



# Empresas Públicas de Medellín E.S.P. y Subsidiarias

Interim Condensed Consolidated Financial Statements and Notes  
September 30, 2019 and December 31, 2018  
(Unaudited)

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As of September 30, 2019 and December 31, 2018

Amounts stated in millions of Colombian pesos

|  | Notes | September<br>2019 | December<br>2018  |
|--|-------|-------------------|-------------------|
| <b>Assets</b>  |       |                   |                   |
| <b>Non current assets</b>  |       |                   |                   |
| Properties, plant and equipment, net                                   | 7     | 35,743,008        | 34,488,599        |
| Investment properties  |       | 92,234            | 91,382            |
| Goodwill   |       | 3,105,340         | 3,032,267         |
| Other intangible assets  |       | 2,396,631         | 2,315,958         |
| Right of use assets  |       | 742,165           | -                 |
| Investments in associates  | 9     | 1,714,986         | 1,746,487         |
| Investments in a joint ventures  |       | 82                | 82                |
| Deferred tax assets  |       | 174,746           | 249,700           |
| Trade and other accounts receivables                                   |       | 1,012,190         | 929,475           |
| Other financial assets   | 10    | 2,424,635         | 2,312,368         |
| Other assets   |       | 113,824           | 112,192           |
| Cash and cash equivalents (restricted)                                 | 11    | 20,404            | 22,343            |
| <b>Total non current assets</b>  |       | <b>47,540,245</b> | <b>45,300,853</b> |
| <b>Current assets</b>  |       |                   |                   |
| Inventories  |       | 424,068           | 409,665           |
| Trade and other accounts receivable                                    |       | 3,746,057         | 3,284,742         |
| Current tax assets   |       | 191,474           | 118,400           |
| Other financial assets   | 10    | 1,244,691         | 1,234,305         |
| Other assets   |       | 549,387           | 453,411           |
| Cash and cash equivalents  | 11    | 1,471,211         | 1,576,039         |
| <b>Total Current assets</b>  |       | <b>7,626,888</b>  | <b>7,076,562</b>  |
| <b>Assets classified as held for sale</b>                              | 12    | 492,135           | -                 |
| <b>Total assets</b>  |       | <b>55,659,268</b> | <b>52,377,415</b> |
| <b>Debit balances of deferred regulatory accounts</b>                  |       | 28,024            | 111,868           |
| <b>Total assets and debit balances of deferred regulatory accounts</b> |       | <b>55,687,292</b> | <b>52,489,283</b> |
| <b>Equity</b>  |       |                   |                   |
| Capital  |       | 67                | 67                |
| Treasury shares  |       | (41)              | -                 |
| Reserves   |       | 2,330,711         | 2,560,657         |
| Other comprehensive income   |       | 3,420,029         | 2,894,627         |
| Retained earnings  |       | 14,639,689        | 13,392,190        |
| Profit for the period  |       | 1,677,539         | 2,258,293         |
| Other components of equity   |       | 63,356            | (23,323)          |
| <b>Equity attributable to controlling interests</b>                    |       | <b>22,131,350</b> | <b>21,082,511</b> |
| Non controlling interests  |       | 1,004,126         | 953,707           |
| <b>Total equity</b>  |       | <b>23,135,476</b> | <b>22,036,218</b> |

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As of September 30, 2019 and December 31, 2018

Amounts stated in millions of Colombian pesos

|   | Notes | September<br>2019 | December<br>2018  |
|---|-------|-------------------|-------------------|
| <b>Liabilities</b>  |       |                   |                   |
| <b>Non current liabilities</b>  |       |                   |                   |
| Credits and loans   | 13    | 18,451,684        | 16,029,141        |
| Trade and other payables  |       | 615,267           | 502,769           |
| Other financial liabilities   |       | 1,072,965         | 491,571           |
| Employee benefits   |       | 943,156           | 858,515           |
| Income tax payable  |       | 33,701            | 33,701            |
| Deferred tax liabilities  |       | 2,506,972         | 2,556,008         |
| Provisions, contingent assets and liabilities                                       | 14    | 550,334           | 474,148           |
| Other liabilities   |       | 124,343           | 119,527           |
| <b>Total non current liabilities</b>  |       | <b>24,298,422</b> | <b>21,065,380</b> |
| <b>Current liabilities</b>  |       |                   |                   |
| Credits and loans   | 13    | 3,613,782         | 4,805,659         |
| Trade and other payables  |       | 2,670,739         | 2,698,694         |
| Other financial liabilities   |       | 394,992           | 347,100           |
| Employee benefits   |       | 240,517           | 251,260           |
| Income tax payable  |       | 220,558           | 91,264            |
| Taxes, contributions and rates payable  |       | 175,633           | 191,281           |
| Provisions, contingent assets and liabilities                                       | 14    | 695,938           | 778,219           |
| Other liabilities   |       | 215,005           | 190,648           |
|   |       | <b>8,227,164</b>  | <b>9,354,125</b>  |
| Liabilities directly associated with assets held for sale                           | 12    | 17,823            | -                 |
| <b>Total current liabilities</b>  |       | <b>8,244,987</b>  | <b>9,354,125</b>  |
| <b>Total liabilities</b>  |       | <b>32,543,409</b> | <b>30,419,505</b> |
| <b>Deferred tax liabilities related to balances of deferred regulatory accounts</b> |       | <b>8,407</b>      | <b>33,560</b>     |
| <b>Total liabilities and credit balances of deferred regulatory accounts</b>        |       | <b>32,551,816</b> | <b>30,453,065</b> |
| <b>Total liabilities and equity</b>   |       | <b>55,687,292</b> | <b>52,489,283</b> |

The accompanying notes are an integral part of the financial statements

**Jorge Londoño De la Cuesta**  
General Manager

**Jorge Andrés Tabares Ángel**  
Executive Vice-president of Corporate Finance,  
Risk Management and Investments

**John Jaime Rodríguez Sosa**  
Director of Accounting and Costs  
P.C. 144842-T

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the periods from January 1 to September 30, 2019 and 2018

Amounts stated in millions of Colombian pesos

|  | Notes | September<br>2019 | September<br>2018 | For the three<br>months ended<br>September 30,<br>2019 | For the three<br>months ended<br>September 30,<br>2018 |
|--|-------|-------------------|-------------------|--|--|
| <b>Continued operations</b>  |       |                   |                   |  |  |
| Sale of goods  | 15    | 13,386            | 33,113            | 5,013  | 16,239   |
| Rendering of services  | 15    | 13,020,146        | 11,634,023        | 4,452,462  | 4,002,558  |
| Leases   | 15    | 82,399            | 60,367            | 30,333   | 21,209   |
| Other income   | 16    | 175,110           | 237,956           | 36,698   | 74,390   |
|  |       | <u>13,291,041</u> | <u>11,965,459</u> | <u>4,524,506</u>                                       | <u>4,114,396</u>                                       |
| <b>Income from ordinary activities</b>   |       |                   |                   |  |  |
| Profit in sale of assets   | 15    | 833               | 2,736             | 292  | 465  |
|  |       | <u>13,291,874</u> | <u>11,968,195</u> | <u>4,524,798</u>                                       | <u>4,114,861</u>                                       |
| <b>Total income</b>  |       |                   |                   |  |  |
| Costs for rendering services   | 17    | (8,539,103)       | (7,775,466)       | (2,940,961)  | (2,699,241)  |
| Administration expenses  | 18.1  | (1,096,591)       | (1,104,419)       | (403,833)  | (305,186)  |
| Impairment loss recognised on trade receivables  | 18.2  | (41,071)          | (25,723)          | (13,460)   | (17,025)   |
| Other expenses   | 19    | (166,488)         | (94,522)          | (23,228)   | (11,548)   |
| Financial income   | 20.1  | 274,085           | 213,104           | 96,649   | 85,199   |
| Financial expenses   | 20.2  | (1,000,954)       | (772,570)         | (367,346)  | (267,200)  |
| Net exchange difference  | 21    | (308,099)         | (74,462)          | (424,591)  | (39,573)   |
| Equity method in associates and joint business   |       | (28,399)          | 11,606            | (17,807)   | (6,361)  |
| Effect by interest in equity investments   |       | 9,620             | 66,856            | (55,834)   | 1  |
|  |       | <u>2,394,874</u>  | <u>2,412,599</u>  | <u>374,387</u>   | <u>853,927</u>   |
| <b>Profit before tax</b>   |       |                   |                   |  |  |
| Income tax expense   | 22    | (533,932)         | (780,429)         | 86,238   | (242,252)  |
|  |       | <u>1,860,942</u>  | <u>1,632,170</u>  | <u>460,625</u>   | <u>611,676</u>   |
| <b>Profit of the period after taxes of continued operations</b>  |       |                   |                   |  |  |
| Discontinued operations, net of income tax   | 12    | 13,803            | (1,360)           | 13,803   | (2,030)  |
|  |       | <u>1,874,745</u>  | <u>1,630,810</u>  | <u>474,428</u>   | <u>609,646</u>   |
| <b>Profit of the period before net movement in balances of deferred regulatory</b>   |       |                   |                   |  |  |
| Net movement in balances of net regulatory accounts related to the result of the Net movement in deferred tax related to deferred regulatory accounts related to the results of the period |       | (85,996)          | 41,039            | (25,006)   | (1,499)  |
|  |       | <u>25,865</u>     | <u>(12,172)</u>   | <u>7,506</u>   | <u>633</u>   |
|  |       | <u>1,814,614</u>  | <u>1,659,677</u>  | <u>456,928</u>   | <u>608,780</u>   |
| <b>Profit of the period and net movement in balances of deferred regulatory</b>  |       |                   |                   |  |  |
| <b>Other comprehensive income, net of taxes</b>  |       |                   |                   |  |  |
| <b>Items that will not be reclassified subsequently to the result of the period:</b>   |       |                   |                   |  |  |
| New measurements of defined benefit plans  |       | 1,003             | 884               | 271  | 4,742  |
| Equity investments measured at fair value through equity   |       | 518,022           | (92,371)          | 52,602   | (126,137)  |
| Income tax related to components that will not be reclassified   |       | 271               | 954               | (57)   | 1  |
|  |       | <u>519,296</u>    | <u>(90,533)</u>   | <u>52,816</u>  | <u>(121,394)</u>                                       |
| <b>Items that may be reclassified subsequently to the result of the period:</b>  |       |                   |                   |  |  |
| Cash flow hedging  |       | 36,151            | (8,358)           | 20,697   | 2,479  |
| Exchange differences for conversion of business abroad   |       | 60,170            | (87,373)          | 151,206  | 12,038   |
| Income tax related to the components that can be reclassified  |       | 34,297            | (28,637)          | 29,158   | (29,647)   |
| Equity method in associates and joint ventures business  |       | (14)              | (2)               | (17)   | (4)  |
| Non-current assets held for sale   |       | (260)             | (675)             | (260)  | (1,063)  |
|  |       | <u>130,344</u>    | <u>(125,045)</u>  | <u>200,784</u>   | <u>(16,197)</u>  |
|  |       | <u>649,640</u>    | <u>(215,578)</u>  | <u>253,600</u>   | <u>(137,591)</u>                                       |
| <b>Other comprehensive income, net of taxes</b>  |       |                   |                   |  |  |
|  |       | <u>2,464,254</u>  | <u>1,444,099</u>  | <u>710,528</u>   | <u>471,189</u>   |
| <b>Total comprehensive income for the period</b>   |       |                   |                   |  |  |
| <b>Profit for the period attributable to:</b>  |       |                   |                   |  |  |
| Owners of the company  |       | 1,677,539         | 1,535,169         | 415,743  | 569,565  |
| Non controlling interest   |       | 137,075           | 124,508           | 41,185   | 39,215   |
|  |       | <u>1,814,614</u>  | <u>1,659,677</u>  | <u>456,928</u>   | <u>608,780</u>   |
| <b>Total comprehensive income attributable to:</b>   |       |                   |                   |  |  |
| Controlling interests  |       | 2,323,780         | 1,319,543         | 672,494  | 431,080  |
| Non controlling interests  |       | 140,474           | 124,556           | 38,034   | 40,109   |
|  |       | <u>2,464,254</u>  | <u>1,444,099</u>  | <u>710,528</u>   | <u>471,189</u>   |

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EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN THE EQUITY

For the period from January 1 to September 30, 2019 and 2018

Amounts stated in millions of Colombian pesos

|  | Other comprehensive income |                 |           |                   |                            |                   |                       |                   |                        |  |  |                                    | Attributable to controlling interests | Non-controlling interests | Total       |
|--|----------------------------|-----------------|-----------|-------------------|----------------------------|-------------------|-----------------------|-------------------|------------------------|--|--|------------------------------------|---------------------------------------|---------------------------|-------------|
|  | Capital issued             | Treasury shares | Reserves  | Retained earnings | Other components of equity | Equity Investment | Defined benefit plans | Cash flow hedging | Conversion differences | Reclassification of properties, plant and equipment to investment properties | Result of the period in other comprehensive income of associates and joint ventures business | Assets classified as held for sale |                                       |                           |             |
| <b>Balance as of January 1, 2018</b>                       | 67                         | -               | 3,479,283 | 13,692,151        | (25,118)                   | 2,173,346         | (29,557)              | (5,789)           | 716,674                | 12,079   | (2,581)  | -                                  | 20,010,555                            | 857,654                   | 20,868,209  |
| Profit for the period                                      | -                          | -               | -         | 1,535,169         | -                          | -                 | -                     | -                 | -                      | -  | -  | -                                  | 1,535,169                             | 124,508                   | 1,659,677   |
| Other comprehensive income of the period net of income tax | -                          | -               | -         | -                 | -                          | (91,919)          | 1,075                 | (36,740)          | (88,049)               | -  | (2)  | -                                  | (215,635)                             | 56                        | (215,579)   |
| <b>Comprehensive income for the period</b>                 | -                          | -               | -         | 1,535,169         | -                          | (91,919)          | 1,075                 | (36,740)          | (88,049)               | -  | (2)  | -                                  | 1,319,534                             | 124,564                   | 1,444,098   |
| Surpluses and dividends declared                           | -                          | -               | -         | (1,203,503)       | -                          | -                 | -                     | -                 | -                      | -  | -  | -                                  | (1,203,503)                           | (106,956)                 | (1,310,459) |
| Movement of reserves                                       | -                          | -               | (938,483) | 938,483           | -                          | -                 | -                     | -                 | -                      | -  | -  | -                                  | -                                     | -                         | -           |
| Transfers to retained earnings                             | -                          | -               | -         | (51)              | -                          | 69                | -                     | -                 | -                      | -  | -  | -                                  | -                                     | 18                        | 18          |
| Income tax related to transactions with owners             | -                          | -               | -         | (341)             | -                          | -                 | -                     | -                 | -                      | -  | -  | -                                  | (341)                                 | (326)                     | (667)       |
| Other movement of the period                               | -                          | -               | -         | (2,861)           | (7)                        | -                 | (380)                 | -                 | -                      | -  | -  | -                                  | (3,248)                               | (10,947)                  | (14,195)    |
| <b>Balance as of September 30, 2018</b>                    | 67                         | -               | 2,540,800 | 14,959,047        | (25,125)                   | 2,081,496         | (28,862)              | (42,529)          | 628,625                | 12,079   | (2,583)  | -                                  | 20,123,015                            | 863,989                   | 20,987,004  |
| <b>Balance as of January 1, 2019</b>                       | 67                         | -               | 2,560,657 | 15,650,483        | (23,323)                   | 2,168,304         | (28,381)              | (70,503)          | 817,051                | 11,796   | (3,640)  | -                                  | 21,082,511                            | 953,707                   | 22,036,218  |
| Profit for the period                                      | -                          | -               | -         | 1,677,539         | -                          | -                 | -                     | -                 | -                      | -  | -  | -                                  | 1,677,539                             | 137,075                   | 1,814,614   |
| Other comprehensive income of the period net of income tax | -                          | -               | -         | -                 | -                          | 510,705           | 2,135                 | 70,455            | 63,221                 | -  | (14)   | (260)                              | 646,242                               | 3,398                     | 649,640     |
| <b>Comprehensive income for the period</b>                 | -                          | -               | -         | 1,677,539         | -                          | 510,705           | 2,135                 | 70,455            | 63,221                 | -  | (14)   | (260)                              | 2,323,781                             | 140,473                   | 2,464,254   |
| Reacquisition of shares                                    | -                          | (41)            | -         | -                 | -                          | -                 | -                     | -                 | -                      | -  | -  | -                                  | (41)                                  | (40)                      | (81)        |
| Surpluses and dividends declared                           | -                          | -               | -         | (1,289,652)       | -                          | -                 | -                     | -                 | -                      | -  | -  | -                                  | (1,289,652)                           | (102,101)                 | (1,391,753) |
| Movement of reserves                                       | -                          | -               | (229,802) | 229,802           | -                          | -                 | -                     | -                 | -                      | -  | -  | -                                  | -                                     | -                         | -           |
| Purchases and sales to uncontrolled participations         | -                          | -               | (144)     | (38,551)          | 13,688                     | (1,090)           | (108)                 | 803               | (3,088)                | -  | -  | -                                  | (28,490)                              | (30,282)                  | (58,772)    |
| Transfers to retained earnings                             | -                          | -               | -         | (47,771)          | -                          | 38,703            | 537                   | -                 | -                      | -  | -  | -                                  | (8,531)                               | -                         | (8,531)     |
| Income tax related to transactions with owners             | -                          | -               | -         | (35)              | -                          | -                 | -                     | -                 | -                      | -  | -  | -                                  | (35)                                  | (33)                      | (68)        |
| Equity method on variations in equity                      | -                          | -               | -         | -                 | -                          | -                 | -                     | -                 | -                      | -  | -  | -                                  | -                                     | -                         | -           |
| Other movement of the year                                 | -                          | -               | -         | 135,413           | 72,991                     | (155,361)         | (1,236)               | -                 | -                      | -  | -  | -                                  | 51,807                                | 42,402                    | 94,209      |
| <b>Balance as of September 30, 2019</b>                    | 67                         | (41)            | 2,330,711 | 16,317,228        | 63,356                     | 2,561,261         | (27,053)              | 755               | 877,184                | 11,796   | (3,654)  | (260)                              | 22,131,350                            | 1,004,126                 | 23,135,476  |

The accompanying notes are an integral part of the financial statements

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General Manager

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EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES

**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

For the period from January 1 to September 30, 2019 and 2018

Amounts stated in millions of Colombian pesos

|  | Notes   | 2019               | 2018               |
|--|---------|--------------------|--------------------|
| <b>Cash flows for operating activities:</b>  |         |                    |                    |
| <b>Results of the period</b>   |         | <b>1,814,614</b>   | <b>1,659,677</b>   |
| <b>Adjustments to reconcile the net results for the period to the net cash flows used in operating activities:</b> |         |                    |                    |
| Depreciation and amortization of property, plant and equipment, right-of-use assets and intangible assets          | 17 y 18 | 856,989            | 741,730            |
| Impairment of property, plant and equipment value, right-of-use assets and intangible assets                       | 17      | -                  | 127                |
| Impairment of accounts receivable  | 18.2    | 99,673             | 66,388             |
| Reversal of loss for impairment of accounts receivable   | 18.2    | (58,602)           | (40,665)           |
| Result for exchange difference, net  | 21      | 308,099            | 74,462             |
| Result for valuation of financial instruments and hedge accounting   | 20.1 y  | (45,023)           | 7,967              |
| Provisions, post-employment and long term defined benefit plans  | 18      | 137,003            | 274,298            |
| Government subsidies applied   | 16      | (752)              | (1,840)            |
| Deferred income tax  | 22      | (55,210)           | 85,631             |
| Current income tax   | 22      | 589,142            | 697,631            |
| Participation in the results of investments in associates and joint business                                       |         | 28,399             | (11,606)           |
| Interest income  | 20.1    | (162,787)          | (149,798)          |
| Interest expenses  | 20.2    | 889,729            | 684,393            |
| Result for disposal of properties, plant and equipment, right-of-use assets, intangibles and investment properties |         | (784)              | 249                |
| Result for disposal of financial instruments   |         | 47,620             | -                  |
| Dividends from investments   | 10      | (57,239)           | (66,856)           |
| Other income and expenses not effective, net   |         | 141,870            | (61,936)           |
|  |         | <b>4,532,741</b>   | <b>3,959,852</b>   |
| <b>Movements in working capital:</b>   |         |                    |                    |
| Variation in inventories   |         | (13,849)           | (51,674)           |
| Variation in debtors and other accounts receivable   |         | (244,107)          | (527,860)          |
| Variation in other assets  |         | (7,239)            | 244,534            |
| Variation in creditors and other accounts payable  |         | (253,397)          | 68,264             |
| Variation in employee benefits   |         | 40,249             | 33,994             |
| Variation in provisions  |         | (88,535)           | (75,067)           |
| Variation in other liabilities   |         | 19,229             | (119,715)          |
|  |         |                    |                    |
| Interest paid  |         | (1,059,785)        | (884,924)          |
| Income tax paid  |         | (508,540)          | (544,370)          |
| Income tax refund  |         | 322                | -                  |
| <b>Net cash flows originated by operating activities</b>   |         | <b>2,417,089</b>   | <b>2,103,034</b>   |
| <b>Cash flows for investment activities:</b>   |         |                    |                    |
| Acquisition of property, plant and equipment   | 7       | (1,986,343)        | (2,587,302)        |
| Disposal of property, plant and equipment  | 7       | 10,150             | 12,418             |
| Acquisition of intangible assets   |         | (188,004)          | (120,352)          |
| Disposal of intangible assets  |         | 46,428             | 915                |
| Acquisition of investments in financial instruments  | 10      | (142,567)          | (602,916)          |
| Disposal of investments in financial instruments   |         | 439,918            | 172,104            |
| Government Grants  |         | -                  | 289                |
| Interest received  |         | 670                | 235                |
| Dividends received from subsidiaries   |         | (92)               | 3,442              |
| Dividends received from associates and joint business  | 9       | 38,483             | 32,898             |
| Other dividends received   |         | 33,705             | -                  |
| Other cash flows from investment activities  |         | 11,982             | 125,916            |
| <b>Net cash flows used by investment activities</b>  |         | <b>(1,735,670)</b> | <b>(2,962,353)</b> |
| <b>Cash flows for financing activities:</b>  |         |                    |                    |
| Reacquisition of shares  |         | (81)               | -                  |
| Obtaining of public credit and treasury  | 13      | 9,019,200          | 3,721,788          |
| Payments of public credit and treasury   | 13      | (8,567,364)        | (1,535,815)        |
| Transaction costs due to issuance of debt instruments  | 13      | (4,772)            | (5,296)            |
| Payments of liabilities for financial leasing  |         | (36,265)           | (29,095)           |
| Dividends or surpluses paid  | 6       | (1,053,446)        | (806,457)          |
| Dividends or surplus paid to non-controlling interests   | 8       | (104,582)          | (106,956)          |
| Capital subsidies  |         | 154                | -                  |
| Payments of capital of derivatives designated as cash flow hedge   |         | 129,725            | (342)              |
| Purchases to uncontrolled participations   |         | (58,773)           | -                  |
| Other cash flows from financing activities   |         | 110,955            | 218,087            |
| <b>Net cash flows originated by financial activities</b>   |         | <b>(565,249)</b>   | <b>1,455,914</b>   |
| <b>Net cash and cash equivalents increase</b>  |         | <b>116,170</b>     | <b>596,595</b>     |
| Effects of variations in exchange rates in the cash and cash equivalents   |         | (222,937)          | (2,799)            |
| Cash and cash equivalents at the beginning of period   | 11      | 1,598,382          | 1,191,214          |
| <b>Cash and cash equivalents at the end of the period</b>  |         | <b>1,491,615</b>   | <b>1,785,010</b>   |
| Restricted resources   | 11      | <u>157,111</u>     | <u>141,576</u>     |

The accompanying notes are an integral part of the financial statements

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General Manager

**Jorge Andrés Tabares Ángel**  
Executive Vice-president of Corporate Finance,  
Risk Management and Investments

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# Notes to the interim condensed consolidated financial statements of the EPM Group for the periods ended as of September 30, 2019 and December 31, 2018.

