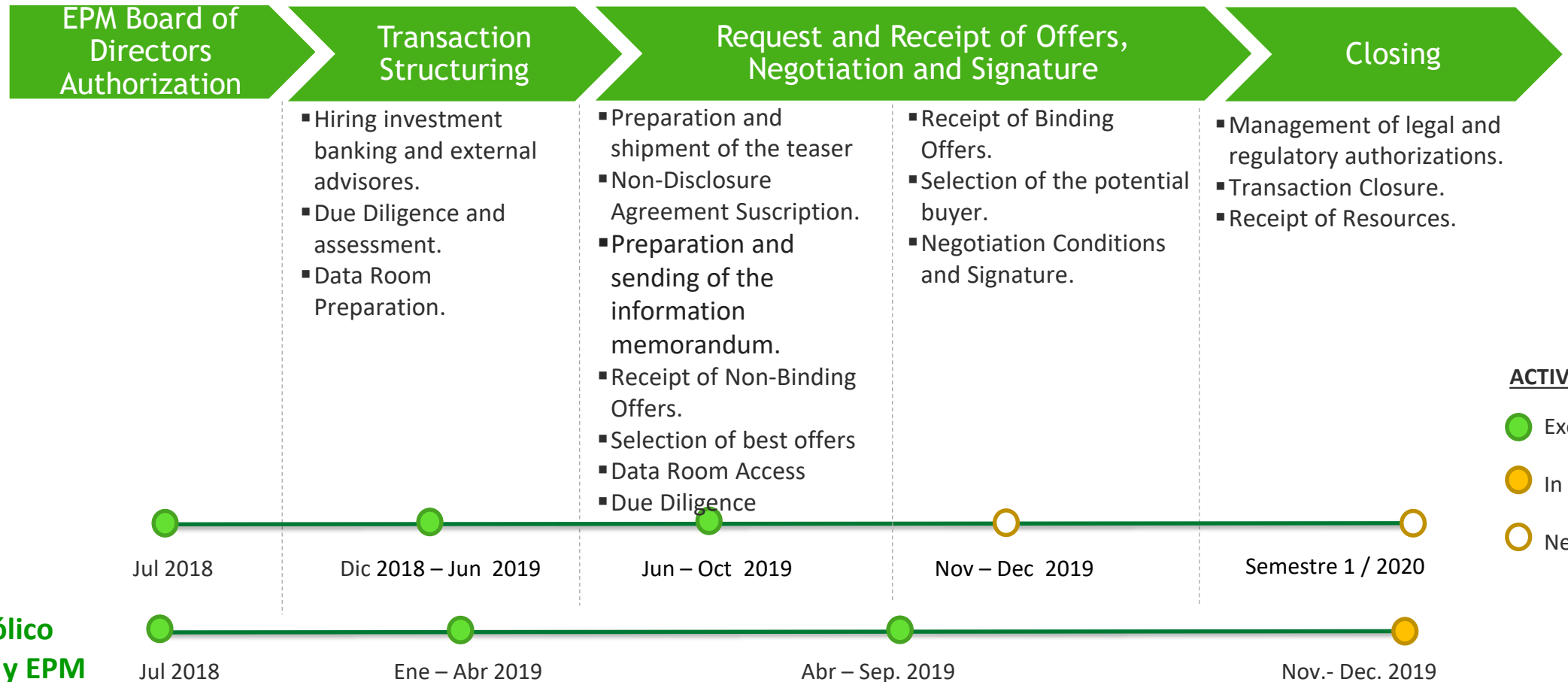


5. Divesment Plan

Indicative schedule



➤ During the last quarter of 2019, EPM expects to raise resources from the sale of Parque Eólico Los Cururos and EPM Transmisión Chile.



ACTIVITIES

- Executed
- In progress
- Next

ADASA

Parque eólico
Los Cururos y EPM
Transmisión Chile

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- Only for information matters and reader's convenience, figures in COP were translated in this presentation into their USD equivalent using the exchange rate of COP/ USD \$3,462.01 as of September 30, 2019, issued by the Colombian Financial Superintendence. Such translations do not agree with US GAAP and have not been audited. Also, they shall not be interpreted as representation of the amounts in Colombian Pesos, which could be translated into US Dollars at this or at any other rate.

Thank you!