(In millions of Colombian pesos, except when indicated otherwise)

## Note 1. Reporting Entity

Empresas Públicas de Medellín E.S.P. and subsidiaries (hereinafter, "EPM Group" or "the Group") is the Holding Company of a multi-latin Enterprise group; which has as of September 30, 2019 and December 31, 2018 a consolidation perimeter made up of 47 companies and a structured entity<sup>1</sup>, with a presence in the provision of public utilities in Colombia, Chile, El Salvador, Guatemala, Mexico and Panama.

EPM is a municipal-order decentralized entity, created in Colombia through Resolution 58 of August 6, 1955 issued by the Administrative Council of Medellín, as an autonomous public institution. It was transformed into an industrial and commercial government company of municipal-order through Resolution 069 of December 10, 1997 of the Medellín Council. Due to its legal status, EPM is endowed with administrative and financial autonomy, and its own equity according to Article 85 of Law 489 of 1998. The capital stock with which the company was constituted and operates, as well as its equity, is of a public nature, being its only owner is the Municipality of Medellín. Its main corporate domicile is located at Carrera 58 No. 42-125 in Medellín, Colombia. It has not established a term of duration.

EPM provides residential public utilities of water, sewage, power and combustible gas distribution. It can also provide the domiciliary public utilities of waste management, waste treatment and disposal, as well as the complementary activities related to each and every public utility service above mentioned.

The Group provides services in the following business units:

- Electricity: it includes Electricity Generation, Electricity Transmission, Electricity Distribution and Commercialization, and Natural Gas Distribution and Commercialization segments.
- Water: it includes the Water Supply, Wastewater Management and Solid Waste Management segments.
- Others segment: Consisting of the investment vehicles, Distribución Eléctrica Centroamericana II S.A. (DECA II), EPM Capital Mexico S.A. de C.V., EPM Chile S.A., EPM Inversiones S.A., EPM Latam S.A., Inversiones y Proyectos Hidrosur SpA (former Inversiones y Asesorias South Water Services SpA)<sup>2</sup>, Panama Distribution Group S.A. (PDG). It additionally includes Maxseguros EPM Ltd., captive reinsurer established to negotiate, contract, and provide reinsurance services.
- Furthermore, EPM Group participates in the telecommunications business, in which it has significant influence since August 2014, through UNE EPM Telecomunicaciones S.A. and its affiliates: Edatel S.A. E.S.P, Orbitel Servicios Internacionales S.A. (OSI), Cinco Telecom Corporation (CTC) and Colombia Movil S.A.; and Inversiones Telco S.A.S. and its affiliate Emtelco S.A.; providing voice, data and Internet utilities, professional services, and data center, among others.

The Group main activities are described in Note 26. Operating Segments.

The Interim Condensed Consolidated Financial Statements of the Group for the year ended as of December 31, 2018 and for the period ended as of September 30, 2019 were authorized by the Board of Directors to be published on March 26 and on October 29, 2019, respectively.

<sup>1</sup> Autonomous Equity Social Funding. Under International Financial Reporting Standards (IFRS), it is considered a structured entity part of the consolidation perimeter of the financial statements of the EPM Group.

<sup>2</sup> It changed its company name on November 26, 2018, through public deed No. 34.861-2018 of Notary 27 of Santiago de Chile.



## Note 2. Significant Accounting Policies

### 2.1 Basis for the Preparation of Financial Statements

The consolidated condensed interim financial statements have been prepared in accordance with the International Accounting Standard (IAS) 34: Interim Financial Reporting, as adopted in Colombia, following the same accounting policies used in the preparation of the most recent annual Financial Statements of the Group.

These consolidated condensed interim financial statements do not include all the information and disclosures normally required for full annual financial statements and must be read in conjunction with the consolidated financial statements of Empresas Públicas de Medellín E.S.P. and subsidiaries for the year ending on December 31, 2018.

The presentation of financial statements in conformity with IFRS adopted in Colombia requires making estimates and assumptions that affect the amounts reported and disclosed in the financial statements, without undermining the reliability of the financial information. Actual results may differ from said estimates. Estimates and assumptions are constantly revised. Revision of accounting estimates is recognized for the period in which the estimates are revised if the revision affects such period or in the revision period and future periods, if it affects both the current and the future period. The estimates made by the Management, in applying the IFRS adopted in Colombia, that have a material effect on the financial statements, and those that imply significant judgments for the annual financial statements, are described in greater detail on Note 4. Significant accounting judgments, estimates, and causes of uncertainty in the preparation of financial statements.

EPM and each of its subsidiaries present separate or individual financial statements, as applicable, for compliance before the controlling entities and for internal administrative follow-up purposes and provide information to the investors.

Assets and liabilities are measured at cost or amortized cost, with the exception of certain financial assets and liabilities and the investment properties that are measured at fair value. The financial assets and liabilities measured at fair value correspond to those that: are classified in the category of fair value assets and liabilities through profit, some equity investments at fair value through equity, as well as all financial derivatives, assets and liabilities recognized that are designated as hedged items in a fair value hedging, which value in records is adjusted with the changes in fair value attributed to the risks subject matter of the hedging.

Consolidated financial statements are presented in Colombian pesos and their figures are stated in millions of Colombian pesos.

### 2.2 Non-current assets held for sale and discontinued operations

Non-current assets and the groups of assets for disposal purposes are classified as held for sale if their carrying value will be recovered through a sales transaction, instead of by their continued use; these assets or groups of assets are presented separately in the statement of financial position as current assets and liabilities at their carrying value or their fair value less costs of sale, whichever is lower, and are neither depreciated nor amortized as from the date of their classification.

This condition is met if the asset or group of assets is available, in their current conditions, for immediate sale, the sales transaction is highly probable and is expected to be done within the year subsequent to the classification date.

When the Group is committed to a sales plan that involves the sale of an investment, or a portion of an investment, in an associate or joint venture, the investment or portion of the investment that shall be sold is classified as held for sale whenever the criteria described above are complied with, and the Group discontinues the use of the equity method in relation to the portion that is classified as available-for-sale. Any portion held of an investment made in an associate or in a joint venture that has not been classified as available-for-sale, continues to be recorded using the equity method. The Group discontinues the use of the equity method upon the sale when the sale results in the Group losing significant influence over the associate or the joint venture.

After the sale is made, the Group records any interest retained in the associate or joint venture in accordance with IFRS 9, unless the interest maintained continues to be an associate or a joint venture, in which case the Group uses equity method.

Income, costs and expenses from a discontinued operation are presented separately from those of continued activities, in a single item after income tax, in the consolidated comprehensive income statement of the current period and the comparative period of the previous year. Even though when the Group retains a non-controlling interest in the company that was once a subsidiary after the sale.

### 2.3 Leases

The determination whether an agreement constitutes or contains a lease is based on the essence of the agreement to its start date, considering whether compliance with the agreement requires the use of an asset and whether it transfers the right to control the use of such asset for a period of time, in exchange for a compensation.

On the commencement date of the lease agreement, the Group acting as a lessee acknowledges recognizes an asset by for the right of use and a lease liability per lease, except for leases lasting less than 12 months or those whose value to the underlying asset is less than 15 (fifteen) legal monthly minimum wages in force.

El Grupo que actúa como arrendador clasifica el arrendamiento en operativo o financiero. Un arrendamiento se clasifica como financiero cuando se transfieren sustancialmente los riesgos y los beneficios inherentes a la propiedad del bien arrendado al arrendatario, en caso contrario, se clasifica como arrendamiento operativo.

The Group acting as a lessor classifies the lease as either operating or financial. A lease is classified as financial when the risks and benefits inherent to the property of the lease are substantially transferred to the lessee; otherwise, it is classified as an operating lease.

#### **EPM Group as a Lessee**

Right of use assets are recognized and presented as assets in the state of financial position at the beginning of the lease, at cost. The corresponding liability is included in the statement of financial position as a lease liability.

Right of use assets are amortized over the useful life of the asset using the straight-line method, if the ownership of the underlying asset is transferred at the end of the contract or if a purchase option is exercised. If ownership of the underlying asset is not transferred at the end of the lease term or no option

to purchase the asset is exercised, it is amortized only until the end of the useful life or lease term, whichever occurs first.

Lease payments are divided between financial expenses and debt amortization of the liability. Financial charges are recognized in the statement of the comprehensive result of the period unless they could be directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's policy for loan costs. Variable lease payments, which depend on an index or a rate, are included in the valuation of the lease liability. Payments for leases lasting less than 12 months or those whose new value to the underlying asset is less than 15 (fifteen) legal monthly minimum wages in force are recognized as operating leases in the statement of comprehensive result over the term of the lease.

#### **EPM Group as a Lessor**

Leased assets under finance leases are not presented as property, plant and equipment since the risks associated with the property have been transferred to the lessee; an account receivable of a value equal to the net investment under the lease is recognized.

When a lease includes land and building components together, the Group assesses the classification of each component separately as a financial or operating lease. If the lease payments cannot be reliably distributed between these two components, the entire lease is classified as a finance lease unless it is clear that both components are operating leases, in which case the entire lease will be classified as operating.

Variable lease revenues, which depend on an index or a rate, are included in the valuation of net investment under lease.

Initial direct costs, such as commissions, legal fees and internal costs that are incremental and directly attributable to the negotiation and contracting of the lease are included in the measurement of the net investment in the lease at the baseline and are reflected in the calculation of the implied interest rate.

## **2.4 Change in Accounting Policies**

### **New Standards Implemented**

During 2019, the Group has implemented the changes in the IFRS (new standards, amendments or interpretations), issued by the International Accounting Standards Board (IASB) and adopted in Colombia, that are mandatory for the accounting period beginning on or after January 1<sup>st</sup>, 2019.

**IFRS 16 Leases.** Issued in January 2016, this new regulation introduces a comprehensive model for the identification of leasing contracts and accounting arrangements for lessors and lessees. It will replace the current regulations for the accounting arrangement of leases included in IAS 17 Leases and related interpretations, such as IFRS 4 determining whether an agreement contains a lease, SIC-15 operating leases – Incentives and SIC-27 assessment of the essence of transactions adopting the legal form of a lease.

In order to make the distinction between leases and service contracts, it is based on the customer's control over the asset identified. For the lessee, the distinction of operating leases (out of balance) is removed and financial leases (on the balance sheet) and is replaced by a model in which an asset (right to use) must be recognized and its corresponding liabilities for all leases (i.e., everything on the balance sheet), except for the short-term leases and low-value asset leases.

The asset (right to use) is initially measured at cost and subsequently measured at cost (with certain exceptions) minus accumulated depreciation and damage losses, adjusted for any reassessment of the liability for lease. Lease liability is initially measured by the present value of the future lease payments. Subsequently, lease liability is adjusted to interest and lease payments, as well as the impact of the amendments to the lease, among others. Furthermore, the classification of cash flows will also be affected, since operating lease payments according to IAS 17 are presented as operating cash flows; while in the IFRS 16 model, lease payments are divided into capital depreciation and a portion of the interest that will be presented as cash flow from financing and operation, respectively.

In contrast to lessee accounting, IFRS 16 includes as accounting requirements for the lessor the same ones that the IAS 17 brings, that is to say, it continues to require that a lessor classify a lease as an operating lease or a financial lease.

After having concluded the inventory and valuation of leases, the EPM Group adopted IFRS 16 retroactively with the cumulative effect of the initial application, recognized on January 1, 2019, without using the restatement of the comparative information as set out in paragraph C7 of this IFRS. Consequently, financial information of 2018 has not been restated and continues to be reported in accordance with IAS 17.

The initial cumulative effect recognized as opening adjustments taking into account the indicative rates that are currently being used for financing in each of the Group companies, applied to the lease liabilities is: Net Right of use assets: \$ 662,122, Total Financial liabilities by lease: \$662,122, Net Deferred tax and Accumulated profit: \$-.

In addition, \$127,487 was reclassified from property, plant and equipment, to assets by right of use corresponding to financial leases that were recognized under IAS 17.

There is no effect on retained utilities, any time the option taken for the valuation of the asset is equal to the adjusted liability for anticipated or accumulated (accrued) leases recognized in the State of Financial Position immediately preceding the initial application. No payments for anticipated or accrued leases were identified in the Group.

Short-term leases that do not exceed 12 months or that correspond to underlying assets of low value are not recognized as assets by right of use. In exchange, the Group uses the practical file and recognizes such leases in the statement of the comprehensive result.

### **Note 3. Seasonality**

EPM Group does not have seasonal operations during the period.

### **Note 4. Significant Accounting Judgments, Estimates, and Causes of Uncertainty in the Preparation of Financial Statements.**

The following are the significant judgments and assumptions, including those that involve accounting estimates that the Group management used in the application of the accounting policies under IFRS adopted in Colombia, and that have significant effect on the values recognized in the consolidated financial statements.

Estimates are based upon historic experience and as a function of the best information available on the facts analyzed by the cut-off date. These estimates are used for determining the value of the assets and liabilities in the consolidated financial statements, when it is not possible to obtain such value from other sources. The Group assesses its estimates on a regular basis. Actual results may differ from those estimates.

The significant estimates and judgments made by the Group are described below:

– **Assessment of the Existence of Impairment Indicators for the Assets, Goodwill and Assessment of Assets for Determining the Existence of Value Impairment Losses.**

The condition of the assets is revised on each report presentation date, in order to determine whether there are indications that any of them has suffered an impairment loss. If there is impairment loss, the recoverable amount of the asset is affected, if the estimated recoverable amount is lower, its value is reduced to its recoverable value and impairment loss is immediately recognized in profit or loss for the period.

The assessment of the existence of value impairment indicators is based on external and internal factors, and in turn on quantitative and qualitative factors. Assessment are based on financial results, the legal, social and environmental settings, and the market conditions; significant changes in the scope or way in which the asset or CGU is used or expected to be used and evidence about obsolescence or physical deterioration of and asset or CGU, among others.

Determining whether goodwill has suffered impairment implies the calculation of the value at use of the CGUs to which it has been assigned. The calculation of the value at use requires that the entity determines future cash flows that should arise from CGUs and a discount rate appropriate to calculate the current value. When the actual future cash flows are lower than expected, an impairment loss may arise.

– **Hypothesis - Assumptions Used in the Actuarial Estimate of the Post-Employment Obligations with Employees.**

The assumptions and hypothesis used in the actuarial studies include: demographic assumptions and financial assumptions, the former refer to the characteristics of the current and past employments, and relate to the mortality rate, employee turnover rates, the latter relate to the discount rate, the increases in future salaries, and the changes in future benefits.

– **Lifespan and Residual Values of Property, Plant and Equipment and Intangibles.**

In the assumptions and hypothesis used for determining the useful lives of property, plant and equipment and intangibles, technical aspects such as the following are considered: periodical maintenances and inspections made to the assets, failure statistics, environmental conditions and operating environment, protection systems, replacement processes, obsolescence factors, recommendations of manufacturers, climate and geographical conditions, and experience of the technicians that know the assets. Aspects such as market values, reference magazines, and historic sales data are considered for determining the residual value.

– **Assumptions used for Calculating the Fair Value of Financial Instruments Including the Credit Risk.**

The Group discloses the fair value corresponding to each class of financial instrument in such a way it allows comparing it with the recorded values. Macro-economic projections calculated within every

company of the Group are used. Investment portfolio is valued at market price. In its absence, a similar one is looked for in the market and if not, assumptions are used.

Macro-economic rates are projected using the cash-flow methodology. Derivatives are estimated at fair value. Accounts receivable are estimated at the market rate in force and effect for similar credits. Accounts receivable from employees are valued in a similar way as massive debtors, except for mortgage credits.

The methodology used for equity investments is the cash flow; those quoted in the stock exchange are estimated at market prices; all others are valued at historical cost.

– **Likelihood of Occurrence and Value of Contingent or Uncertain-Value Liabilities.**

The assumptions used for uncertain or contingent liabilities include the classification of the legal process by the “expert judgment” of the area professionals, the type of contingent liability, the possible legislative changes, and the existence of high-court rulings that applies to the concrete case, the existence of similar cases in the Group, the study and analysis of the substance of the issue, the guarantees existing at the time of the events. The Group shall disclose and not recognized in the financial statements those obligations classified as possible; obligations classified as remote are not disclosed nor recognized.

– **Future Expenditure for Asset Dismantlement and Retirement Obligations.**

In the assumptions and hypothesis used for determining future expenditure for asset dismantlement and retirement obligations, aspects such as the following were considered: estimate of future outlays in which the Group must incur for the execution of those activities associated to asset dismantlement on which legal or implicit obligations have been identified, the initial date of dismantlement or restoration, the estimated date of finalization and the discount rates.

– **Determination of the Existence of Financial or Operating Leases Based on Risk Transfer and Benefits of the assets delivered in lease.**

The significant assumptions that are considered to determine the existence of a lease include the assessment of the conditions if the right to control the use of the asset is transmitted for a period of time in exchange for a consideration, i.e., the existence of an identified asset is assessed; the right to obtain substantially all economic benefits from the use of the asset over the period of use; the right to direct how and for what purpose the asset is used throughout the period of use; the right to operate the asset over the period's use without any changes in the operating instructions.

– **Recoverability of Deferred Tax Assets.**

Deferred tax asset has been generated by the temporary differences that generate future fiscal consequences in the financial position of the companies within the Group; these differences are essentially represented in fiscal assets that exceed the assets under IFRS adopted in Colombia, and in fiscal liabilities, lower than the liabilities under IFRS adopted in Colombia, such as it is the case of the pension liability components, the amortized cost of bonds, financial leasing, and other sundry provisions and contingencies provision.

The Group's deferred tax asset is recovered in the net income taxed on the current income tax generated by each company within the Group.

#### – Assessment of Portfolio Deterioration

For the calculation of the expected credit loss, each obligation is assigned an individual probability of non-payment that is calculated from a probability model involving sociodemographic, product and behavior variables.

The model will be applied based on the Scorecard developed considering the information of every company within the Group. The models are defined according to the information available and the characteristics of the population groups for each one. Even though the methodology applies to all accounts with balance, some exclusions must be considered, such as: accounts derecognized; self-consumptions; contributions; public lighting and in general charges from third parties. For its calculation, it is previously defined the moment from which it is considered that an obligation was defaulted and will not be recovered.

To calculate the credit loss of trade receivables and other receivables (except receivables between related parties) the following formula is used:

$PE = SE \times PN \times LDN$ , where:

Exposed Balance of the Asset (SE) - corresponds to the capital balance, balance of interest, and other current charges of the obligations. Probability of Noncompliance (PN) - Corresponds to the result of a statistical model that provides the probability that each account incurs non-compliance within the following twelve months. This individual probability is located within a range found to mitigate the fluctuations in the overall provision value of one month to the next and stabilize its behavior, resulting in a standard PN by range.

Loss Due to Non-Compliance (LDN) - defined as the economic impairment that the entity would incur in the event that any breach occurs. It is a percentage obtained from a table taken from the current regulations of the Finance Superintendency of Colombia, Chapter II of the 1995 Circular External 100.

#### – Revenue Estimates

The Group recognizes income from the sale of goods and the rendering of services to the extent that the performance requirements for the Group are met, regardless of the date on which the corresponding invoice is issued, to carry out this estimate information from contracts or agreements with customers is taken and so the value to be recognized in revenue is established.

When the moment at which revenue should be recognized is uncertain, the Group determines to recognize the revenue at the moment in which the performance obligation is satisfied, for those performance obligations that are satisfied over time it is common to use the method of the measured resource as the actually executed costs compared to the estimated costs.

For other concepts different from the supply of residential public utilities, the Group estimates and recognizes the value of revenues from sales of goods or rendering of services based on the terms or conditions of interest rate, period, etc., of each contract that causes the sale.

In the month after recording the estimated revenue, its value is adjusted by the difference between the value of the actual revenue already known against the estimated revenue.



## – Operating Segments

The determination of the operating segments is done using information that is regularly provided to the highest decision-making authority in the Group and the segmentation of said information is identified. Once these segments have been identified, the capacity to generate income and incur costs and expenses of the identified groups is analyzed. Likewise, identification of whether the highest decision-making authority reviews the returns and allocates resources based on this segmentation is performed; finally, they review if there is disaggregated financial information that supports this segmentation. In addition to the above factors, the focus and management of the Group is analyzed, in order to consider, to date, possible segments that may arise in the future, according to its strategy.

## Note 5. Significant Transactions and Other Relevant Aspects During the Period

As of September 30, 2019, significant transactions and other relevant aspects different from those of the normal business of the Group are related to:

5.1 The Ituango hydroelectric project contingency that occurred on April 28, 2018 from a geological event that blocked the Cauca River detour tunnel with approximately 160 thousand cubic meters of rock and soil, which led to the dam collecting water. As a consequence of the foregoing, EPM, in its decisions, has prioritized first and foremost the protection of communities and the environment and secondly, the project's infrastructure. Therefore, on May 7, 2018, the decision was made to pour the dammed water through the future power plant's generator room so that the flow of water was directed back to the Cauca River, with the goal of eventually returning to its traditional flow and a lower reservoir level. On January 16 and February 5, 2019, the uptake gates #2 and #1, respectively, were closed, thereby suspending the flow of water by the generator room. Beginning February 8, 2019, flow recovery of the Cauca River was initiated through water flow through the spillway. On Wednesday, May 29, 2019 the closure of one of the two floodgates of the Auxiliary Diversion Gallery (GAD) was completed. This was a new milestone within the risk mitigation work in the project. With the closing of the first floodgate, the left, almost three months' work was completed. After closing the GAD's left floodgate, the subsequent work will focus on closing the right floodgate to complete the total closure. A 22-metre downstream plug of the gate chamber will then be constructed on the dam shaft, therefore, EPM continues to advance the risk reduction to populations downstream of the project. On July 19, 2019, construction of the dam was completed, allowing this structure to reach the height of 435 meters above sea level (masl), which is the maximum set in original designs. As a result of this, the other technical advances achieved in the Ituango hydroelectric project and the authorities placed by EPM in communities to react to potential contingencies allowed the National Disaster Risk Management System (SNGRD) on Friday, July 26, 2019 to modify the state of alert for the evacuation of populations located downstream from the future power plant. With this decision, no city remains in red alert, which means permanent preventive evacuation.

On September 16, 2019, the Company Mapfre Seguros Generales de Colombia S.A. indicated its decision to grant coverage under the all-risk construction and assembly policy, to cover the contingency of the Ituango Hydroelectric project. This insurer appointed a number of national and international experts (engineers, geologists and geotechnicians who specialize in dams and



underground works, lawyers, and others) to review the technical information of the main aspects of the project works, including tunnels, caverns, dam and landfills. They also reviewed designs, plans, technical specifications, construction processes, work logbooks, the risk matrix, pre- and post-contingency studies.

Thus, it concluded that the cause of contingency, occurring on April 28, 2018, is framed by the policy terms and conditions, and thus confirms coverage.

The policy issued to EPM by Mapfre covers infrastructure, public works, project equipment and lost profits arising from the delay in commissioning. The insurer will then quantify the value of the claim, and following the limits and conditions set forth in the insurance policy, reimburse EPM for the resources to enter the financial statements of the Ituango Hydroelectric Project.

The policy establishes a maximum indemnification of \$2,556 million USD to cover material damage to infrastructure and equipment. It also includes cover for the delay in commissioning (money not received due to contingency damages) to the amount of \$628 million USD, which are the maximum liabilities of the insurer.

The amount to be paid by the insurer, and its corresponding payment schedule, will be calculated based on a rigorous analysis of the extent of damages, in accordance with the terms of the policy. This will include a calculation of deductibles, limits, and extra coverage, among other things.

In connection with the above, the EPM Group has the following in its consolidated financial statements as of September 30, 2019:

- Cost and development of the construction of the Ituango Hydroelectric Project for \$10,197,989 (see note 7).
- Total provision for \$43,596 of which were recognized in 2019 \$4,719 (2018: \$38,877) for the attention of the affected people of Puerto Valdivia, for compensation for emerging damages, lost wages and pain and suffering, due to the flooding waters of the River Cauca as a consequence of when the project got plugged on April 28, 2018. Payments for \$4,708 (2018: \$62) were made for a passive balance in the allowance account for \$38,826 (2018: \$38,815) during 2019. (see note 14.3).
- Total provision for \$46,401 of which was recognized in the year 2019 \$3,484 (2018: \$42,917) for the attention of individuals who were evacuated as a consequence of that event. Payments for \$16,833 (2018, \$23,700) for a passive balance in the allowance account for \$5,868 (2018, \$19,217) were made during 2019. (see note 14.3).
- Total provision for \$146,287 of which was recognized in the year 2019 \$8,969 (2018: \$137,318) as warranty charged to reliability backing the construction and commissioning of the Central Hidroeléctrica Pescadero Ituango [Ituango-Pescadero Hydroelectric Plant]. No payments were made at September 30, 2019 and December 31, 2018. (see note 14.3).
- Total provision for \$64,429 of which were recognized in 2019 \$33,041 (2018: \$31,388) for environmental contingency, set forth by the specific action plan for the recovery of the parties affected by the plugging of the diversion tunnel on April 28, 2018 and by the closure of the gates which reduced the flow of the river downstream of the project. Payments for \$4,510 (2018: \$-) were made for a passive balance in the allowance account for \$59,919 (2018: 31,388) during 2019. (see note 14.1).

- Provision for \$107,144 of which were recognized in the year 2019 between estimated costs and product interests valued at \$5,347 (2018: \$101,797) for non-compliance, January to October 2021, to transporter Intercolombia for the months after the start of operation of the connection infrastructure of the Ituango project. As of September 30, 2019 and December 31, 2018, no payments were made for this concept. (see note 14.3).
  - Additionally, in the Comprehensive Income Statement, other expenses were recognized for \$14,496 (September 2018: \$46,061) for the attention to the community affected by the contingency (see note 19).
- 5.2 On May 24, 2019, Japan Bank for International Cooperation - JBIC granted a waiver for non-compliance with the financial indicator Long Term Financial Debt/EBITDA under paragraph (a), section 6.5 of the indemnity agreement only for the analysis period ending December 2018.
  - 5.3 On June 18, 2019, Aguas Nacionales, a subsidiary of Grupo EPM, was notified by the Dispute Resolution Commission of the construction agreement of the Aguas Claras wastewater treatment plant, of the decision made in favor of the Hispanic-Korean consortium Aguas de Aburra HHA, wherein a series of claims presented by the contractor is received. Given the complexity of the document, Grupo EPM's legal team is currently analyzing the ruling of the Commission.
  - 5.4 On June 26, 2019, within the scope of the program for the disposal of EPM's shareholding in ISA, 14,881,134 shares were awarded in the first stage, at a price of \$15,700 per share.
  - 5.5 On June 28, 2019, the JBIC granted EPM a waiver of the breach of the Long Term Financial Debt to consolidated EBITDA relationship because during the period ending March 31, 2019, this ratio was at 4.0:1.0. This waiver also covers the quarters ending on June 30, 2019, September 30, 2019 and December 31, 2019, provided it does not exceed 4.0: 1.0.
  - 5.6 On September 16, 2019, the EPM Group, through subsidiary EPM Chile S.A., entered into a contract for trading with AES Gener S.A. and its subsidiary Norgener Renovables SpA for disposal of 100% of its shares in Parque Eólico Los Cururos SpA. and EPM Transmisión Chile S.A.

## Note 6. Surpluses

Surpluses paid in the intermediate period by EPM Group corresponding to ordinary financial surpluses are \$1,053,446: ordinary \$703,446 and extraordinary \$350,000 (September, 2018 \$806,457: ordinary \$656,457 and extraordinary \$ 150,000 associated with the transfer of Isagen).

## Note 7. Property, Plant and Equipment, Net

The breakdown of the recorded value for property, plant and equipment is as follows:

| Property, plant and equipment            | September 2019    | December 2018     |
|--|-------------------|-------------------|
| Cost                                     | 43,715,721        | 42,120,534        |
| Accrued depreciation and impairment loss | (7,972,713)       | (7,631,935)       |
| <b>Total</b>                             | <b>35,743,008</b> | <b>34,488,599</b> |

- Amounts expressed in millions of colombian pesos -

Property, plant and the equipment exhibit a variation compared to 2018, of \$1,254,409 mainly due to the construction of the infrastructure in the different businesses of the Group, of which, the most relevant corresponds to the construction of the Ituango Hydroelectric Project, for \$829,949.

During 2019, EPM Group has invested \$1,986,343 in property, plant and equipment

The capitalization of borrowing costs of \$307,860 (2018: \$332,874), which is included in the additions of property, plant and equipment; the weighted average rates used to determine the amount of borrowing costs were: 8.02% in pesos and 5.39% in dollars (2018: 7.85% and 5.73%).

The following is the movement of cost, depreciation and impairment of property, plant and equipment:

| September - 2019   | Networks, lines and cables | Plants, pipelines and tunnels | Construction in progress <sup>(1)</sup> | Land and buildings | Machinery and equipment | Communication and computer equipment | Furniture, fixtures and office equipment | Other property, plant and equipment | Total              |
|--|----------------------------|-------------------------------|---|--------------------|-------------------------|--------------------------------------|--|-------------------------------------|--------------------|
| Initial balance cost January 1, 2019   | 11,001,434                 | 11,719,710                    | 11,398,786                              | 6,226,917          | 803,664                 | 436,703                              | 131,663                                  | 401,657                             | 42,120,534         |
| Additions  | 28,235                     | 13,347                        | 2,195,668                               | 7,156              | 7,377                   | 10,781                               | 783                                      | 53,209                              | 2,316,556          |
| Advanced payments (amortized) made to third parties                              | (173)                      | -                             | (18,254)                                | -                  | -                       | -                                    | -  | 4,942                               | (13,485)           |
| Transfers (-/+)  | 566,432                    | 146,273                       | (994,352)                               | 185,516            | 36,305                  | 7,440                                | 891                                      | (22,559)                            | (74,054)           |
| Disposal (-/+)   | (3,359)                    | (2,292)                       | (5,975)                                 | (698)              | (485)                   | (3,900)                              | (82)                                     | (1,608)                             | (18,399)           |
| Assets classified as held for sale   | -                          | (613,662)                     | (34,205)                                | (45,762)           | (327)                   | (34)                                 | -  | -                                   | (693,990)          |
| Effect due to currency exchange  | 225,773                    | 119,188                       | 43,351                                  | 25,590             | 27,694                  | 7,347                                | 2,048                                    | 4,365                               | 455,356            |
| Restatement due to policy change <sup>(2)</sup>                                  | -                          | -                             | 2,229                                   | (204,500)          | -                       | -                                    | -  | -                                   | (202,271)          |
| Other changes  | 36,360                     | 49,605                        | (122,245)                               | (40,165)           | (70,049)                | (23,291)                             | 1,495                                    | (6,236)                             | (174,527)          |
| <b>Final balance cost September 30, 2019</b>                                     | <b>11,854,701</b>          | <b>11,432,169</b>             | <b>12,465,003</b>                       | <b>6,154,055</b>   | <b>804,179</b>          | <b>435,046</b>                       | <b>136,798</b>                           | <b>433,770</b>                      | <b>43,715,720</b>  |
| <b>Accrued depreciation and impairment loss</b>                                  |                            |                               |   |                    |                         |                                      |  |                                     |                    |
| Initial balance of accrued depreciation and impairment loss January 1, 2019      | (3,216,290)                | (2,859,219)                   | (1,039)                                 | (824,201)          | (295,444)               | (252,556)                            | (53,790)                                 | (129,397)                           | (7,631,935)        |
| Depreciation for the period  | (301,237)                  | (218,820)                     | -                                       | (59,159)           | (33,828)                | (36,920)                             | (9,852)                                  | (9,903)                             | (669,719)          |
| Disposals (-/+)  | 2,418                      | 1,588                         | -                                       | 7                  | 328                     | 3,300                                | 29                                       | 1,365                               | 9,035              |
| Transfers (-/+)  | -                          | -                             | -                                       | -                  | -                       | 149                                  | 117                                      | -                                   | 266                |
| Restatement due to policy change <sup>(2)</sup>                                  | -                          | -                             | -                                       | 77,013             | -                       | -                                    | -  | -                                   | 77,013             |
| Assets classified as held for sale   | -                          | 359,608                       | 1,086                                   | 25,399             | 167                     | 29                                   | -  | 17                                  | 386,306            |
| Effect due to currency exchange  | (91,089)                   | (63,618)                      | (47)                                    | (4,613)            | (9,886)                 | (5,450)                              | (971)                                    | (2,594)                             | (178,268)          |
| Other changes  | (3,615)                    | (3,245)                       | -                                       | 2,896              | 21,896                  | 18,636                               | (397)                                    | (1,581)                             | 34,590             |
| <b>Final balance accrued depreciation and impairment loss September 30, 2019</b> | <b>(3,609,813)</b>         | <b>(2,783,706)</b>            | <b>-</b>                                | <b>(782,658)</b>   | <b>(316,767)</b>        | <b>(272,812)</b>                     | <b>(64,864)</b>                          | <b>(142,093)</b>                    | <b>(7,972,712)</b> |
| <b>Total final balance property, plant and equipment</b>                         | <b>8,244,888</b>           | <b>8,648,463</b>              | <b>12,465,003</b>                       | <b>5,371,396</b>   | <b>487,412</b>          | <b>162,234</b>                       | <b>71,934</b>                            | <b>291,677</b>                      | <b>35,743,008</b>  |
| <b>Advanced payments made to third parties</b>                                   |                            |                               |   |                    |                         |                                      |  |                                     |                    |
| Initial balance January 1, 2019  | 859                        | -                             | 52,458                                  | -                  | -                       | -                                    | -  | 2,302                               | 55,619             |
| Movement (+)   | (63)                       | -                             | 27,246                                  | -                  | -                       | -                                    | -  | 6,756                               | 33,939             |
| Movement (-)   | (110)                      | -                             | (45,500)                                | -                  | -                       | -                                    | -  | (1,813)                             | (47,423)           |
| Difference in exchange adjustment  | 140                        | -                             | 136                                     | -                  | -                       | -                                    | -  | -                                   | 276                |
| <b>Final balance September 30, 2019</b>  | <b>826</b>                 | <b>-</b>                      | <b>34,340</b>                           | <b>-</b>           | <b>-</b>                | <b>-</b>                             | <b>-</b>                                 | <b>7,245</b>                        | <b>42,411</b>      |

- Figures in millions of Colombian pesos -

- (1) In additions, Constructions in progress 74.61% corresponds to EPM for \$1,638,152 (2018 \$2,791,105) and the remaining 25.39% to other subsidiaries, equivalent to \$ 557,516 (2018 \$1,147,463).
- (2) Includes, mainly, the transfer of the EPM Building to right of use assets.

| December - 2018   | Network, lines and cables | Plants, pipelines and tunnels | Constructions in progress <sup>(1)</sup> | Land and Buildings | Machinery & Equipment | Communication and Computer Equipment | Furniture & Fixtures & Office Equipment | Other property, plant and equipment | Total              |
|---|---------------------------|-------------------------------|--|--------------------|-----------------------|--------------------------------------|---|-------------------------------------|--------------------|
| Initial balance cost January 1, 2018  | 9,750,271                 | 9,910,586                     | 10,824,257                               | 6,083,884          | 728,530               | 385,321                              | 130,617                                 | 375,900                             | 38,189,366         |
| Additions   | 33,100                    | 35,300                        | 3,938,568                                | 19,680             | 19,834                | 47,031                               | 2,260                                   | 30,360                              | 4,126,133          |
| Advances payments (amortized) made to third parties                                   | 318                       | -                             | 19,093                                   | -                  | -                     | (86)                                 | -                                       | 1,106                               | 20,431             |
| Transfers (-/+)   | 988,873                   | 1,757,066                     | (3,060,750)                              | 38,290             | 42,242                | 16,843                               | 18,971                                  | (8,937)                             | (207,402)          |
| Disposals (-)   | (21,331)                  | (40,108)                      | (81,212)                                 | (3,789)            | (16,720)              | (28,161)                             | (2,031)                                 | (5,278)                             | (198,630)          |
| Effect due to currency exchange   | 180,742                   | 144,889                       | 25,885                                   | 35,965             | 38,040                | 6,205                                | 1,395                                   | 3,383                               | 436,504            |
| Effect due to loss of control on subsidiary   | -                         | -                             | (27,129)                                 | -                  | 8                     | (11)                                 | -                                       | -                                   | (27,132)           |
| Other changes   | 69,462                    | (88,023)                      | (239,925)                                | 52,888             | (8,270)               | 9,561                                | (19,550)                                | 5,121                               | (218,736)          |
| <b>Final balance cost at of December 31, 2018</b>                                     | <b>11,001,435</b>         | <b>11,719,710</b>             | <b>11,398,787</b>                        | <b>6,226,918</b>   | <b>803,664</b>        | <b>436,703</b>                       | <b>131,662</b>                          | <b>401,655</b>                      | <b>42,120,534</b>  |
| <b>Accrued depreciation and impairment loss</b>                                       |                           |                               |  |                    |                       |                                      |   |                                     |                    |
| Initial balance of accrued depreciation and impairment loss January 1, 2018           | (2,784,511)               | (2,546,524)                   | (1,074)                                  | (731,260)          | (249,969)             | (225,501)                            | (54,765)                                | (115,666)                           | (6,709,270)        |
| Depreciation for the period   | (370,797)                 | (261,731)                     | -  | (80,647)           | (44,727)              | (46,113)                             | (10,775)                                | (14,397)                            | (829,187)          |
| Disposals (-)   | 5,402                     | 21,861                        | -  | 127                | 2,462                 | 26,620                               | 1,886                                   | 4,468                               | 62,826             |
| Transfers (-/+)   | -                         | 6,122                         | -  | (6,292)            | 168                   | 6                                    | 19                                      | 4                                   | 27                 |
| Effect due to currency exchange   | (73,417)                  | (83,373)                      | (93)                                     | (6,430)            | (13,111)              | (4,688)                              | (584)                                   | (2,372)                             | (184,068)          |
| Effect due to loss of control on subsidiary   | -                         | -                             | -  | -                  | -                     | 11                                   | -                                       | -                                   | 11                 |
| Other changes   | 7,032                     | 4,427                         | 128                                      | 302                | 9,733                 | (2,892)                              | 10,431                                  | (1,435)                             | 27,726             |
| <b>Final balance accrued depreciation and impairment loss at of December 31, 2018</b> | <b>(3,216,291)</b>        | <b>(2,859,218)</b>            | <b>(1,039)</b>                           | <b>(824,200)</b>   | <b>(295,444)</b>      | <b>(252,557)</b>                     | <b>(53,788)</b>                         | <b>(129,398)</b>                    | <b>(7,631,935)</b> |
| <b>Total final balance property, plant and equipment at of December 31, 2018</b>      | <b>7,785,144</b>          | <b>8,860,492</b>              | <b>11,397,748</b>                        | <b>5,402,718</b>   | <b>508,220</b>        | <b>184,146</b>                       | <b>77,874</b>                           | <b>272,257</b>                      | <b>34,488,599</b>  |
| <b>Advances payments made to third parties</b>  |                           |                               |  |                    |                       |                                      |   |                                     |                    |
| Initial balance January 1, 2018   | 518                       | -                             | 33,305                                   | -                  | -                     | 86                                   | -                                       | 1,196                               | 35,105             |
| Movement (+)  | 318                       | 96                            | 75,280                                   | -                  | -                     | -                                    | -                                       | 1,524                               | 77,219             |
| Movement (+)  | -                         | (96)                          | (56,187)                                 | -                  | -                     | (86)                                 | -                                       | (418)                               | (56,787)           |
| Difference in exchange adjustment   | 23                        | -                             | 60                                       | -                  | -                     | -                                    | -                                       | -                                   | 83                 |
| <b>Final balance at of December 31, 2018</b>  | <b>859</b>                | <b>-</b>                      | <b>52,458</b>                            | <b>-</b>           | <b>-</b>              | <b>-</b>                             | <b>-</b>                                | <b>2,302</b>                        | <b>55,619</b>      |

Figures stated in millions of Colombian pesos

The main projects in progress are the following:

| Project  | September - 2019  | December - 2018   |
|--|-------------------|-------------------|
| Ituango <sup>(1)</sup>   | 10,197,989        | 9,368,040         |
| Other Projects   | 933,198           | 880,664           |
| Construction, Expansion and Maintenance of substations, networks, lines and branch cables DECA | 516,826           | 435,911           |
| Substations, Networks, Lines and Loss-Control ESSA   | 308,578           | 227,104           |
| Substations, Lines and Network Growth ENSA   | 181,241           | 181,109           |
| Expansion of STN, STR , Networks, Lines and Loss-Control CENS                                  | 124,241           | 103,773           |
| Substations, Networks, Lines and Loss-Control CHEC   | 46,475            | 67,163            |
| Water and Sewage Networks Aguas Regionales EPM   | 14,622            | 26,709            |
| Bello Aguas Claras Wastewater Treatment Plant  | 51,247            | -                 |
| EMVARIAS Projects - Vaso Altair (Stage 3)  | 28,922            | 22,962            |
| Empresas Publicas de Rionegro Projects   | 31,476            | 23,017            |
| Transmission Chile Projects  | -                 | 16,510            |
| Expansion and Replacement of Plants, Networks, Lines and Cables EDEQ                           | 11,708            | 14,079            |
| Distribution Networks and GIS Implementation, Delsur   | 13,257            | 14,893            |
| Water Treatment Plants TICSА Group   | 2                 | 5,003             |
| A. Malambo Projects - Water and Sewage Networks  | 1,373             | 8,479             |
| Projects Wind Farm (Parque Eólico) Los Cururos   | -                 | 1,778             |
| Southwater Projects  | 3,381             | 280               |
| Aguas de Oriente Projects  | 468               | 273               |
| <b>Total</b>   | <b>12,465,003</b> | <b>11,397,748</b> |

- Figures in millions of Colombian pesos -

- (1) As of September 30, 2019, the Ituango hydroelectric project had a physical progress of 74.4% (December 31, 2018: 88.2%), the physical advancement presented at the date of the period on which the consolidated financial statements are reported, corresponds to the new version of the recovery and commissioning program. As a result of the contingency presented on April 28, 2018, caused by a geological event that plugged the deviation tunnel of the Cauca River with approximately 160 thousand cubic meters of rock and soil, which resulted in the dam collecting water, additional activities not covered in the schedule were required. Due to the above, a new schedule was created that includes recovery activities and longer durations, therefore the percentage of progress decreases in both what is scheduled and executed. This new schedule is susceptible to changes and/or modifications as the actual status of the underground work and generation units is not known. In terms of the start of operations, it is estimated that the first power generation unit could start the last quarter of 2021. However, this date of operation is very dynamic, due to changes in technical variables and the evolution and efficiency of the measures implemented to address the contingency.

As a consequence of the foregoing, EPM, in its decisions, has prioritized first and foremost the protection of communities and the environment and secondly, the project's infrastructure. Therefore, on May 7,

2018, the decision was made to pour the dammed water through the future power plant's generator room so that the flow of water directed back to the Cauca River, with the goal of eventually returning to its traditional flow and a lower reservoir level. On January 16 and February 5, 2019, catchment gates #2 and #1, respectively, were closed, thereby suspending the flow of water through the generator room, allowing for an inspection of the main cavern where the generator room, transformer zones and spillway 1 are located. With this, the cleaning and pumping of water began in order to determine the pathology of the works, the state of the generator room and the work that must be done to recover it. Consequently, as of the cut-off date of the consolidated financial statements, it was not possible to estimate the value of the actual damage suffered in the generator room, both in the civil works component and in the electromechanical equipment component. However, as of September 30, 2019, there an expense of \$106,465 was recognized due to equipment down because of the contingency. Once the activities listed above are completed, the time-adjusted estimates of interventions, recovery engineering and work to be implemented will be made to fully retrieve this component of the project, using updated information.

On May 29, 2019 the closure of one of the two floodgates of the Auxiliary Diversion Gallery (GAD) was completed. This was a new milestone within the risk mitigation work in the project. With the closing of the first floodgate, the left, almost three months' work was completed. After closing the GAD's left floodgate, the subsequent work will focus on closing the right floodgate to complete the total closure. A 22-metre plug of the gate will then be constructed downstream on the dam shaft.

In July 2019, the construction of the dam was completed, translating to reducing risks to downstream populations. During September the armed ground wall between units 2 and 3 and the full in material 3A was constructed in the cavern of machine house units 1 and 2, heavy equipment was introduced to the machine house for cleaning and removal of materials from the mounting room to the south sector of machinery, the rehabilitation of the machine house access tunnel was completed, and the route to Puerto Valdivia was started, to the abscissa km 13+610.

The most significant commitments of acquisition of property, plant and equipment of the company at September 30, 2019, amount to \$2,373,370 (2018: \$3,452,179).

The detail of right of use assets is presented below:

| Right of use assets  | Land          | Buildings       | Networks, lines and cables | Machinery and equipment | Furniture, fixtures and office equipment | Communication and computer equipment | Transport, traction and lifting equipment | TOTAL            |
|--|---------------|-----------------|----------------------------|-------------------------|--|--------------------------------------|---|------------------|
| Additions  | 17            | 271             | 6                          | -                       | 644                                      | 224                                  | 406                                       | 1,568            |
| Assets classified as held for sale   | (6,802)       | -               | -                          | -                       | -  | -                                    | -   | (6,802)          |
| Restatement due to policy change   | 17,785        | 626,740         | 105,132                    | 22,455                  | 432                                      | 7,473                                | 84,405                                    | 864,422          |
| Effect due to currency exchange  | 317           | 9,553           | 1,736                      | -                       | 33                                       | 145                                  | 35  | 11,819           |
| Other changes  | (6)           | (4,939)         | (805)                      | 738                     | (16)                                     | 2,380                                | (6)                                       | (2,654)          |
| <b>Final balance cost September 30, 2019</b>                                     | <b>11,311</b> | <b>631,626</b>  | <b>106,069</b>             | <b>23,193</b>           | <b>1,093</b>                             | <b>10,222</b>                        | <b>84,840</b>                             | <b>868,353</b>   |
| <b>Accrued amortization and impairment loss</b>                                  |               |                 |                            |                         |  |                                      |   |                  |
| Amortization for the period  | (452)         | (22,590)        | (4,251)                    | (3,908)                 | (72)                                     | (771)                                | (16,318)                                  | (48,362)         |
| Restatement due to policy change   | -             | (77,013)        | -                          | -                       | -  | -                                    | -   | (77,013)         |
| Disposals (-/+)  | -             | 103             | 15                         | -                       | 17                                       | -                                    | -   | 135              |
| Effect due to currency exchange  | (3)           | (648)           | (87)                       | -                       | (6)                                      | (24)                                 | (4)                                       | (772)            |
| Other changes  | -             | 2,849           | (2)                        | (1,163)                 | (117)                                    | (1,736)                              | (7)                                       | (176)            |
| <b>Final balance accrued amortization and impairment loss September 30, 2019</b> | <b>(455)</b>  | <b>(97,299)</b> | <b>(4,325)</b>             | <b>(5,071)</b>          | <b>(178)</b>                             | <b>(2,531)</b>                       | <b>(16,329)</b>                           | <b>(126,188)</b> |
| <b>Total final balance right of use assets, net</b>                              | <b>10,856</b> | <b>534,327</b>  | <b>101,744</b>             | <b>18,122</b>           | <b>915</b>                               | <b>7,691</b>                         | <b>68,511</b>                             | <b>742,165</b>   |

- Figures in millions of Colombian pesos -



## Note 8. Investment in Subsidiaries

### 8.1 Investment in Subsidiaries

The breakdown of the subsidiaries of the Group at the date of the reporting period is the following:

| Name of subsidiary   | Location (Country) | Main Activity  | Percentage of property and voting rights |        | Percentage of participation of the non-controlling party |        | Creation date |
|--|--------------------|--|--|--------|--|--------|---------------|
|  |                    |  | 2019                                     | 2018   | 2019   | 2018   |               |
| Empresa de Energía del Quindío S.A. E.S.P. (EDEQ)              | Colombia           | Provides public utilities for electric power purchase, sale and distribution of electricity.   | 92.85%                                   | 92.85% | 7.15%  | 7.15%  | 1988/12/22    |
| Central Hidroeléctrica de Caldas S.A. E.S.P. (CHEC)            | Colombia           | It provides public energy services, operating power generation plants, transmission and sub transmission lines and distribution networks, as well as the commercialization, import distribution and sale of electricity.             | 80.10%                                   | 80.10% | 19.90%   | 19.90% | 1950/09/9     |
| Electrificadora de Santander S.A. E.S.P. (ESSA)                | Colombia           | Provides public services of electrical energy purchase sale commercialization and distribution of electric energy.   | 74.05%                                   | 74.05% | 25.95%   | 25.95% | 1950/09/16    |
| Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS) | Colombia           | Provides public services for electricity, purchase, export, import, distribution and sale of electric power construction and operation of generating plants, transmission line substations and distribution networks.                | 91.52%                                   | 91.52% | 8.48%  | 8.48%  | 1952/10/16    |
| Elektra Noreste S.A. (ENSA)                                    | Panama             | Acquires energy, transports, distributes to customers, transforms voltage, installs, operates and maintains public lighting, authorized to carry out power generation up to a limit of 15% of maximum demand in the concession area. | 51.16%                                   | 51.16% | 48.84%   | 48.84% | 1998/01/19    |
| Hidroecológica del Teribe S.A. (HET)                           | Panama             | It finances the construction of the Bonyic hydroelectric project required to meet the growth of the energy demand of the isthmus of Panama.  | 99.18%                                   | 99.18% | 0.82%  | 0.82%  | 1994/11/11    |

| Name of subsidiary  | Location (Country) | Main Activity   | Percentage of property and voting rights |         | Percentage of participation of the non-controlling party |        | Creation date |
|---|--------------------|---|--|---------|--|--------|---------------|
|   |                    |   | 2019                                     | 2018    | 2019   | 2018   |               |
| Empresa Eléctrica de Guatemala S.A. (EEGSA)               | Guatemala          | Provides electricity distribution services.   | 80.90%                                   | 80.90%  | 19.10%   | 19.10% | 1939/10/5     |
| Gestión de Empresas Eléctricas S.A. (GESA)                | Guatemala          | Provides advice and consulting to distribution companies and electricity transmission.  | 100.00%                                  | 100.00% | -  | -      | 2004/12/17    |
| Almacenaje y Manejo de Materiales Eléctricos S.A. (AMESA) | Guatemala          | Provides outsourcing services in the area of materials management.  | 99.94%                                   | 99.94%  | 0.06%  | 0.06%  | 2000/03/23    |
| Comercializadora Eléctrica de Guatemala S.A. (COMEGSA)    | Guatemala          | Provides services of commercialization of electrical energy.  | 80.52%                                   | 80.52%  | 19.48%   | 19.48% | 1998/11/5     |
| Transportista Eléctrica Centroamericana S.A. (TRELEC)     | Guatemala          | Provides services of Transmission of electrical energy.   | 80.90%                                   | 80.90%  | 19.10%   | 19.10% | 1999/10/6     |
| Enérgica S.A. (ENERGICA)                                  | Guatemala          | Provides services of construction and maintenance of projects and goods of the electric sector.                                       | 78.19%                                   | 78.19%  | 21.81%   | 21.81% | 1999/08/31    |
| Crediegsa S.A. (CREDIEGSA)                                | Guatemala          | Provides recruitment services and other administrative services.  | 80.90%                                   | 80.90%  | 19.10%   | 19.10% | 1992/12/1     |
| Distribuidora de Electricidad del Sur (DELSUR)            | El Salvador        | Transformation, distribution and commercialization of electricity supplying the south central zone of El Salvador in Central America. | 86.41%                                   | 86.41%  | 13.59%   | 13.59% | 1995/11/16    |
| Innova Tecnología y Negocios S.A. de C.V.                 | El Salvador        | Provision of specialized services in electrical engineering and sale of electrical appliances to electricity users of Del sur.        | 86.41%                                   | 86.41%  | 13.59%   | 13.59% | 2010/10/19    |

| Name of subsidiary                                  |           | Location (Country) | Main Activity   | Percentage of property and voting rights |         | Percentage of participation of the non-controlling party |        | Creation date |
|---|-----------|--------------------|---|--|---------|--|--------|---------------|
|   |           |                    |   | 2019                                     | 2018    | 2019   | 2018   |               |
| Parque Eólico Los Cururos SpA.                      | (1) y (5) | Chile              | Generation of electrical energy through all types of fuels and renewable energies such as wind, photovoltaic and biomass, transmission, purchase, sale and commercialization of electric energy.  | 100.00%                                  | 100.00% | -  | -      | 2011/08/26    |
| Aguas Nacionales EPM S.A. E.S.P.                    |           | Colombia           | Provides public utilities for water, sewage and sanitation, treatment and waste management complementary activities and engineering services specific to these public services.   | 99.99%                                   | 99.99%  | 0.01%  | 0.01%  | 2002/11/29    |
| Aguas Regionales EPM S.A. E.S.P.                    |           | Colombia           | Ensure the provision of public residential water supply and sanitation services and compensate for the lag of the infrastructure of these services in the partner municipalities.   | 69.76%                                   | 69.76%  | 30.24%   | 30.24% | 2006/01/18    |
| Empresa de Aguas del Oriente Antioqueño S.A. E.S.P. |           | Colombia           | Provides public utilities of water and sewerage, as well as other complementary activities specific to each of these public services.   | 56.02%                                   | 56.01%  | 43.99%   | 43.99% | 1999/11/22    |
| Aguas de Malambo S.A. E.S.P.                        | (2)       | Colombia           | Dedicated to guarantee the provision of public utilities for sewage and sanitation in the jurisdiction of the Municipality of Malambo Department of the Atlantic.   | 98.52%                                   | 98.09%  | 1.48%  | 1.91%  | 2010/11/20    |
| Ecosistemas de Colima S.A. de C.V.                  | (3)       | Mexico             | Dedicated to elaborate executive project for the plant of treatment of residual waters, its construction equipment and putting into operation, conservation and maintenance stabilization of sludge in municipalities of the State of Colima. | 100.00%                                  | 80.00%  | -  | 20.00% | 2006/02/14    |
| Ecosistemas de Tuxtla S.A. de C.V.                  | (3)       | Mexico             | Dedicated to the construction, equipment, start-up, operation and maintenance of a waste water treatment system with the total private investment modality recoverable. Develop potable water projects and water treatment plants.            | 100.00%                                  | 80.00%  | -  | 20.00% | 2006/11/17    |

| Name of subsidiary                               |     | Location (Country) | Main Activity   | Percentage of property and voting rights |        | Percentage of participation of the non-controlling party |        | Creation date |
|--|-----|--------------------|---|--|--------|--|--------|---------------|
|  |     |                    |   | 2019                                     | 2018   | 2019   | 2018   |               |
| Ecosistema de Ciudad Lerdo S.A. de C.V.          | (3) | Mexico             | Subsidiary dedicated to the construction, equipment, commissioning, operation and maintenance for 20 years of a wastewater treatment system in the city Lerdo Durango, with the total private investment modality recoverable.  | 100.00%                                  | 80.00% | -  | 20.00% | 2007/04/24    |
| Aquasol Morelia S.A. de C.V.                     | (3) | Mexico             | Subsidiary dedicated to the construction of a wastewater treatment plant, as well as the equipment and commissioning of said plant located in the town of Atapaneo in the Municipality of Morelia Michoacán.  | 100.00%                                  | 80.00% | -  | 20.00% | 2003/11/13    |
| Ecosistemas de Celaya S.A. de C.V.               | (3) | Mexico             | Dedicated to the elaboration of the executive project for the wastewater treatment plant, as well as to the treatment, transportation and final disposal of solid waste and sludge in the plant of the city of Celaya state of Guanajuato.  | 100.00%                                  | 80.00% | -  | 20.00% | 2008/12/5     |
| Desarrollos Hidráulicos de Tampico S.A. de C.V.  | (3) | Mexico             | Dedicated to the construction, equipment, extension, improvement, maintenance and operation of water supply systems and sewage services, collection, drainage and wastewater treatment works.   | 100.00%                                  | 80.00% | -  | 20.00% | 1995/08/25    |
| Ecoagua de Torreón S.A. de C.V.                  | (3) | Mexico             | Dedicated to providing services of operation of treatment of waste water from any source, be it municipal or domestic, as well as the activity related to the treatment of waste water.   | 100.00%                                  | 80.00% | -  | 20.00% | 1999/10/25    |
| Proyectos de Ingeniería Corporativa S.A. de C.V. | (3) | Mexico             | Provision of design, general or construction engineering services, professional and technical services tending to operate, manage, and generally carry out all the activities that are necessary for the development of activities of any commercial, industrial or service company, in its modality of physical or moral person. | 100.00%                                  | 80.00% | -  | 20.00% | 2008/08/1     |

| Name of subsidiary                                  |     | Location<br>(Country) | Main Activity  | Percentage of property<br>and voting rights |         | Percentage of<br>participation of the non-<br>controlling party |        | Creation<br>date |
|---|-----|-----------------------|--|---|---------|---|--------|------------------|
|   |     |                       |  | 2019  | 2018    | 2019  | 2018   |                  |
| Corporación de Personal Administrativo S.A. de C.V. | (3) | Mexico                | Provision of professional services tending to operate, administer, direct and generally carry out all the activities that are necessary for the development of activities of any commercial, industrial or service company in its modality of natural or moral person, as well as Also the administration, selection, contracting and exchange of personnel that performs functions within the facilities of the requesting companies.   | 100.00%                                     | 80.00%  | -   | 20.00% | 2008/08/1        |
| Aguas de Antofagasta S.A.                           |     | Chile                 | Construction, and exploitation of public services for the production and distribution of drinking water and collection and disposal of wastewater through the exploitation of sanitary concessions of the Sanitary Services Company of Antofagasta S.A. (current Econssa Chile SA), and the performance of the other services related to these activities, all in the form and conditions established in the decrees with Force of Law numbers 382 and 70, both of the year 1998, of the Ministry of Public Works, and other relevant regulations. For this, dated December 29, 2003, Aguas de Antofagasta S.A. subscribed with the Sanitary Services Company of Antofagasta S.A. (Current Concessionaire of Sanitary Services S.A. - Econssa S.A.) the "Contract of transfer of the right of exploitation of sanitary concessions", for a total term of 30 years from the date of its subscription. | 100.00%                                     | 100.00% | -   | -      | 2003/11/28       |
| Empresas Varias de Medellín S.A. E.S.P.             |     | Colombia              | Subsidiary dedicated to the provision of the public toilet service within the framework of the integral management of solid waste.   | 99.93%                                      | 99.93%  | 0.07%   | 0.07%  | 1964/01/11       |
| EPM Inversiones S.A.                                |     | Colombia              | Dedicated to the investment of capital in national or foreign companies organized as utilities.  | 99.99%                                      | 99.99%  | 0.01%   | 0.01%  | 2003/08/25       |
| Maxseguros EPM Ltd.                                 |     | Bermuda               | Negotiation, contracting and management of reinsurance for policies that protect the patrimony.  | 100.00%                                     | 100.00% | -   | -      | 2008/04/23       |
| Panamá Distribution Group S.A. - PDG                |     | Panama                | Capital investment in companies.   | 100.00%                                     | 100.00% | -   | -      | 1998/10/30       |

| Name of subsidiary   | Location (Country) | Main Activity  | Percentage of property and voting rights |         | Percentage of participation of the non-controlling party |        | Creation date |
|--|--------------------|--|--|---------|--|--------|---------------|
|  |                    |  | 2019                                     | 2018    | 2019   | 2018   |               |
| Distribución Eléctrica Centroamericana DOS S.A. - DECA II                                      | Guatemala          | It makes capital investments in companies engaged in the distribution and commercialization of electric power and in providing telecommunications services.  | 100.00%                                  | 100.00% | -  | -      | 1999/03/12    |
| Inmobiliaria y Desarrolladora Empresarial de América S.A. (IDEAMSA)                            | Guatemala          | Subsidiary dedicated to investing in real estate.  | 80.90%                                   | 80.90%  | 19.10%   | 19.10% | 2006/06/15    |
| Promobiliaria S.A.   | Panama             | Purchase, sell, construct, modify, manage, lease and generally enter into any contract for the disposition, improvement, use and usufruct of real estate not necessary for the operation of property of the companies that make up the EPM Group.  | 100.00%                                  | 100.00% | -  | -      | 2015/09/8     |
| EPM Latam S.A.   | Panama             | Make capital investments in companies.   | 100.00%                                  | 100.00% | -  | -      | 2007/05/17    |
| EPM Capital México S.A. de C.V.  | Mexico             | It develops infrastructure projects related to energy, lighting, gas, telecommunications, sanitation, potable water treatment plants, sewage treatment, wastewater treatment, buildings, as well as its operation, studies and services.   | 100.00%                                  | 100.00% | -  | -      | 2012/05/4     |
| EPM Chile S.A.   | Chile              | It develops energy projects, lighting, gas, telecommunications, sanitation, sewage treatment plants and sewage treatment, as well as providing such services and participating in all types of public and private tenders and auctions.  | 100.00%                                  | 100.00% | -  | -      | 2013/02/22    |
| Inversiones y Proyectos Hidrosur SpA (before Inversiones y Asesorías South Water Services SpA) | Chile              | Participate in all types of competitions, bidding, auctions are public and / or private in the purchase of stakes in domestic or foreign companies. Carry out strategic alliances, joint venture partnerships and enter into business collaboration agreements to compete for tenders, obtain concessions and / or authorizations. Provide all types of advisory and services related directly or indirectly to the activities performed and in which society is involved. | 100.00%                                  | 100.00% | -  | -      | 2014/12/16    |

| Name of subsidiary                             |     | Location (Country) | Main Activity   | Percentage of property and voting rights |         | Percentage of participation of the non-controlling party |        | Creation date |
|--|-----|--------------------|---|--|---------|--|--------|---------------|
|  |     |                    |   | 2019                                     | 2018    | 2019   | 2018   |               |
| Tecnología Intercontinental S.A. de C.V. TICSA | (3) | Mexico             | Dedicated to the study, development, promotion and execution of industrial projects, to the design, manufacture assembly and assembly of machinery technology development including commercial representation commercial and general trade.   | 100.00%                                  | 80.00%  | -  | 20.00% | 1980/07/28    |
| Patrimonio Autónomo Financiación Social        |     | Colombia           | To manage the resources and payments of the program of social financing created to facilitate to its users the purchase of electrical appliances, gas appliances and products related to Information technology.  | 100.00%                                  | 100.00% | -  | -      | 2008/04/14    |
| EV Alianza Energética S.A.                     | (4) | Panama             | Provision of energy efficiency services and all related services such as environmental services, marketing and financing of efficiency projects, as well as the provision of energy and technology solutions, production, transformation, purchase, sale and supply of energy, gas and related products Such as biogas; Consultancy services, studies, reports and projects relating to farms and previous services, as well as those relating to the environment and energy saving.  | 51.00%                                   | 51.00%  | 49.00%   | 49.00% | 2016/01/22    |
| EPM Transmisión Chile S.A.                     | (5) | Chile              | Exploitation, development of electric systems intended to the transportation, transmission and transformation of electric energy, either within the country or abroad, and the acquisition thereof. For these purposes, it may obtain, acquire or enjoy the respective concessions, permits and authorizations, such as exercise the rights and powers that the legislation in effect grants to electric companies. In addition, the commercialization of the capacity of transportation lines and transformation of the substations and equipment associated to them, in order that the generating plants, nations and foreign, may transmit the electric power that they produce and reach their consumption centers. | 100.00%                                  | 100.00% | -  | -      | 2017/02/2     |

| Name of subsidiary                                 | Location (Country) | Main Activity  | Percentage of property and voting rights |         | Percentage of participation of the non-controlling party |        | Creation date |
|--|--------------------|--|--|---------|--|--------|---------------|
|  |                    |  | 2019                                     | 2018    | 2019   | 2018   |               |
| Empresas Públicas de Rionegro S.A. E.S.P. - EP RIO | Colombia           | Rendering of domiciliary public utilities, among them water supply and sewage, as well as the complementary and related activities thereto; specifically the administration, operation, maintenance and investments of the water supply and sewage systems of the Municipality of Rionegro, the execution of programs and projects on the environment and the renewable and non-renewable natural resources; promote their sustainable development. Additionally, the company will provide the maintenance service of the public lighting network of the Municipality of Rionegro. | 100.00%                                  | 100.00% | -  | -      | 1996/12/9     |
| ENSA Servicios S.A.                                | Panama             | Rendering of technical, commercial and any other service complementary to the rendering of the electric power service, without limiting the remaining analogous, related and/or compatible services that constitute an added value to the described activities.  | 51.16%                                   | 51.16%  | 48.84%   | 48.84% | 2017/11/29    |

- (1) On June 24, 2019, Parque Eólico Los Cururos Ltda. Was transformed into a stock company called Parque Eólico Los Cururos SpA.
- (2) On June 14, 2019, EPM capitalized Aguas de Malambo S.A. E.S.P. for \$12,000.
- (3) On July 15, 2019, the EPM Group, through the subsidiary Tecnología Intercontinental S.A. of C.V. TICSA, refunds and cancels shares subscribed by non-controlling interests, with 100% ownership and voting rights.
- (4) On December 19, 2018, the Shareholders' Meeting of EV Alianza Energética S.A. unanimously approved the dissolution of the Company. Consequently, during 2019 the procedures corresponding to this act will be executed.
- (5) On September 16, 2019, the EPM Group, through subsidiary EPM Chile S.A., entered into a contract for trading with AES Gener S.A. and its subsidiary Norgener Renovables SpA for disposal of 100% of its shares in Parque Eólico Los Cururos SpA. and EPM Transmisión Chile S.A. (see note 12).

The financial information of the Group's subsidiaries that have significant non-controlling interests as of the date of the reporting period is as follows:



| 2019   | Current assets | Non-current assets | Current liabilities | Non-current liabilities | Rendering of services | Result for the period | Other comprehensive income | Total comprehensive income | Cash flows |
|--|----------------|--------------------|---------------------|-------------------------|-----------------------|-----------------------|----------------------------|----------------------------|------------|
|  |                |                    |                     |                         |                       | Continuing Operations |                            |                            |            |
| Elektra Noreste S.A. (ENSA)                                    | 732,388        | 2,052,106          | 1,185,129           | 909,267                 | 1,818,355             | 92,856                | 45,002                     | 137,858                    | 29,150     |
| Empresa Eléctrica de Guatemala S.A. (EEGSA)                    | 605,477        | 1,691,598          | 482,807             | 854,018                 | 1,490,148             | 82,115                | 81,568                     | 163,683                    | 14,395     |
| Electrificadora de Santander S.A. E.S.P. (ESSA)                | 238,470        | 1,495,660          | 273,500             | 790,542                 | 888,009               | 119,328               | 28,588                     | 147,916                    | 55,298     |
| Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS) | 172,823        | 943,075            | 189,784             | 661,947                 | 557,233               | 34,707                | -                          | 34,707                     | 38,798     |
| Distribuidora Eléctrica del Sur S.A. de C.V. (DELSUR)          | 222,232        | 402,988            | 212,167             | 270,223                 | 784,371               | 35,892                | 4,131                      | 40,023                     | 20,777     |
| Central Hidroeléctrica de Caldas S.A. E.S.P. (CHEC)            | 197,619        | 923,478            | 216,804             | 392,108                 | 539,796               | 88,823                | 1,828                      | 90,651                     | 13,700     |
| Comercializadora Eléctrica de Guatemala S.A. (COMEGSA)         | 106,386        | 1,363              | 35,707              | 884                     | 256,134               | 10,268                | 4,106                      | 14,374                     | 9,807      |
| Empresa de Energía del Quindío S.A. E.S.P. (EDEQ)              | 66,111         | 208,522            | 43,864              | 63,438                  | 182,704               | 28,513                | (21)                       | 28,492                     | 18,145     |
| Tecnología Intercontinental S.A. de C.V. (TICSA)               | 102,007        | 452,866            | 89,294              | 115,223                 | 79,338                | 7,524                 | 34,002                     | 41,526                     | 23,791     |
| Transportista Eléctrica Centroamericana S.A. (TRELEC)          | 151,564        | 903,927            | 610,232             | (25,274)                | 79,847                | 37,144                | 25,952                     | 63,096                     | 1,086      |
| Aguas Regionales EPM S.A. E.S.P.                               | 21,169         | 132,497            | 20,005              | 31,662                  | 43,387                | 9,320                 | -                          | 9,320                      | 4,866      |
| Other uncontrolled shares <sup>(1)</sup>                       | 697,881        | 4,583,339          | 606,152             | 1,235,291               | 626,612               | 386,061               | 35,861                     | 421,922                    | 242,982    |

- Amounts expressed in million of Colombian pesos -

| 2018   | Current Assets | Non-Current Assets | Current Liabilities | Non-Current Liabilities | Ordinary Income | Profit for the Period | Other Comprehensive Income | Total Comprehensive Income | Cash Flows |
|--|----------------|--------------------|---------------------|-------------------------|-----------------|-----------------------|----------------------------|----------------------------|------------|
|  |                |                    |                     |                         |                 | Continuing Operations |                            |                            |            |
| Elektra Noreste S.A. (ENSA)                                    | 689,117        | 1,882,980          | 953,049             | 1,066,721               | 2,022,376       | 96,603                | 42,148                     | 138,751                    | 19,468     |
| Empresa Eléctrica de Guatemala S.A. (EEGSA)                    | 490,858        | 1,475,679          | 453,823             | 598,840                 | 1,668,797       | 136,965               | 35,396                     | 172,361                    | 23,165     |
| Electrificadora de Santander S.A. E.S.P. (ESSA)                | 312,774        | 1,427,035          | 293,144             | 790,896                 | 1,115,338       | 139,738               | 19,994                     | 159,732                    | 129,198    |
| Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS) | 173,048        | 909,308            | 231,845             | 621,052                 | 688,659         | 42,141                | (1,800)                    | 40,341                     | 21,866     |
| Distribuidora Eléctrica del Sur S.A. de C.V. (DELSUR)          | 216,165        | 354,490            | 197,559             | 229,937                 | 884,840         | 43,475                | 10,656                     | 54,131                     | 30,143     |
| Central Hidroeléctrica de Caldas S.A. E.S.P. (CHEC)            | 190,884        | 864,688            | 151,124             | 339,943                 | 681,783         | 118,901               | 111                        | 119,012                    | 14,059     |
| Comercializadora Eléctrica de Guatemala S.A. (COMEGSA)         | 88,905         | 581                | 28,568              | 76                      | 278,900         | 4,598                 | 2,014                      | 6,612                      | 5,446      |
| Empresa de Energía del Quindío S.A. E.S.P. (EDEQ)              | 66,422         | 193,750            | 51,399              | 39,098                  | 233,114         | 33,665                | 1,203                      | 34,868                     | 22,472     |
| Tecnología Intercontinental S.A. de C.V. (TICSA)               | 121,894        | 412,125            | 182,200             | 114,578                 | 152,372         | 11,539                | 22,347                     | 33,886                     | 16,479     |
| Transportista Eléctrica Centroamericana S.A. (TRELEC)          | 255,562        | 773,821            | 579,335             | 667                     | 88,945          | 27,777                | 15,617                     | 43,394                     | 245        |
| Aguas Regionales EPM S.A. E.S.P.                               | 19,311         | 120,376            | 23,964              | 23,044                  | 50,942          | 8,383                 | -                          | 8,383                      | 4,392      |
| Other Participations <sup>(1)</sup>                            | 735,582        | 4,301,341          | 640,185             | 1,161,602               | 527,918         | 242,886               | 58,463                     | 301,349                    | 193,213    |

Figures stated in millions of Colombian pesos

(1) Corresponds to investments in subsidiaries where the non-controlling participation is not significant in terms of its equity participation and/or the amount of the financial figures of each entity, and includes the following subsidiaries: Hidrogeológica del Teribe S.A., Energica S.A., Credieegsa S.A., Aguas Nacionales EPM S.A. E.S.P., Empresa de Aguas del Oriente Antioqueño S.A. E.S.P., Aguas de Malambo S.A. E.S.P., Ecosistemas de Colima S.A. de C.V., Empresas Varias de Medellín S.A. E.S.P., EPM Inversiones S.A., Inmobiliaria y Desarrolladora Empresarial de América S.A., Innova Tecnología y Negocios S.A. de C.V., Ecosistemas de Tuxtla S.A. de C.V., Ecosistema de Ciudad Lerdo S.A. de C.V., Aquasol Morelia S.A. de C.V., Ecosistemas de Celaya S.A. de C.V., Desarrollos Hidráulicos de TAM S.A. de C.V., Ecoagua de Torreón S.A. de C.V., Proyectos de Ingeniería Corporativa S.A. de C.V., Corporación de Personal Administrativo S.A. de C.V., EV Alianza Energética S.A. and ENSA Servicios S.A.

Profit or loss for the period, Dividends Paid and Equity Assigned to the Non-Controlling Participation as of the date of the period being reported is as follows:

| Non-controlling interests                                   | September - 2019 |                      |                            |                |
|---|------------------|----------------------|----------------------------|----------------|
|   | Equity           | Result of the period | Other comprehensive income | Dividends paid |
| Elektra Noreste S.A. (ENSA)                                 | 336,484          | 45,127               | -                          | 10             |
| Electrificadora de Santander S.A. E.S.P. (ESSA)             | 173,908          | 30,969               | 7,420                      | 35,048         |
| Empresa Electrica de Guatemala S.A. (EEGSA)                 | 183,388          | 15,682               | (1,249)                    | 16,032         |
| Central Hidroelectrica de Caldas S.A. E.S.P. (CHEC)         | 101,920          | 17,675               | 364                        | 28,450         |
| Transportista Electrica Centroamericana S.A. (TRELEC)       | 89,862           | 7,094                | -                          | 8,150          |
| Tecnologia Intercontinental S.A. de C.V. (TICSA)            | -                | 30                   | (7)                        |                |
| Centrales Electricas del Norte de Santander S.A. E.S.P.     | 22,404           | 2,944                | -                          |                |
| Distribuidora de Electricidad del Sur S.A. de C.V. (DELSUR) | 19,386           | 4,880                | (78)                       | 7,853          |
| Aguas Regionales S.A. E.S.P.                                | 30,844           | 2,818                | -                          |                |
| Comercializadora Electrica de Guatemala S.A. (COMEGSA)      | 13,590           | 1,961                | -                          | 867            |
| Empresa de Energia del Quindio S.A. E.S.P. (EDEQ)           | 11,956           | 2,037                | (1)                        | 2,203          |
| Other uncontrolled shares <sup>(1)</sup>                    | 20,057           | 5,859                | 11                         | 5,970          |

- Amounts expressed in millions of Colombian pesos -

| Non-controlling interests                                   | September - 2018 |                      |                            |                |
|---|------------------|----------------------|----------------------------|----------------|
|   | Equity           | Result of the period | Other comprehensive income | Dividends paid |
| Elektra Noreste S.A. (ENSA)                                 | 235,514          | 34,489               | -                          | 30,240         |
| Electrificadora de Santander S.A. E.S.P. (ESSA)             | 156,245          | 27,508               | -                          | 22,353         |
| Empresa Electrica de Guatemala S.A. (EEGSA)                 | 154,629          | 20,030               | 411                        | 22,242         |
| Central Hidroelectrica de Caldas S.A. E.S.P. (CHEC)         | 105,799          | 17,249               | (99)                       | 16,836         |
| Transportista Electrica Centroamericana S.A. (TRELEC)       | 77,200           | 3,550                | -                          | 1,516          |
| Tecnologia Intercontinental S.A. de C.V. (TICSA)            | 33,439           | 4,082                | (255)                      | -              |
| Centrales Electricas del Norte de Santander S.A. E.S.P.     | 20,013           | 3,974                | -                          | 1,636          |
| Distribuidora de Electricidad del Sur S.A. de C.V. (DELSUR) | 16,849           | 4,712                | -                          | 4,358          |
| Aguas Regionales S.A. E.S.P.                                | 27,814           | 2,323                | -                          | -              |
| Comercializadora Electrica de Guatemala S.A. (COMEGSA)      | 10,332           | 512                  | -                          | 1,760          |
| Empresa de Energia del Quindio S.A. E.S.P. (EDEQ)           | 11,468           | 1,837                | (1)                        | 1,633          |
| Other uncontrolled shares <sup>(1)</sup>                    | 14,689           | 4,240                | 1                          | 4,383          |

- Amounts expressed in millions of Colombian pesos -

| Non-controlling interests                                   | December - 2018 |                      |                            |                |
|---|-----------------|----------------------|----------------------------|----------------|
|   | Equity          | Result of the period | Other comprehensive income | Dividends paid |
| Elektra Noreste S.A. (ENSA)                                 | 270,575         | 46,894               | 125                        | 33,341         |
| Electrificadora de Santander S.A. E.S.P. (ESSA)             | 170,192         | 36,266               | 5,189                      | 22,455         |
| Empresa Electrica de Guatemala S.A. (EEGSA)                 | 174,531         | 26,157               | 374                        | 24,502         |
| Central Hidroelectrica de Caldas S.A. E.S.P. (CHEC)         | 112,332         | 23,660               | 22                         | 16,844         |
| Transportista Electrica Centroamericana S.A. (TRELEC)       | 85,823          | 5,305                | -                          | 1,490          |
| Tecnologia Intercontinental S.A. de C.V. (TICSA)            | 32,304          | (46)                 | 861                        | -              |
| Centrales Electricas del Norte de Santander S.A. E.S.P.     | 19,460          | 3,574                | (153)                      | 1,636          |
| Distribuidora de Electricidad del Sur S.A. de C.V. (DELSUR) | 19,432          | 5,885                | (200)                      | 4,435          |
| Aguas Regionales S.A. E.S.P.                                | 28,025          | 2,535                | -                          | -              |
| Comercializadora Electrica de Guatemala S.A. (COMEGSA)      | 11,620          | 878                  | -                          | 1,685          |
| Empresa de Energia del Quindio S.A. E.S.P. (EDEQ)           | 12,124          | 2,405                | 86                         | 15,791         |
| Other uncontrolled shares <sup>(1)</sup>                    | 17,289          | 5,730                | 2                          | 4,210          |

- Amounts expressed in millions of Colombian pesos -

<sup>(1)</sup> Corresponds to investments in subsidiaries where the non-controlling participation interest is not significant and includes the following companies: Inmobiliaria y Desarrolladora Empresarial de América S.A., Energica S.A., Aguas de Malambo S.A. E.S.P., Empresa de Aguas del Oriente Antioqueño S.A. E.S.P., Hidrogeológica del Teribe S.A., Crediegsa S.A., Aguas Nacionales EPM S.A. E.S.P., Ecosistemas de Colima S.A. de C.V., Empresas Varias de Medellín S.A. E.S.P. and E.V. Alianza Energética S.A.

## 8.2 Consolidadas Consolidated Structured Entities

As of September 30, 2019 and 2018, the Group has as a consolidated structured entity the Patrimonio Autónomo Financiación Social. The participation in this entity is 100%, the value of the total assets amounts to \$162,261 (2018: \$139,789), the total liabilities to \$10,884 (2018: \$7,524) and the net result of the period to \$14,638 (2018: \$13,063).

The Group has no obligation to provide financial support to the entity.

## Note 9. Investment in Associates

The breakdown of Investment in Associates of the Group at the date of the reporting period is:

| Name of the Associate                                   | Location (country) | Main Activity  | Percentage of participation and voting rights |        | Date of establishment |
|---|--------------------|--|---|--------|-----------------------|
|   |                    |  | 2019  | 2018   |                       |
| Hidroeléctrica Ituango S.A. E.S.P.                      | Colombia           | Promotion, design, construction operation, maintenance and electric power sales at the national and international scale from the Ituango Hydroelectric Power Plant.  | 46.45%  | 46.45% | 8/06/1998             |
| Hidroeléctrica del Río Aures S.A. E.S.P. <sup>(1)</sup> | Colombia           | Generation and sale of electric power through a hydroelectric power plant located in the municipalities of Abejorral and Sonson, in the Department of Antioquia.   | 32.99%  | 42.04% | 14/05/1997            |
| UNE EPM Telecomunicaciones S.A.                         | Colombia           | Renders telecommunications and ITC utilities, information services and complementary activities.   | 50.00%  | 50.00% | 23/06/2006            |
| Inversiones Telco S.A.S.                                | Colombia           | Invest in companies whose corporate purpose is the provision of telecommunications utilities, TIC, information services and complementary activities, as well as in companies that render services of business processes outsourcing.  | 50.00%  | 50.00% | 5/11/2013             |
| VE Servicios de Eficiencia Energética S.A.S.            | Colombia           | Performs all activities, works and services related to the installation, operation and generation of power for each of the energy efficiency projects developed by EV Alianza Energética SA, such as the provision of power and technology solutions, production, transformation, purchases, sales and supply of electric power, natural gas and related products such as biogas; consulting services. | 49.00%  | 49.00% | 21/02/2017            |

The financial information of the Group's significant associates as of the date of the reporting period is as follows. All the associates are accounted for using the Equity Method in the Consolidated Financial Statements:

| September - 2019                             | Current Assets | Non-Current Assets | Current Liabilities | Non-Current Liabilities | Ordinary Income | Profit for the Period | Other Comprehensive Income | Total Comprehensive Income | Dividends Received |
|--|----------------|--------------------|---------------------|-------------------------|-----------------|-----------------------|----------------------------|----------------------------|--------------------|
|  |                |                    |                     |                         |                 | Continuing Operations |                            |                            |                    |
| UNE EPM Telecomunicaciones S.A.              | 1,593,438      | 6,069,254          | 1,661,085           | 4,299,046               | 3,222,393       | (74,186)              | -                          | (74,186)                   | -                  |
| Inversiones Telco S.A.S.                     | 162,932        | 123,976            | 85,810              | 58,694                  | 281,702         | 6,966                 | -                          | 6,966                      | 3,103              |
| Hidroeléctrica Ituango S.A. E.S.P.           | 5,209          | 111,606            | 924                 | 65,987                  | -               | 480                   | -                          | 480                        | -                  |
| VE Servicios de Eficiencia Energética S.A.S. | 928            | 39                 | 507                 | -                       | 1,378           | 201                   | -                          | 201                        | -                  |
| Hidroeléctrica del Río Aures S.A. E.S.P.     | 454            | 4,978              | 37                  | -                       | -               | (906)                 | -                          | (906)                      | -                  |

Figures stated in millions of Colombian pesos

| December - 2018   | Current Assets | Non-Current Assets | Current Liabilities | Non-Current Liabilities | Ordinary Income | Profit for the Period | Other Comprehensive Income | Total Comprehensive Income | Dividends Received |
|---|----------------|--------------------|---------------------|-------------------------|-----------------|-----------------------|----------------------------|----------------------------|--------------------|
|   |                |                    |                     |                         |                 | Continuing Operations |                            |                            |                    |
| UNE EPM Telecomunicaciones S.A.                         | 1,539,706      | 5,560,423          | 1,459,007           | 3,868,853               | 4,810,880       | (62,056)              | (2,151)                    | (64,207)                   | 38,483             |
| Inversiones Telco S.A.S.                                | 154,831        | 53,169             | 66,262              | 133                     | 400,866         | 13,791                | -                          | 13,791                     | 3,442              |
| Hidroeléctrica Ituango S.A. E.S.P.                      | 5,209          | 111,606            | 924                 | 65,987                  | -               | 480                   | -                          | 480                        | -                  |
| VE Servicios de Eficiencia Energética S.A.S.            | 928            | 39                 | 507                 | -                       | 1,378           | 201                   | -                          | 201                        | -                  |
| Hidroeléctrica del Río Aures S.A. E.S.P. <sup>(1)</sup> | 454            | 4,978              | 37                  | -                       | -               | (906)                 | -                          | (906)                      | -                  |

Figures stated in millions of Colombian pesos

Financial information of these companies, the basis for applying the Equity Method, is prepared under IFRS adopted in Colombia, and adjusted to the Group's accounting policies.

The reconciliation of the summarized financial information with the recorded value of associates in the Consolidated Financial Statements is:

| Associate                                    | September 2019      |                  |                |                  | September 2018      |                  |           |                  |
|--|---------------------|------------------|----------------|------------------|---------------------|------------------|-----------|------------------|
|  | Value of Investment |                  |                |                  | Value of Investment |                  |           |                  |
|  | Cost                | Equity Method    | Dividends      | Total            | Cost                | Equity Method    | Dividends | Total            |
| UNE EPM Telecomunicaciones S.A.              | 2,342,488           | (724,335)        | -              | 1,618,153        | 2,342,488           | (626,046)        | -         | 1,716,442        |
| Inversiones Telco S.A.S.                     | 55,224              | 19,062           | (3,103)        | 71,183           | 55,224              | 16,841           | -         | 72,065           |
| Hidroeléctrica Ituango S.A. E.S.P.           | 34,313              | (11,134)         | -              | 23,179           | 34,313              | (11,342)         | -         | 22,971           |
| Hidroeléctrica del Río Aures S.A. E.S.P.     | 2,478               | (232)            | -              | 2,246            | 2,478               | (232)            | -         | 2,246            |
| VE Servicios de Eficiencia Energética S.A.S. | 88                  | 137              | -              | 225              | 77                  | 51               | -         | 128              |
| <b>Total investment in Associates</b>        | <b>2,434,591</b>    | <b>(716,502)</b> | <b>(3,103)</b> | <b>1,714,986</b> | <b>2,434,580</b>    | <b>(620,728)</b> | <b>-</b>  | <b>1,813,852</b> |

Figures stated in millions of Colombian pesos

## Note 10. Other financial assets

The breakdown of Other Financial Assets at the closing of the period is as follows:

| Other Financial Assets   | September 2019   | December 2018    |
|--|------------------|------------------|
| <b>Non-Current</b>   |                  |                  |
| <b>Derivatives designated as Hedging Instruments under Hedge Accounting</b>                        |                  |                  |
| Swap Agreements  | 47,659           | 180,224          |
| <b>Total Derivatives designated as Hedging Instruments under Hedge Accounting</b>                  | <b>47,659</b>    | <b>180,224</b>   |
| <b>Financial Assets measured at Fair Value through Changes in Profit for the Period</b>            |                  |                  |
| Fixed-Yield Securities   | 2,410            | 1,855            |
| Variable-Yield Securities  | 69,724           | 64,784           |
| Fiduciary Rights   | 437,435          | 433,618          |
| <b>Total Financial Assets Measured at Fair Value through Changes in Profit for the Period</b>      | <b>509,569</b>   | <b>500,257</b>   |
| <b>Financial Assets Measured at Fair Value through Changes in Other Comprehensive Income</b>       |                  |                  |
| Equity Instruments <sup>(1)</sup>  | 1,865,681        | 1,628,874        |
| <b>Total Financial Assets Measured at Fair Value through Changes in Other Comprehensive Income</b> | <b>1,865,681</b> | <b>1,628,874</b> |
| <b>Financial Assets Measured at Amortized Cost</b>   |                  |                  |
| Fixed-Yield Securities   | 1,726            | 3,013            |
| <b>Total Financial Assets Measured at Amortized Cost</b>   | <b>1,726</b>     | <b>3,013</b>     |
| <b>Total Other Financial Assets Non-Current</b>  | <b>2,424,635</b> | <b>2,312,368</b> |
| <b>Current</b>   |                  |                  |
| <b>Derivatives designated as Hedging Instruments under Hedge Accounting</b>                        |                  |                  |
| Swap Agreements  | 20,982           | 12,240           |
| <b>Total Derivatives designated as Hedging Instruments under Hedge Accounting</b>                  | <b>20,982</b>    | <b>12,240</b>    |
| <b>Financial Assets measured at Fair Value through Changes in Profit for the Period</b>            |                  |                  |
| Fixed-Yield Securities   | 1,208,552        | 1,176,831        |
| Variable-Yield Securities  | -                | 28,824           |
| Pledged Investments  | 5,876            | 5,647            |
| Fiduciary Rights   | 429              | 5,379            |
| <b>Total Financial Assets Measured at Fair Value through Changes in Profit for the Period</b>      | <b>1,214,857</b> | <b>1,216,681</b> |
| <b>Financial Assets Measured at Amortized Cost</b>   |                  |                  |
| Fixed-Yield Securities   | 6,711            | 3,240            |
| Pledged Investments  | 124              | 126              |
| <b>Total Financial Assets Measured at Amortized Cost</b>   | <b>6,835</b>     | <b>3,366</b>     |
| Financial Lease  | 2,018            | 2,018            |
| <b>Total Other Financial Assets Current</b>  | <b>1,244,692</b> | <b>1,234,305</b> |
| <b>Total Other Assets</b>  | <b>3,669,327</b> | <b>3,546,673</b> |

Figures stated in millions of Colombian pesos

Conventional purchases and sales of financial assets are recorded applying the trading date.

The breakdown of equity investments designated at fair value through other comprehensive income is:

| Equity Investment  | September<br>2019 | September<br>2018 |
|--|-------------------|-------------------|
| Interconexión Eléctrica S.A. E.S.P. <sup>(1)</sup>   | 1,782,493         | 1,506,662         |
| Gasorient S.A. <sup>(2)</sup>  | 35,478            | 18,224            |
| Promioriente S.A. E.S.P.   | 39,566            | -                 |
| Transorient S.A. E.S.P.  | -                 | 11,459            |
| Reforestadora Industrial de Antioquia S.A.   | 4,947             | 4,947             |
| Electrificadora del Caribe S.A. E.S.P.   | 1,385             | 1,385             |
| Gensa S.A. E.S.P.  | 608               | 608               |
| Terminal de Transportes de Bucaramanga S.A.  | 142               | 142               |
| Comantrac S.A.   | -                 | 18                |
| Others <sup>(3)</sup>  | 1,062             | 959               |
| <b>Total</b>   | <b>1,865,681</b>  | <b>1,544,404</b>  |
| Dividends recognized during the period related to investments that are recognized at the end of the period | 57,239            | 66,856            |
| <b>Dividends recognized during the period</b>  | <b>57,239</b>     | <b>66,856</b>     |

- Figures stated in millions of Colombian pesos -

- <sup>(1)</sup> As of September 30, 2019, the dividends recognized during the period: \$53,944 (2018: \$61,032) and the stock exchange price closed at 18.240 (as of December 31, 2018: 13.980) pesos per share. During July 2019, 14,881,134 shares were sold, which generated a loss of \$47,620, due to the difference between the value of sale and the valuation of the action on the day of the transaction.
- <sup>(2)</sup> As of September 30, 2019, the dividends recognized during the period: \$3,282.
- <sup>(3)</sup> Includes investments in: Organización Terpel S.A., Concentra Inteligencia en Energía S.A.S., Banco Davivienda S.A., Compañía de Alumbrado Eléctrico de San Salvador S.A., Compañía de Alumbrado Eléctrico de Santa Ana S.A., Duke Energy Guatemala y Cia. S.A., Fosfonorte S.A., Central de Abastos de Cúcuta, Hotel Turismo Juana Naranjo, Sin Escombros S.A.S. (Sinesco), Acerías Paz del Río S.A., Cenfer S.A., Unidad de Transacciones S.A. de C.V, Emgesa S.A. E.S.P., Fiduciaria Bancolombia.

Equity investment stated in the previous table are not maintained for trading purposes, instead, they are maintained for strategic purposes in the medium and long term. The management of the Group considers that classification for these strategic investments provides more reliable financial information, which reflects the changes in their fair value immediately in other comprehensive income.



## Note 11. Cash and Cash Equivalents

The composition of cash and cash equivalents at the end of the period is as follows:

| Cash and Cash Equivalents  | September<br>2019 | December<br>2018 |
|--|-------------------|------------------|
| Restricted Funds   | 20,404            | 22,343           |
| <b>Non-Current Cash and Cash Equivalents</b>   | <b>20,404</b>     | <b>22,343</b>    |
| Cash on Hand and in Banks  | 785,274           | 964,553          |
| Other Cash Equivalents <sup>(1)</sup>  | 685,937           | 611,486          |
| <b>Current Cash and Cash Equivalents<sup>(2)</sup></b>                                 | <b>1,471,211</b>  | <b>1,576,039</b> |
| <b>Total Cash and Cash Equivalents Reported in the Statement of Financial Position</b> | <b>1,491,615</b>  | <b>1,598,382</b> |
| <b>Total Cash and Cash Equivalents Reported in the Statement of Cash Flows</b>         | <b>1,491,615</b>  | <b>1,598,382</b> |
| <b>Restricted Funds</b>  | <b>157,111</b>    | <b>173,375</b>   |

Figures stated in millions of Colombian pesos

<sup>(1)</sup> Includes funds in transit \$- (2018: \$15,374), restricted funds \$136,707 (2018: \$151,032) and cash equivalents \$549,230 (2018: \$ 445,080).

<sup>(2)</sup> The balance includes, in addition to the operational cash flow, disposal of investment in financial assets from fixed income and money market securities for \$439,918.

Treasury securities expire within a period equal to or less than three months from their acquisition date and earn market interest rates for this type of investments.

As of September 30, 2019, the Group has restrictions on cash and cash equivalents as detailed below:

| EPM Fund or Agreement  | Destination   | 2019   | 2018   |
|--|---|--------|--------|
| Sinpro Housing Fund  | Contribute to housing acquisition and improvement of the same, from the beneficiaries of the conventional agreement of EPM with the unions.   | 21,572 | 7,936  |
| Sintraemdes Housing Fund   | Contribute to housing acquisition and improvement of the same, from the beneficiaries of the conventional agreement of EPM with the unions.   | 19,162 | 17,002 |
| Transacciones Internacionales de Energía (International Energy Transactions) | Warranty for “compensation” to be made between the invoice of stock transactions and advance payments, seeking to ensure real payment to XM.  | 6,245  | 1,636  |
| Agreements for public lighting and cleaning rates with the municipalities    | Agreement to handle territorial resources for payment to the municipalities with collection arrangements for costs of public lighting and cleaning, are exempt resources from 4x1000. | (9)    | 1,571  |

| EPM Fund or Agreement  | Destination   | 2019  | 2018  |
|--|---|-------|-------|
| Ministerio de Minas y Energía - Fondo Especial Cuota Fomento                             | Co-funding agreement for the construction, distribution infrastructure, and connection to lower income users in the municipalities of Amagá, Santafé de Antioquia, Sopetrán, San Jerónimo, and Bolivar City. Compressed Natural Gas and connecting users in Don Matías, Entrerriós, San Pedro, Santa Rosa, and Yarumal. Agreement No 106: construction of the connection infrastructure to users in Valle de Aburrá, La Ceja, La Union and El Retiro. Agreement 179: includes the municipality of Sonsón. | 5,587 | 5,443 |
| Sintraemdes Calamity Fund  | Promote the well-being of its servers to address their urgent and unexpected needs or those of their primary family group.  | 1,656 | 1,613 |
| Banco Bogotá INCODER   | Bring together efforts and resources between EPM and INCODER to conduct the project "Feasibility Study for the Construction of the Irrigation and Drainage District in Part of the Urabá Antioqueño Region" with multipurpose reach.  | 2,076 | 4,791 |
| Municipality of Guatapé and Cornare  | To bring together efforts for improving technical, economic and social conditions for the execution of Phase 1 of the environmental and landscape infrastructure improvement project of Malecón San Juan del Puerto, for the development of sustainable tourism in the Municipality of Guatapé.   | 596   | 1,994 |
| Department of Antioquia, Construction Agreement for El Aro Road- Municipality of Ituango | Manage the resources provided by the Governor of Antioquia to co-fund the construction of El Aro Road - Connection Via Puerto Valdivia Sitio de Presa - Municipality of Ituango.  | 2,679 | 2,605 |
| Sinpro Education Fund  | Promote the well-being of workers to address their needs to pay for registration, texts, and equipment that are required to advance their own studies and that of their family group.   | 2,346 | 2,258 |
| Sintraemdes Education Fund   | Promote the well-being of workers to address their needs to pay for registration, texts, and equipment that are required to advance their own studies and that of their family group.   | 2,208 | 2,107 |
| Adapted Health Entity Fund and Fosyga Fund   | Mechanism of monitoring and follow-up to the fundraising for the Contributory General System of Social Security in Health.  | 1,827 | 1,857 |

| EPM Fund or Agreement  | Destination  | 2019  | 2018  |
|--|--|-------|-------|
| SOMOS Points Agreement   | Provision of services for the operation of key capabilities associated with the Large Scale Loyalty Program Points for the EPM Group.  | 1,710 | 1,651 |
| Municipality of Medellín - Water                               | Comprehensive water handling for human consumption for inhabitants of the municipality of Medellín.  | 1,451 | 382   |
| INTERADMINISTRATIVE AGREEMENT Number PC-2017-001532 from 2017, | Construction and oversight of connections of aqueduct and sewage networks in the neighborhoods of Pepe Sierra I, Barrios de Jesús, el Progreso and la Cañada del Niño  | 1,377 | 494   |
| "Small Villages" Program                                       | To take advantage of the wood, which is completing its maturity cycle in the forests planted by EPM around its dams, to construct homes of community interest in the municipalities of Antioquia outward from Valle de Aburrá and give them to needy families, preferably those that are in a displaced situation whether forced or voluntarily. | 722   | 732   |
| Bogotá Bolivar Gallery   | Adapt Avenue 51 (Bolivar), between Streets 44 (San Juan) and 57 (La Paz) and convert that segment into what will be called the Bolivar Gallery.  | 1,923 | 23    |
| Motorcycle Repair Fund   | Promote the well-being of official workers who are in the regional market and use their own motorcycles to do their work.  | 427   | 406   |
| INTERADMINISTRATIVE AGREEMENT CT -2017-001388 (460007009)      | Agreement for the construction of 7 indigenous schools in 5 municipalities   | 307   | 1,057 |
| BID Credit 2120  | Disbursement for the construction of the wastewater treatment plant (PTAR) Bello.  | 352   | 2,289 |
| Municipality of Caldas   | Manage and administer resources intended by the Caldas Municipality for the development of the project: Construction, replacement and modernization of aqueduct and sewage networks and complementary projects in the urban area of the Caldas municipality  | -     | 116   |
| Wood Infrastructure Construction Agreement for Emvarias        | Resource management for infrastructure construction in wood for Emvarias in the La Pradera landfill.   | 91    | 124   |
| Law 820 Deposits   | Warranty required by landlord to tenant for payment of utilities. According to Article 15 of Law 820 of 2003 and Regulatory Decree 3130 of 2003.   | 66    | 59    |

| EPM Fund or Agreement  | Destination  | 2019  | 2018  |
|--|--|-------|-------|
| Espíritu Santo   | EPM - Espíritu Santo Settlement  | 61    | 60    |
| Municipality of Medellín - Lands   | Acquisition of properties identified and characterized within the watershed protection zones that supply aqueduct systems in the Medellín municipality.  | 60    | 58    |
| Cuenca Verde   | Manage the resources assigned for compliance with the objectives of the CuencaVerde Corporation.   | 41    | 40    |
| Thermal District   | Convention with the Ministry of Environment and Sustainable Development for the development of activities in the Thermal District La Alpujarra.  | 15    | 71    |
| Municipality of Medellín - Moravia   | Construction, repair, and replacement of water lines and sewer networks and paving of the streets in the municipality of Medellín that were affected by the works in the Moravia neighborhood. | 3     | 3     |
| IDEA Agreement 4600003912  | Interadministrative agreement to bring together efforts for the design and construction of electrical power generation and distribution systems in rural areas in the Department of Antioquia. | 2     | 2     |
| IDEA Agreement 4600003283  | Bring together the construction of home gas in the various sub-regions of the Department of Antioquia under the framework "Gas Without Borders".   | 1     | 1     |
| Bogotá Parques del Río Agreement   | Moving utility networks for development of the project called Parques del Río Medellín,  | 1     | 1     |
| Ministerio de Minas y Energía (Ministry of Mines and Energy)                                 | Contributions from the Ministry of Mines and Energy in accordance with the FAER GGC 430 contract of 2015 for rural electrification works in the Municipality of Ituango                        | 1     | 191   |
| Contributions of Municipalities of Pueblorrico and Ciudad Bolívar                            | Agreement for the construction of 7 rural indigenous schools   | 1     | 90    |
| Agreement for the Área Metropolitana del Valle de Aburrá (Valle de Aburra Metropolitan Area) | Agreement signed between the Metropolitan Area of the Aburra Valley and Empresas Publicas de Medellín E.S.P., Execution Act N° 4 of the framework agreement No. CT 2015-000783 of 2015         | 2,708 | 8,006 |

| EPM Fund or Agreement                                       |            | Destination   | 2019          | 2018          |
|---|------------|---|---------------|---------------|
| Guatapé Corporation   | Autonomous | Unite efforts for improving the technical, economic and social conditions for the execution of Phase 1 of the environmental and landscape infrastructure improvement project in the Malecón San Juan del Puerto, for the development of sustainable tourism in the Municipality of Guatapé. | 427           | 1,742         |
| Sinpro Calamity Fund  |            | Promote the well-being of its workers to address their urgent and unexpected needs or those of their primary family group.  | 1,407         | 1,310         |
| Municipality of Barbosa Subsidies                           | -          | Agreement to partially subsidize the connection of users in strata 1 and 2 in the municipality of Barbosa   | -             | 62            |
| Framework Agreement Municipality of Medellín No. 4600049285 |            | EPM construction of sidewalks and other road elements in the center of the city, leveraging the project Centro Parrilla, i.e. the renewal of aqueduct and sewage networks.  | -             | 39            |
| <b>Total EPM Restricted Resources</b>                       |            |   | <b>79,099</b> | <b>79,823</b> |

- Figures in millions of Colombian pesos -

| Aguas Nacionales Fund or Agreement                 | Destination        | 2019          | 2018          |
|--|--------------------|---------------|---------------|
| FLCorpbanca 153148929                              | Ministerio Project | 20,543        | 25,212        |
| FL Bancolombia 536423                              | Aguas de Atrato    | 145           | 184           |
| FL MN Petty cash-restring                          | Ministerio Project | 5             | 1             |
| FLCorpbanca 023071428                              | PTAR Project       | -             | 5,853         |
| <b>Total Restricted Resources Aguas Nacionales</b> |                    | <b>20,693</b> | <b>31,250</b> |

- Figures in millions of Colombian pesos -

| Empresas Varias de Medellín Fund or Agreement     | Destination  | 2019          | 2018          |
|---|--|---------------|---------------|
| ASSIGNMENT FID 919301039524 - Meadow              | Resources intended for meadow payments   | 15,122        | 14,673        |
| Agreement 18-897796-47 EDU                        | Delegated administration agreement with Medellín Municipality, for maintenance of green zones of Municipality institutions and their 5 districts | 118           | 319           |
| FL BBVA 423 Pruning- Felling Agreement            | Delegated administration agreement with the Municipality of Medellín for the service of cutting green areas and pruning and felling of trees     | 32            | 31            |
| West FL INDER                                     | INDER Agreement for washing bridges and stadium roofing  | 3             | 8             |
| Commission 919301039523 - Meadow                  | Resources intended for meadow payments   | 2             | 388           |
| FL Bancolombia 6093- Closure                      | Resources for the payment for closure and post-closure of meadows  | 1             | 1             |
| FL Green Zones 400054603                          | Green Zone Service Agreement   | -             | 2             |
| <b>Total Restricted Resources Empresas Varias</b> |  | <b>15,278</b> | <b>15,422</b> |

- Figures in millions of Colombian pesos -

| ESSA Fund or Agreement            | Destination  | 2019  | 2018  |
|-----------------------------------|--|-------|-------|
| BBVA Guarantees 0408              | XM Bank Account  | 2,935 | 3,366 |
| FAER GGC 377 Agreement            | Rural electrification agreement signed with the Ministry of Mines and Energy | 1,216 | 5,042 |
| FAER GGC 382 Agreement            | Rural electrification agreement signed with the Ministry of Mines and Energy | 146   | 965   |
| Interadministrative Agreement     | Power Line Section Relocation  | -     | 844   |
| San Gil Public Lighting Agreement | San Gil Public Lighting Agreement  | 811   | 494   |
| Line 115 Port Wilches Agreement   | Rural electrification agreement of the Line Wilches - Barrancabermeja        | 601   | 589   |
| FAER GGC 381 Agreement            | Rural electrification agreement signed with the Ministry of Mines and Energy | 100   | 521   |
| ESSA Phase V Governance agreement | Governance agreement for rural electrification                               | 447   | 444   |

| ESSA Fund or Agreement                 | Destination  | 2019         | 2018          |
|--|--|--------------|---------------|
| FAER Resources                         | Resources for Administration of Rural Electrification Agreements             | -            | 41            |
| Public Hearing Resources Agreement     | Rural electrification agreement signed with the Ministry of Mines and Energy | 1            | 1             |
| <b>Total ESSA Restricted Resources</b> |  | <b>6,257</b> | <b>12,307</b> |

- Figures in millions of Colombian pesos -

| Grupo Ticsa Mexico Fund or Agreement                 | Destination                          | 2019          | 2018          |
|--|--------------------------------------|---------------|---------------|
| Trust Account at Banco del Bajío 15892649            | Restricted Resources Colima          | 3,739         | 4,204         |
| Trust at Banco Nacional de Obras y S                 | Aquasol Morelia Restricted Resources | 3,490         | 2,647         |
| Trust Account at Banco del Bajío 15892649            | Aquasol Morelia Restricted Resources | 2,637         | 4,139         |
| Trust at Banco Nacional de Obras y S                 | Celaya Restricted Resources          | 536           | 218           |
| Trust Account at Banco del Bajío 15892649            | Celaya Restricted Resources          | 990           | 1,077         |
| Trust Account at Banco del Bajío/Multiva             | Tuxtla Restricted Resources          | 4,267         | 2,554         |
| <b>Total Restricted Resources Grupo Ticsa Mexico</b> |                                      | <b>15,660</b> | <b>14,839</b> |

- Figures in millions of Colombian pesos -

| Empresas Públicas de Rionegro Fund or Agreement | Destination   | 2019  | 2018  |
|---|---|-------|-------|
| Ensure Works Historic Center                    | Guarantee deposit under the EPRIO Municipality of Rionegro purchase   | 8,646 | 8,388 |
| Agreement 073- 2017                             | Agreement 073 of 2017 Optimizing Wastewater Treatment Plants (PTARS) located in rural area of the Municipality of Rionegro. | -     | 11    |

| Empresas Públicas de Rionegro Fund or Agreement                 | Destination   | 2019         | 2018         |
|---|---|--------------|--------------|
| Interadministrative Agreement 198-2017. Christmas Lights        | Delegated management for resources for Christmas lighting rental and transportation in the urban area of the Municipality of Rionegro | 10           | 10           |
| Interadministrative Agreement 094 of 2017                       | Construction of the aqueduct system matrix network in the Cuatro Esquinas sectors. Santa Ana of the Urban Area of Rionegro            | 4            | 4            |
| Agreement 180 of 2017   | Delegated administration for sewer network replacement of the housing development Villa Camila neighborhood 4 Esquinas                | 1            | 1            |
| Interadministrative Agreement 194-545. Christmas Lights         | Delegated management for resources for Christmas lighting rental and transportation in the urban area of the Municipality of Rionegro | 11           | 382          |
| <b>Total Restricted Resources Empresas Publicas de Rionegro</b> |   | <b>8,672</b> | <b>8,796</b> |

- Figures in millions of Colombian pesos -

| CHEC Fund or Agreement         | Destination  | 2019  | 2018  |
|--------------------------------|--|-------|-------|
| FL Fiducoldex Housing          | Fund created to manage the housing loans for employees of CHEC, according to the procedure and conditions set forth in the Collective Work Agreement in effect - CCTV, signed between the union of the SYNTRAELECOL company and CHEC | 2,483 | 2,421 |
| FL Davivienda mant_plants      | Fund created to support the civil maintenance of the CHEC generation plants, through a delegated management contract   | 365   | 240   |
| FL BBVA 3050200000200 Cta Cust | Fund created to address the safeguards for the operations of the power exchange transactions managed and controlled by the XM market manager   | 373   | 98    |
| FL Davivienda 14719 Comfa      | Special fund created to manage social and cultural programs for the employees of CHEC; through a delegated management contract with the company CONFA  | 200   | 198   |



| CHEC Fund or Agreement                 | Destination  | 2019         | 2018         |
|--|--|--------------|--------------|
| FL Conv mant edif<br>081369999669      | Fund created to support the maintenance of CHEC buildings through a delegated management contract  | 226          | 159          |
| FL Davivienda 081369999578             | Fund to execute environmental management plans in the area of influence of the CHEC generation plants  | 100          | 99           |
| FL Davi<br>Plan_Man_Environmental      | Fund created for the administration of the forest conservation properties in the company's hydrographic basins, through a delegated administration contract  | 26           | 24           |
| FL Davivienda PFS<br>081300003365      | Fund created to manage the micro credit loans made to users of the company's market, payable through the energy bill; these credits have more favorable rates and conditions than those offered by the market. This program was created by the company's Board of Directors. Its variation is because the funds were moved to a trust (accounting account 0298.113510.01391316 FL Fiduc.Davivienda-cart colectiva), continue to be Restricted Resources. | 10           | 1,037        |
| FL Daviv6999740-2 Soluc.Apren.         | Fund created to support the annual agenda of training programs of CHEC employees; through a delegated management contract  | -            | 30           |
| FL BBVA 704 ADILOG                     | Fund created to attend the CHEC skills and learning management program, through a delegated administration contract.   | 80           | -            |
| FL Davivienda 081300014818<br>PLAN MAN | Fund created to attend environmental management activities in CHEC, through a delegated administration contract  | 40           | -            |
| <b>Total CHEC Restricted Resources</b> |  | <b>3,903</b> | <b>4,307</b> |

- Figures in millions of Colombian pesos -

| CENS Fund or Agreement                     | Destination  | 2019  | 2018  |
|--|--|-------|-------|
| Housing Rotational Fund                    | Home loans for employees of CENS S.A.                                | 1,128 | 1,008 |
| Custody Account BBVA XM Bank<br>Guarantees | Guarantee and compliance TIES to safeguard energy purchase projects. | 1,891 | 711   |

| CENS Fund or Agreement                 | Destination   | 2019         | 2018         |
|--|---|--------------|--------------|
| Ecopetrol-Bogotá Agreement             | To bring together technical, administrative and financial efforts to carry out rural electrification works in the Municipalities of Tibú and El Carmen, Norte de Santander department, as contemplated by the activities under the Expansion Plan of the OR CENS - PECOR Coverage, and the Rural Electrification Program for the Catatumbo Zone and the Ocaña III Province. | 509          | 469          |
| FAER Catatumbo III                     | Carry out rural electrification works in the municipalities of Convención, San Calixto, Cáchira, Hacarí, Ocaña, La Playa, Villa Caro, Teorama and La Esperanza, departament Norte de Santander  | 189          | 221          |
| Ecopetrol-Davivienda Agreement         | To bring together technical, administrative and financial efforts to carry out rural electrification works in the Municipalities of Tibú and El Carmen, Norte de Santander department, as contemplated by the activities under the Expansion Plan of the OR CENS - PECOR Coverage, and the Rural Electrification Program for the Catatumbo Zone and the Ocaña III Province. | 105          | 249          |
| AOM Contract                           | Administration, operation, maintenance and replacement of Rural Electrification Assets built with the resources of the project "rural electrification program of the Catatumbo area and province of Ocaña, Stage 1, Norte de Santander".  | 65           | 65           |
| Governorship agreement                 | Bring together technical, administrative and financial efforts between the Norte de Santander department and power plants in the north of Santander - C.E.N.S. S.A. E.S.P., to carry out rural electrification works in the municipalities of Ábrego, El Carmen y El Tarra  | -            | 98           |
| Fundescat                              | Carry out rural electrification works in Tibú and Tarra municipalities, Norte de Santander department   | -            | 9            |
| Governorship - Davivienda agreement    | Combine technical, administrative and financial efforts to carry out the execution of rural electrification works.  | 37           | -            |
| <b>Total CENS Restricted Resources</b> |   | <b>3,924</b> | <b>2,831</b> |

- Figures in millions of Colombian pesos -

| HET Fund or Agreement                                      | Destination   | 2019       | 2018         |
|--|---|------------|--------------|
| Deposit certificate. Concession Agreement<br>ANAM CONTRACT | This covers the deposit arising from the BPPS Administration concession contract, granted by the National Environmental Authority, the CDT and the deposit is renewed annually. The Concession covers the grounds where the Plant is located. | -          | 1,168        |
| ETESA-OER Guarantee Deposit                                | ETESA Contract Guarantee Deposits.  | 669        | 669          |
| Other Contracts  | Administration  | 31         | 95           |
| <b>Total HET Restricted Resources</b>                      |   | <b>700</b> | <b>1,931</b> |

- Figures in millions of Colombian pesos -

| EDEQ Fund or Agreement                 | Destination  | 2019         | 2018         |
|--|--|--------------|--------------|
| Homes                                  | Resources designed to improve employee quality of life by providing home purchase and improvement credits    | 2,318        | 1,559        |
| Social Well Being and Training         | Resources designed to help workers and their family access higher education, health, wellness and recreation | 240          | 229          |
| Motorcycles                            | 'Resources used to provide workers with loans to acquire and replace motorcycles used for their work         | 12           | 16           |
| Calamity                               | Resources for facts caused by serious and unforeseen situations involving workers or their family            | 11           | 7            |
| <b>Total EDEQ Restricted Resources</b> |  | <b>2,581</b> | <b>1,811</b> |

- Figures in millions of Colombian pesos -

| <b>Aguas Regionales Fund or Agreement</b>          | <b>Destination</b>   | <b>2019</b> | <b>2018</b> |
|--|--|-------------|-------------|
| Sintraesmdes Conventional Home Fund                | Contribute to the acquisition and improvement of homes, from the beneficiaries of the conventional agreement signed between Aguas Regionales EPM and the unions. | 88          | 56          |
| <b>Total Restricted Resources Aguas Regionales</b> |  | <b>88</b>   | <b>56</b>   |

- Figures in millions of Colombian pesos -

| <b>Aguas de Malambo Fund or Agreement</b>          | <b>Destination</b>  | <b>2019</b> | <b>2018</b> |
|--|---|-------------|-------------|
| Vida Agreement Restricted Resource                 | for the Fuente de Vida agreement of the micrometering program | -           | 1           |
| <b>Aguas de Malambo Total Restricted Resources</b> |   | <b>-</b>    | <b>1</b>    |

- Figures in millions of Colombian pesos -

| <b>Fund or agreement ELEKTRA NORESTE S.A.</b>          | <b>Destination</b>      | <b>2019</b> | <b>2018</b> |
|--|-------------------------|-------------|-------------|
| Deposit for Embargo Electric.Tecnologic                | National Bank of Panama | 256         | -           |
| <b>Total Restricted Resources ELEKTRA NORESTE S.A.</b> |                         | <b>256</b>  | <b>-</b>    |

- Figures in millions of Colombian pesos -

|   |                |                |
|---|----------------|----------------|
| <b>Total EPM Group Restricted Resources</b> | <b>157,111</b> | <b>173,375</b> |
|---|----------------|----------------|

- Figures in millions of Colombian pesos -

## Note 12. Assets classified as held for sale and discontinued operations

### 12.1 Assets classified as held for sale

On September 16, 2019, the EPM Group announced the contract of purchase of shares with AES Gener S.A. and its subsidiary Norgener Renovables SpA to have 100% of its shares in Parque Eólico Los Cururos SpA. and EPM Transmission Chile S.A., as part of the Group's plan of disposals to address contingency-derived liquidity requirements in the Ituango Hydroelectric Project. It is hoped that availability will be made before November 30, 2019. As of September 30, 2019, the assets and operations of the subsidiaries of Wind Park Los Cururos SpA. and EPM Transmisión Chile S.A. have been classified as non-current assets held for sale and presented in the generation and transmission segments, respectively.

Assets and liabilities at the cut-off date, associated with this operation are detailed below:

| Assets classified as held for sale                                     | 2019           |
|--|----------------|
| Properties, plant and equipment, net                                   | 306,034        |
| Intangible assets  | 33,408         |
| Trade and other accounts receivables                                   | 7,581          |
| Other assets   | 129,496        |
| Cash and cash equivalents  | 15,616         |
| <b>Total assets classified as held for sale</b>                        | <b>492,135</b> |
| Credits and loans  | 5,308          |
| Trade and other payables   | 6,123          |
| Employee benefits  | 78             |
| Provisions   | 6,314          |
| <b>Total liabilities directly associated with assets held for sale</b> | <b>17,823</b>  |

*Figures stated in millions of Colombian pesos*

### 12.2 Discontinued operations

The detail by the utility (loss) item of the net suspended tax trading period, the consolidated comprehensive income status and the net cash flows of the consolidated cash flows state for subsidiaries Parque Eólico Los Cururos SpA. and EPM Transmisión Chile S.A., are detailed below:

| Discontinued operations  | September 30,<br>2019 | September 30,<br>2018 | For the three<br>months ended<br>September 30,<br>2019 | For the three<br>months ended<br>September 30,<br>2018 |
|--|-----------------------|-----------------------|--|--|
| Income   | 37,593                | 37,491                | 37,593   | 12,526   |
| Costs for rendering services                                     | (20,407)              | (33,091)              | (20,407)   | (9,229)  |
| Expenses   | (1,597)               | (2,830)               | (1,597)  | (985)  |
| Other income   | 2,287                 | 587                   | 2,287  | 286  |
| Other expenses   | (496)                 | (685)                 | (496)  | 85   |
| <b>Profit of discontinued operations before taxes</b>            | <b>17,380</b>         | <b>1,472</b>          | <b>17,380</b>  | <b>2,683</b>   |
| Income tax associated with the profit of discontinued operations | (3,577)               | (2,832)               | (3,577)  | (4,713)  |
| <b>Profit (loss) of discontinued operations</b>                  | <b>13,803</b>         | <b>(1,360)</b>        | <b>13,803</b>  | <b>(2,030)</b>   |

*Figures stated in millions of Colombian pesos*

Cash flows related to discontinued operations are:

| Assets classified as held for sale | 2019           | 2018          |
|------------------------------------|----------------|---------------|
| Operating activities               | 13,685         | 12,665        |
| Investment activities              | (17,938)       | (497)         |
| Financial activities               | 209            | 44            |
| <b>Net cash flows</b>              | <b>(4,044)</b> | <b>12,212</b> |

*Figures stated in millions of Colombian pesos*

## Note 13. Borrowings and Loans

The following is the breakdown of the recorded value of borrowings and loans:

| Credits and Loans                          | September - 2019  | December - 2018   |
|--|-------------------|-------------------|
| <b>Non current</b>                         |                   |                   |
| Commercial banks loans                     | 3,855,073         | 4,139,390         |
| Other bonds and securities issued          | 9,554,474         | 6,177,480         |
| Multilateral banks loans                   | 3,502,638         | 3,249,965         |
| Development banks loans                    | 839,545           | 1,819,138         |
| Bonds and securities issued                | 699,954           | 643,168           |
| <b>Total credits and loans non current</b> | <b>18,451,684</b> | <b>16,029,141</b> |
| <b>Current</b>                             |                   |                   |
| Commercial banks loans                     | 2,230,350         | 1,581,113         |
| Multilateral banks loans                   | 317,013           | 615,309           |
| Other bonds and securities issued          | 447,302           | 2,029,387         |
| Bonds and securities issued                | 391,837           | 391,119           |
| Development banks loans                    | 217,214           | 177,626           |
| Other loans                                | 10,066            | 11,105            |
| <b>Total credits and loans current</b>     | <b>3,613,782</b>  | <b>4,805,659</b>  |
| <b>Total credits and loans</b>             | <b>22,065,466</b> | <b>20,834,800</b> |

- Figures in millions of Colombian pesos -

The breakdown of borrowings and loans by entity is as follows:

| Company              | Entity or Loan   | Original Currency | Initial Date DD/MM/YYYY | Term  | Nominal Interest Rate | September 30, 2019 |               |                      |              | December 31, 2018 |               |                      |              |
|----------------------|------------------|-------------------|-------------------------|-------|-----------------------|--------------------|---------------|----------------------|--------------|-------------------|---------------|----------------------|--------------|
|                      |                  |                   |                         |       |                       | IRR                | Nominal Value | Amortized Cost Value | Total Amount | IRR               | Nominal Value | Amortized Cost Value | Total Amount |
| AGUAS DE ANTOFAGASTA | Banco BICE-BCI   | CLP               | 1/01/2018               | -     | -                     | 0.00%              | 1             | -                    | 1            | 0.00%             | 3             | -                    | 3            |
| AGUAS DE ANTOFAGASTA | Banco del Estado | CLP               | 23/10/2014              | 5.00  | UF + 1.9%             | 1.04%              | 5,021         | 46                   | 5,066        | 1.04%             | 9,670         | (27)                 | 9,643        |
| AGUAS DE ANTOFAGASTA | Banco del Estado | CLP               | 14/01/2015              | 10.00 | UF + 2.9%             | 1.51%              | 134,068       | 849                  | 134,917      | 1.51%             | 151,157       | 2,107                | 153,265      |
| AGUAS DE ANTOFAGASTA | Banco del Estado | CLP               | 18/10/2018              | 5.00  | TAB + 0.65%           | 1.42%              | 439,761       | 10,758               | 450,519      | 1.42%             | 433,144       | 2,355                | 435,499      |
| AGUAS DE ANTOFAGASTA | Scotiabank       | CLP               | 18/10/2018              | 5.00  | TAB + 0.65%           | 1.50%              | 858,223       | 21,183               | 879,406      | 1.50%             | 845,310       | 4,966                | 850,276      |
| AGUAS REGIONALES     | Popular          | COP               | 1/06/2018               | 7.00  | IBR + 3%              | 7.54%              | 11,998        | 73                   | 12,071       | 7.41%             | 13,563        | 85                   | 13,648       |
| AGUAS REGIONALES     | Bogotá           | COP               | 28/10/2015              | 10.00 | DTF T.A. + 2.6%       | 7.24%              | 531           | 7                    | 538          | 7.27%             | 595           | 8                    | 603          |
| AGUAS REGIONALES     | HELM             | COP               | 16/03/2012              | 12.00 | DTF T.A. + -1%        | 2.64%              | 3,710         | 72                   | 3,782        | 2.63%             | 4,328         | 99                   | 4,427        |
| AGUAS REGIONALES     | Bbva             | COP               | 20/05/2014              | 10.00 | DTF T.A. + -0.7%      | 3.27%              | 594           | 9                    | 603          | 3.27%             | 688           | 12                   | 700          |
| AGUAS REGIONALES     | Bbva             | COP               | 19/12/2014              | 10.00 | DTF T.A. + -0.7%      | 3.53%              | 904           | 6                    | 910          | 3.55%             | 1,033         | 9                    | 1,042        |
| AGUAS REGIONALES     | Davivienda       | COP               | 19/02/2018              | 10.00 | IPC + 4.8%            | 8.71%              | 16,100        | 161                  | 16,261       | 8.22%             | 5,000         | 47                   | 5,047        |
| CENS                 | Bancolombia      | COP               | 31/01/2018              | 1.00  | IBR + 1.86%           | 0.00%              | -             | -                    | -            | 6.17%             | 7,000         | 70                   | 7,070        |
| CENS                 | BBVA             | COP               | 28/09/2018              | 1.00  | IPC + 2.6%            | 0.00%              | -             | -                    | -            | 5.91%             | 15,000        | 11                   | 15,011       |
| CENS                 | Bogotá           | COP               | 4/09/2012               | 7.00  | IBR + 0%              | 0.00%              | -             | -                    | -            | 5.86%             | 6,000         | 125                  | 6,125        |
| CENS                 | Bogotá           | COP               | 15/05/2014              | 7.00  | IBR + 1.88%           | 6.33%              | 4,000         | 84                   | 4,084        | 6.35%             | 5,000         | 27                   | 5,027        |
| CENS                 | Bogotá           | COP               | 18/12/2015              | 7.00  | IBR + 1.88%           | 7.25%              | 7,000         | 157                  | 7,157        | 7.63%             | 8,000         | (17)                 | 7,983        |
| CENS                 | Popular          | COP               | 15/05/2017              | 10.00 | IBR + 3.35%           | 7.59%              | 37,241        | 1,096                | 38,337       | 7.64%             | 37,241        | 432                  | 37,672       |
| CENS                 | Popular          | COP               | 26/05/2017              | 10.00 | IBR + 3.35%           | 7.59%              | 8,540         | 234                  | 8,774        | 7.64%             | 8,540         | 81                   | 8,621        |
| CENS                 | Popular          | COP               | 23/06/2017              | 10.00 | IBR + 3.35%           | 7.57%              | 6,505         | 138                  | 6,643        | 7.65%             | 6,505         | 21                   | 6,526        |
| CENS                 | Popular          | COP               | 29/06/2017              | 10.00 | IBR + 3.35%           | 7.55%              | 10,162        | 215                  | 10,377       | 7.61%             | 10,162        | 33                   | 10,195       |
| CENS                 | Popular          | COP               | 18/07/2017              | 10.00 | IBR + 3.35%           | 7.54%              | 14,951        | 264                  | 15,215       | 7.60%             | 14,951        | 560                  | 15,511       |
| CENS                 | Popular          | COP               | 27/07/2017              | 10.00 | IBR + 3.35%           | 7.61%              | 6,500         | 87                   | 6,587        | 7.60%             | 6,500         | 230                  | 6,730        |
| CENS                 | Popular          | COP               | 23/08/2017              | 10.00 | IBR + 3.35%           | 7.72%              | 6,000         | 28                   | 6,028        | 7.71%             | 6,000         | 155                  | 6,155        |
| CENS                 | Popular          | COP               | 15/09/2017              | 10.00 | IBR + 3.35%           | 7.63%              | 6,442         | 20                   | 6,462        | 7.69%             | 6,442         | 144                  | 6,586        |
| CENS                 | Popular          | COP               | 19/09/2017              | 12.00 | IBR + -1.8%           | 2.99%              | 5,923         | 74                   | 5,997        | 3.16%             | 5,923         | 79                   | 6,002        |
| CENS                 | Popular          | COP               | 19/09/2017              | 10.00 | IBR + 3.075%          | 7.18%              | 11,846        | 137                  | 11,983       | 9.53%             | 11,846        | 348                  | 12,194       |
| CENS                 | Popular          | COP               | 17/11/2017              | 10.00 | IBR + 3.35%           | 7.56%              | 9,659         | 291                  | 9,951        | 7.62%             | 9,659         | 120                  | 9,779        |
| CENS                 | Popular          | COP               | 17/11/2017              | 12.00 | IBR + -1.8%           | 2.85%              | 4,077         | 67                   | 4,144        | 2.91%             | 4,077         | 27                   | 4,104        |
| CENS                 | Popular          | COP               | 17/11/2017              | 10.00 | IBR + 3.075%          | 7.19%              | 8,154         | 298                  | 8,452        | 9.47%             | 8,154         | 129                  | 8,283        |
| CENS                 | Popular          | COP               | 18/12/2017              | 10.00 | IBR + 3.35%           | 7.52%              | 20,000        | 490                  | 20,490       | 7.59%             | 20,000        | 136                  | 20,136       |
| CENS                 | Popular          | COP               | 18/01/2018              | 10.00 | IBR + 3.35%           | 7.52%              | 37,000        | 693                  | 37,693       | 7.57%             | 37,000        | 1,429                | 38,429       |
| CENS                 | Bogotá           | COP               | 16/02/2018              | 9.00  | IBR + 2.98%           | 7.32%              | 129,218       | 1,067                | 130,285      | 7.40%             | 137,832       | 3,590                | 141,422      |
| CENS                 | BBVA             | COP               | 18/10/2018              | 1.00  | IPC + 2.6%            | 6.66%              | 5,000         | 59                   | 5,059        | 5.94%             | 5,000         | 59                   | 5,059        |
| CENS                 | Davivienda       | COP               | 29/11/2018              | 10.00 | IPC + 4.3%            | 8.18%              | 6,000         | 152                  | 6,152        | 7.72%             | 6,000         | 39                   | 6,039        |
| CENS                 | Davivienda       | COP               | 19/12/2018              | 10.00 | IPC + 4.3%            | 8.27%              | 15,000        | 264                  | 15,264       | 7.71%             | 15,000        | 37                   | 15,037       |
| CENS                 | Davivienda       | COP               | 2/01/2019               | 10.00 | IPC + 4.3%            | 8.25%              | 20,000        | 324                  | 20,324       | 0.00%             | -             | -                    | -            |
| CENS                 | Davivienda       | COP               | 18/01/2019              | 10.00 | IPC + 4.3%            | 8.24%              | 14,000        | 187                  | 14,187       | 0.00%             | -             | -                    | -            |
| CENS                 | Bogotá           | COP               | 1/02/2019               | 1.00  | IBR + 1.9%            | 6.16%              | 7,000         | 67                   | 7,067        | 0.00%             | -             | -                    | -            |
| CENS                 | Davivienda       | COP               | 14/06/2019              | 12.00 | IBR + 1.15%           | 5.32%              | 20,000        | 309                  | 20,309       | 0.00%             | -             | -                    | -            |
| CENS                 | Davivienda       | COP               | 27/06/2019              | 12.00 | IBR + 1.15%           | 5.32%              | 5,713         | 78                   | 5,791        | 0.00%             | -             | -                    | -            |
| CENS                 | Davivienda       | COP               | 28/06/2019              | 12.00 | IBR + 3.47%           | 7.83%              | 4,287         | 84                   | 4,371        | 0.00%             | -             | -                    | -            |
| CENS                 | Occidente        | COP               | 20/08/2019              | 1.00  | IBR + 1.79%           | 6.05%              | 10,000        | 66                   | 10,066       | 0.00%             | -             | -                    | -            |



| Company | Entity or Loan              | Original Currency | Initial Date DD/MM/YYYY | Term  | Nominal Interest Rate | September 30, 2019 |               |                      |              | December 31, 2018 |               |                      |              |
|---------|-----------------------------|-------------------|-------------------------|-------|-----------------------|--------------------|---------------|----------------------|--------------|-------------------|---------------|----------------------|--------------|
|         |                             |                   |                         |       |                       | IRR                | Nominal Value | Amortized Cost Value | Total Amount | IRR               | Nominal Value | Amortized Cost Value | Total Amount |
| CHEC    | BBVA                        | COP               | 22/08/2014              | 10.00 | IPC + 3.5%            | 7.11%              | 41,875        | 561                  | 42,436       | 6.65%             | 48,156        | 628                  | 48,784       |
| CHEC    | Corpbanca                   | COP               | 22/08/2014              | 10.00 | IPC + 3.5%            | 7.11%              | 31,875        | 430                  | 32,305       | 6.64%             | 36,656        | 482                  | 37,138       |
| CHEC    | Bancolombia                 | COP               | 9/02/2018               | 8.00  | IBR + 2.29%           | 6.70%              | 52,813        | 764                  | 53,577       | 6.70%             | 58,906        | 855                  | 59,761       |
| CHEC    | Davivienda                  | COP               | 27/12/2018              | 12.00 | IBR + 0.388%          | 4.59%              | 43,000        | 156                  | 43,156       | 4.59%             | 43,000        | 21                   | 43,021       |
| CHEC    | Davivienda                  | COP               | 29/03/2019              | 12.00 | IBR + 0.388%          | 4.59%              | 4,475         | 1                    | 4,475        | 0.00%             | -             | -                    | -            |
| CHEC    | Popular                     | COP               | 24/04/2019              | 1.00  | IBR + 1.65%           | 6.00%              | 70,000        | 68                   | 70,068       | 0.00%             | -             | -                    | -            |
| DEL SUR | Citibank                    | USD               | 27/12/2018              | -     | + 4.9%                | 0.00%              | -             | -                    | -            | 0.00%             | 14,624        | -                    | 14,624       |
| DEL SUR | Davivienda                  | USD               | 26/08/2013              | 10.00 | LIBOR 3M + 3.7%       | 1.02%              | 51,930        | 262                  | 52,192       | 1.02%             | 54,840        | 296                  | 55,135       |
| DEL SUR | Davivienda                  | USD               | 7/10/2015               | 10.00 | LIBOR 3M + 4.2%       | 1.02%              | 42,842        | 550                  | 43,393       | 1.02%             | 43,872        | 557                  | 44,428       |
| DEL SUR | Bonos                       | USD               | 16/08/2010              | 10.00 | LIBOR 6M + 3%         | 1.52%              | 72,702        | 430                  | 73,132       | 1.52%             | 68,245        | 425                  | 68,669       |
| DEL SUR | Banco América Central       | USD               | 18/07/2019              | -     | + 0%                  | 0.00%              | 3,462         | -                    | 3,462        | 0.00%             | -             | -                    | -            |
| EDEQ    | DAVIVIENDA                  | COP               | 12/11/2015              | 7.00  | DTF + 2.66%           | 0.00%              | -             | -                    | -            | 8.35%             | 5,875         | (43)                 | 5,832        |
| EDEQ    | Bancolombia                 | COP               | 4/05/2018               | 1.00  | IBR + 1.86%           | 0.00%              | -             | -                    | -            | 6.21%             | 11,000        | 105                  | 11,105       |
| EDEQ    | AV VILLAS                   | COP               | 23/06/2016              | 7.00  | IBR + 3.1%            | 7.01%              | 2,249         | 19                   | 2,268        | 10.67%            | 2,699         | 19                   | 2,718        |
| EDEQ    | AV VILLAS                   | COP               | 15/09/2017              | 7.00  | IBR + 3.1%            | 7.46%              | 6,000         | 12                   | 6,012        | 7.48%             | 6,000         | 13                   | 6,013        |
| EDEQ    | AV VILLAS                   | COP               | 22/02/2019              | 3.75  | DTF T.A. + 2.3%       | 6.95%              | 4,783         | 35                   | 4,818        | 0.00%             | -             | -                    | -            |
| EDEQ    | BANCOLOMBIA                 | COP               | 3/05/2019               | 7.00  | IBR + 2.74%           | 7.04%              | 11,000        | 116                  | 11,116       | 0.00%             | -             | -                    | -            |
| EDEQ    | AV VILLAS                   | COP               | 29/05/2019              | 1.00  | T.N. + 0%             | 5.88%              | 5,000         | 25                   | 5,025        | 0.00%             | -             | -                    | -            |
| ENSA    | Scotiabank                  | USD               | 7/12/2018               | 0.25  | LIBOR + 2.68%         | 0.00%              | -             | -                    | -            | 2.68%             | 19,499        | 35                   | 19,533       |
| ENSA    | Bonos                       | USD               | 10/07/2006              | 15.00 | 7.6%                  | 8.16%              | 346,201       | 3,287                | 349,488      | 8.16%             | 324,975       | 8,465                | 333,440      |
| ENSA    | Bonos                       | USD               | 13/12/2012              | 15.00 | 4.73%                 | 3.46%              | 276,961       | 803                  | 277,764      | 3.46%             | 259,980       | (2,520)              | 257,460      |
| ENSA    | Scotiabank                  | USD               | 3/10/2018               | 5.00  | 4.25%                 | 4.25%              | 346,201       | 791                  | 346,992      | 4.25%             | 324,975       | 732                  | 325,707      |
| ENSA    | Davivienda                  | USD               | 5/06/2019               | 0.50  | 0.35%                 | 2.90%              | 51,930        | 13                   | 51,943       | 2.90%             | 19,499        | 5                    | 19,503       |
| ENSA    | Bladex                      | USD               | 5/09/2019               | 0.08  | 0.5%                  | 2.57%              | 10,386        | 2                    | 10,388       | 0.00%             | -             | -                    | -            |
| EP RIO  | Bogotá                      | COP               | 15/06/2016              | 10.00 | DTF T.A. + 5%         | 10.30%             | 2,109         | (10)                 | 2,100        | 10.19%            | 2,344         | (11)                 | 2,332        |
| EP RIO  | Bogotá                      | COP               | 19/10/2015              | 10.00 | DTF T.A. + 5%         | 10.14%             | 2,281         | (3)                  | 2,278        | 10.18%            | 2,563         | (4)                  | 2,558        |
| EP RIO  | Bogotá                      | COP               | 28/02/2016              | 10.00 | DTF T.A. + 5%         | 10.12%             | 3,417         | (12)                 | 3,405        | 10.16%            | 3,792         | (14)                 | 3,778        |
| EP RIO  | Bogotá                      | COP               | 27/07/2016              | 10.00 | DTF T.A. + 5%         | 10.21%             | 802           | (5)                  | 797          | 10.22%            | 896           | (6)                  | 890          |
| EPM     | 1257 BONOS IPC II TRAMO     | COP               | 22/01/2009              | 10.00 | IPC + 5.8%            | 0.00%              | -             | -                    | -            | 9.16%             | 138,600       | 2,366                | 140,966      |
| EPM     | 1259 BONOS TF II TRAMO      | COP               | 22/01/2009              | 10.00 | 10.8%                 | 0.00%              | -             | -                    | -            | 10.79%            | 74,700        | 7,558                | 82,258       |
| EPM     | 1261 BONOS IPC III TRAMO    | COP               | 21/04/2009              | 15.00 | IPC + 6.24%           | 10.12%             | 198,400       | 4,318                | 202,718      | 9.63%             | 198,400       | 4,260                | 202,660      |
| EPM     | 1264 BONOS IPC IV TRAM 2    | COP               | 14/12/2010              | 12.00 | IPC + 4.2%            | 8.07%              | 119,900       | 489                  | 120,389      | 7.58%             | 119,900       | 515                  | 120,415      |
| EPM     | 1265 BONOS IPC IV TRAM 3    | COP               | 14/12/2010              | 20.00 | IPC + 4.94%           | 8.89%              | 267,400       | 551                  | 267,951      | 8.40%             | 267,400       | 548                  | 267,948      |
| EPM     | 1268 BONOS IPC V TRAMO II   | COP               | 4/12/2013               | 10.00 | IPC + 4.52%           | 8.70%              | 96,210        | (265)                | 95,945       | 8.17%             | 96,210        | (311)                | 95,899       |
| EPM     | 1269 BONOS IPC V TRAM III   | COP               | 4/12/2013               | 20.00 | IPC + 5.03%           | 9.14%              | 229,190       | (1,629)              | 227,561      | 8.62%             | 229,190       | (1,541)              | 227,649      |
| EPM     | 1270 BONOS IPC VI TRAMO I   | COP               | 29/07/2014              | 6.00  | IPC + 3.57%           | 7.79%              | 125,000       | 1,144                | 126,144      | 7.36%             | 125,000       | 740                  | 125,740      |
| EPM     | 1271 BONOS IPC VI TRAMO II  | COP               | 29/07/2014              | 12.00 | IPC + 4.17%           | 8.28%              | 125,000       | 357                  | 125,357      | 7.78%             | 125,000       | 166                  | 125,166      |
| EPM     | 1272 BONOS IPC VI TRAM III  | COP               | 29/07/2014              | 20.00 | IPC + 4.5%            | 8.58%              | 250,000       | 160                  | 250,160      | 8.08%             | 250,000       | (100)                | 249,900      |
| EPM     | 1274 BONOS IPC V TRAM IV    | COP               | 20/03/2015              | 10.00 | IPC + 3.65%           | 8.54%              | 130,000       | 325                  | 130,325      | 8.01%             | 130,000       | 362                  | 130,362      |
| EPM     | 1275 BONOS IPC VII TRAMO I  | COP               | 20/03/2015              | 5.00  | IPC + 2.72%           | 6.70%              | 120,000       | 165                  | 120,165      | 6.13%             | 120,000       | 167                  | 120,167      |
| EPM     | 1276 BONOS IPC VII TRAMO II | COP               | 20/03/2015              | 12.00 | IPC + 3.92%           | 7.84%              | 120,000       | 105                  | 120,105      | 7.34%             | 120,000       | 146                  | 120,146      |
| EPM     | 1277 BONOS IPC VII TRAM III | COP               | 20/03/2015              | 20.00 | IPC + 4.43%           | 8.34%              | 260,000       | 833                  | 260,833      | 7.83%             | 260,000       | 949                  | 260,949      |

| Company | Entity or Loan                            | Original Currency | Initial Date DD/MM/YYYY | Term  | Nominal Interest Rate | September 30, 2019 |               |                      |              | December 31, 2018 |               |                      |              |
|---------|---|-------------------|-------------------------|-------|-----------------------|--------------------|---------------|----------------------|--------------|-------------------|---------------|----------------------|--------------|
|         |   |                   |                         |       |                       | IRR                | Nominal Value | Amortized Cost Value | Total Amount | IRR               | Nominal Value | Amortized Cost Value | Total Amount |
| EPM     | 2218 BID 800- RELIQUIDADO                 | USD               | 14/07/1994              | 25.00 | LIBOR + 1.43%         | 0.00%              | -             | -                    | -            | 2.43%             | 26,312        | 827                  | 27,138       |
| EPM     | 1665 BID-1664-1                           | COP               | 9/12/2005               | 20.00 | 7.8%                  | 9.20%              | 308,500       | 10,716               | 319,216      | 9.24%             | 332,231       | 4,367                | 336,598      |
| EPM     | 1220 BID 2120                             | USD               | 25/03/2009              | 25.00 | LIBOR + 0%            | 2.97%              | 372,971       | (8,391)              | 364,580      | 3.62%             | 374,249       | (1,614)              | 372,635      |
| EPM     | 2021 BID 2120-1                           | COP               | 25/03/2009              | 25.00 | 6.272%                | 7.49%              | 190,295       | (6,232)              | 184,064      | 7.25%             | 190,295       | (2,591)              | 187,704      |
| EPM     | 2179 BANK OF TOKYO-MITSUB                 | USD               | 29/09/2008              | 15.00 | LIBOR + 0.95%         | 1.35%              | 230,764       | 8,801                | 239,565      | 2.07%             | 270,782       | 14,372               | 285,154      |
| EPM     | 1266 GLOBAL 2021 COP                      | COP               | 31/01/2011              | 10.00 | 8.375%                | 14.03%             | 130,822       | (1,352)              | 129,470      | 8.70%             | 1,250,000     | 88,210               | 1,338,210    |
| EPM     | 1273 GLOBAL 2024 COP                      | COP               | 3/09/2014               | 10.00 | 7.625%                | 7.74%              | 965,745       | (389)                | 965,356      | 7.74%             | 965,745       | 17,243               | 982,988      |
| EPM     | 1262 BONOS INTERNACIONALE                 | USD               | 29/07/2009              | 10.00 | 7.625%                | 0.00%              | -             | -                    | -            | 8.25%             | 1,624,875     | 49,306               | 1,674,181    |
| EPM     | 5765 AGRARIO                              | COP               | 20/05/2014              | 16.00 | IPC + 4.7%            | 8.85%              | 116,000       | 1,244                | 117,244      | 8.38%             | 116,000       | (1,234)              | 114,766      |
| EPM     | 1013 AFD                                  | USD               | 10/08/2012              | 14.00 | 4.311%                | 4.47%              | 780,556       | 4,329                | 784,885      | 4.47%             | 824,287       | 13,588               | 837,875      |
| EPM     | 2015 CLUB DEAL BANK OF TOKYO              | USD               | 29/12/2015              | 5.00  | LIBOR + 1.4%          | 0.00%              | -             | -                    | -            | 4.94%             | 763,691       | 6,548                | 770,239      |
| EPM     | 2022 BID 2120-2                           | COP               | 25/03/2009              | 25.00 | 7.5%                  | 8.23%              | 363,057       | (8,208)              | 354,849      | 8.06%             | 388,096       | 1,624                | 389,720      |
| EPM     | 2016 BNDES                                | USD               | 26/04/2016              | 23.50 | 4.887%                | 5.39%              | 167,174       | (2,699)              | 164,475      | 5.22%             | 132,517       | (4,144)              | 128,373      |
| EPM     | 1278 GLOBAL 2027 COP                      | COP               | 31/10/2017              | 10.00 | 8.375%                | 8.09%              | 3,530,000     | 250,842              | 3,780,842    | 8.46%             | 2,300,000     | 15,626               | 2,315,626    |
| EPM     | 2023 BID 2120-3                           | COP               | 25/03/2009              | 25.00 | 6.265%                | 6.71%              | 180,750       | (2,314)              | 178,437      | 6.56%             | 193,216       | 2,134                | 195,350      |
| EPM     | 1014 EDC                                  | USD               | 4/08/2016               | 6.00  | LIBOR + 1.4%          | 0.00%              | -             | -                    | -            | 4.65%             | 974,925       | 10,059               | 984,984      |
| EPM     | 6017 POPULAR                              | COP               | 15/01/2018              | 1.00  | IBR + 1.8%            | 0.00%              | -             | -                    | -            | 6.06%             | 100,000       | 1,312                | 101,312      |
| EPM     | 6018 Bancolombia                          | COP               | 22/01/2018              | 1.00  | IBR + 1.59%           | 0.00%              | -             | -                    | -            | 5.87%             | 100,000       | 1,110                | 101,110      |
| EPM     | 6019 Bancolombia                          | COP               | 29/01/2018              | 1.00  | IBR + 1.59%           | 0.00%              | -             | -                    | -            | 5.87%             | 70,000        | 697                  | 70,697       |
| EPM     | 6020 Bancolombia                          | COP               | 19/02/2018              | 1.00  | IBR + 1.59%           | 0.00%              | -             | -                    | -            | 5.89%             | 130,000       | 873                  | 130,873      |
| EPM     | 1015 CAF                                  | USD               | 3/10/2016               | 18.00 | LIBOR + 3.1%          | 5.40%              | 692,402       | 15,021               | 707,423      | 6.28%             | 649,950       | 5,285                | 655,235      |
| EPM     | 9999 COMISIONES CREDITOS NO DESEMBOLSADOS | USD               | 0/01/1900               | -     | + 0%                  | 0.00%              | -             | (913)                | (913)        | 0.00%             | -             | (20,185)             | (20,185)     |
| EPM     | 1230 IDB INVEST tramo 12 años             | USD               | 29/12/2017              | 12.00 | Libor 6M + 2.75%      | 5.78%              | 1,298,254     | (22,088)             | 1,276,166    | 6.37%             | 1,218,656     | (36,582)             | 1,182,074    |
| EPM     | 1231 IDB INVEST tramo 8 años              | USD               | 29/12/2017              | 8.00  | Libor 6M + 2.125%     | 5.37%              | 259,651       | (4,476)              | 255,174      | 5.88%             | 243,731       | (7,346)              | 236,385      |
| EPM     | 1019 COLPATRIA                            | COP               | 19/12/2018              | 1.00  | IBR + 1.78%           | 6.03%              | 100,000       | 165                  | 100,165      | 6.06%             | 100,000       | 199                  | 100,199      |
| EPM     | 1020 BBVA                                 | COP               | 20/12/2018              | 10.00 | 8.375%                | 6.04%              | 35,000        | 59                   | 35,059       | 6.07%             | 35,000        | 59                   | 35,059       |
| EPM     | 1021 COLPATRIA                            | COP               | 19/12/2018              | 1.00  | IBR + 1.78%           | 5.88%              | 165,000       | 2,181                | 167,181      | 0.00%             | -             | -                    | -            |
| EPM     | 1022 BBVA                                 | COP               | 28/01/2019              | 1.00  | IBR + 1.57%           | 5.67%              | 300,000       | 2,880                | 302,880      | 0.00%             | -             | -                    | -            |
| EPM     | 1018 BANCOLOMBIA                          | COP               | 22/11/2018              | 3.00  | IBR S.V. + 3.5%       | 7.18%              | 450,000       | 1,409                | 451,409      | 0.00%             | -             | -                    | -            |
| EPM     | 1017 HSBC                                 | USD               | 26/11/2018              | 3.00  | Libor 6M + 2.75%      | 0.00%              | -             | (3,315)              | (3,315)      | 0.00%             | -             | -                    | -            |
| EPM     | 1023 1023 BONOS USD                       | USD               | 11/07/2019              | 10.00 | 4.25%                 | 4.38%              | 3,462,010     | 7,605                | 3,469,615    | 0.00%             | -             | -                    | -            |
| ESSA    | Bogotá                                    | COP               | 26/02/2013              | 7.00  | IBR + 1.88%           | 5.85%              | 11,200        | 71                   | 11,271       | 5.85%             | 28,000        | 216                  | 28,216       |
| ESSA    | Bogotá                                    | COP               | 11/04/2013              | 7.00  | IBR + 1.88%           | 5.90%              | 5,475         | 75                   | 5,550        | 5.92%             | 10,950        | 162                  | 11,112       |
| ESSA    | Bogotá                                    | COP               | 20/05/2013              | 7.00  | IBR + 1.88%           | 5.73%              | 1,050         | 9                    | 1,059        | 5.73%             | 2,100         | 21                   | 2,121        |
| ESSA    | Bogotá                                    | COP               | 10/04/2014              | 7.00  | IBR + 1.88%           | 5.93%              | 6,300         | 93                   | 6,393        | 5.94%             | 9,000         | 141                  | 9,141        |
| ESSA    | Bogotá                                    | COP               | 16/04/2014              | 7.00  | IBR + 1.88%           | 5.98%              | 3,500         | 47                   | 3,547        | 6.00%             | 5,000         | 71                   | 5,071        |
| ESSA    | Bogotá                                    | COP               | 30/04/2015              | 7.00  | IBR + 1.88%           | 6.16%              | 7,150         | 70                   | 7,220        | 6.17%             | 9,100         | 91                   | 9,191        |
| ESSA    | Bogotá                                    | COP               | 27/01/2016              | 7.00  | IBR + 1.88%           | 6.24%              | 10,500        | 94                   | 10,594       | 6.25%             | 12,750        | 114                  | 12,864       |
| ESSA    | Bogotá                                    | COP               | 16/02/2016              | 7.00  | IBR + 1.88%           | 6.26%              | 9,100         | 49                   | 9,149        | 6.27%             | 11,050        | 60                   | 11,110       |
| ESSA    | Bogotá                                    | COP               | 28/03/2016              | 7.00  | IBR + 1.88%           | 6.15%              | 4,900         | 1                    | 4,901        | 6.02%             | 5,950         | 18                   | 5,968        |
| ESSA    | Bogotá                                    | COP               | 14/04/2016              | 7.00  | IBR + 1.88%           | 6.27%              | 6,375         | 67                   | 6,442        | 6.29%             | 7,650         | 79                   | 7,729        |
| ESSA    | Bogotá                                    | COP               | 1/07/2016               | 12.00 | IBR + 3.15%           | 7.58%              | 18,000        | 259                  | 18,259       | 7.59%             | 19,500        | 281                  | 19,781       |
| ESSA    | Bogotá                                    | COP               | 19/08/2016              | 12.00 | IBR + 3.15%           | 7.52%              | 7,200         | 46                   | 7,246        | 7.54%             | 7,800         | 52                   | 7,852        |

| Company      | Entity or Loan        | Original Currency | Initial Date DD/MM/YYYY | Term  | Nominal Interest Rate | September 30, 2019 |                   |                      |                   | December 31, 2018 |                   |                      |                   |
|--------------|-----------------------|-------------------|-------------------------|-------|-----------------------|--------------------|-------------------|----------------------|-------------------|-------------------|-------------------|----------------------|-------------------|
|              |                       |                   |                         |       |                       | IRR                | Nominal Value     | Amortized Cost Value | Total Amount      | IRR               | Nominal Value     | Amortized Cost Value | Total Amount      |
| ESSA         | Bogotá                | COP               | 13/10/2016              | 12.00 | IBR + 3.15%           | 7.58%              | 8,325             | 98                   | 8,422             | 7.60%             | 9,000             | 106                  | 9,106             |
| ESSA         | Bogotá                | COP               | 11/11/2016              | 12.00 | IBR + 3.15%           | 7.65%              | 32,375            | 120                  | 32,495            | 7.63%             | 35,000            | 170                  | 35,170            |
| ESSA         | Bogotá                | COP               | 5/12/2016               | 12.00 | IBR + 3.15%           | 7.58%              | 7,400             | 8                    | 7,408             | 7.60%             | 8,000             | 9                    | 8,009             |
| ESSA         | Bogotá                | COP               | 14/12/2016              | 12.00 | IBR + 3.15%           | 7.56%              | 13,875            | 1                    | 13,876            | 7.58%             | 15,000            | 0                    | 15,000            |
| ESSA         | Bogotá                | COP               | 11/01/2017              | 12.00 | IBR + 3.15%           | 7.57%              | 14,244            | 175                  | 14,419            | 7.59%             | 14,994            | 184                  | 15,179            |
| ESSA         | Bogotá                | COP               | 16/01/2017              | 12.00 | IBR + 3.15%           | 7.56%              | 9,494             | 111                  | 9,605             | 7.58%             | 9,994             | 117                  | 10,112            |
| ESSA         | Bogotá                | COP               | 15/05/2017              | 12.00 | IBR + 3.15%           | 7.56%              | 9,750             | 55                   | 9,805             | 7.58%             | 10,000            | 57                   | 10,057            |
| ESSA         | BBVA                  | COP               | 14/06/2017              | 12.00 | IBR + 3.56%           | 8.07%              | 9,750             | 18                   | 9,768             | 8.09%             | 10,000            | 18                   | 10,018            |
| ESSA         | BBVA                  | COP               | 29/06/2017              | 12.00 | IBR + 3.56%           | 7.92%              | 7,800             | 31                   | 7,831             | 7.94%             | 8,000             | 36                   | 8,036             |
| ESSA         | BBVA                  | COP               | 13/07/2017              | 12.00 | IBR + 3.56%           | 8.07%              | 10,000            | 152                  | 10,152            | 8.09%             | 10,000            | 151                  | 10,151            |
| ESSA         | BBVA                  | COP               | 28/09/2017              | 12.00 | IBR + 3.56%           | 8.06%              | 15,000            | (14)                 | 14,986            | 8.08%             | 15,000            | (14)                 | 14,986            |
| ESSA         | BBVA                  | COP               | 12/10/2017              | 12.00 | IBR + 3.56%           | 8.06%              | 5,000             | 79                   | 5,079             | 8.08%             | 5,000             | 78                   | 5,078             |
| ESSA         | BBVA                  | COP               | 30/10/2017              | 12.00 | IBR + 3.56%           | 8.06%              | 5,000             | 59                   | 5,059             | 8.08%             | 5,000             | 59                   | 5,059             |
| ESSA         | BBVA                  | COP               | 29/11/2017              | 12.00 | IBR + 3.56%           | 7.87%              | 7,000             | 35                   | 7,035             | 8.08%             | 7,000             | 36                   | 7,036             |
| ESSA         | BBVA                  | COP               | 11/12/2017              | 12.00 | IBR + 3.56%           | 8.03%              | 4,000             | 15                   | 4,015             | 8.05%             | 4,000             | 15                   | 4,015             |
| ESSA         | BBVA                  | COP               | 14/12/2017              | 12.00 | IBR + 3.56%           | 8.03%              | 14,000            | 43                   | 14,043            | 8.05%             | 14,000            | 44                   | 14,044            |
| ESSA         | BBVA                  | COP               | 26/12/2017              | 12.00 | IBR + 3.56%           | 8.11%              | 90,000            | (210)                | 89,790            | 8.13%             | 90,000            | (230)                | 89,770            |
| ESSA         | Bogotá                | COP               | 26/12/2017              | 12.00 | IBR + 3.15%           | 7.55%              | 10,000            | (24)                 | 9,976             | 7.57%             | 10,000            | (26)                 | 9,974             |
| ESSA         | BBVA                  | COP               | 29/10/2018              | 12.00 | IBR + 2.91%           | 7.36%              | 40,000            | 1,202                | 41,202            | 7.35%             | 40,000            | 492                  | 40,492            |
| ESSA         | BBVA                  | COP               | 28/11/2018              | 12.00 | IBR + 2.91%           | 7.29%              | 6,000             | 125                  | 6,125             | 7.35%             | 6,000             | 39                   | 6,039             |
| ESSA         | BBVA                  | COP               | 26/12/2018              | 12.00 | IBR + 2.91%           | 7.29%              | 54,000            | 821                  | 54,821            | 7.34%             | 54,000            | 52                   | 54,052            |
| ESSA         | Popular               | COP               | 28/12/2018              | 12.00 | IBR + 2.91%           | 7.18%              | 106,000           | 1,539                | 107,539           | 7.24%             | 106,000           | 61                   | 106,061           |
| GRUPO DECA   | Banco Agromercantil   | USD               | 27/04/2018              | 1.00  | LIBOR + 2.03%         | 0.00%              | -                 | -                    | -                 | 4.33%             | 159,237           | -                    | 159,237           |
| GRUPO DECA   | Bancolombia           | USD               | 9/07/2018               | 1.00  | LIBOR + 2.03%         | 0.00%              | -                 | -                    | -                 | 4.33%             | 129,989           | -                    | 129,989           |
| GRUPO DECA   | Banco Industrial      | GTQ               | 20/12/2018              | 10.00 | TAPP + -6.8%          | 6.09%              | 116,810           | (17)                 | 116,793           | 6.19%             | 109,627           | 181                  | 109,808           |
| GRUPO DECA   | Banco América Central | GTQ               | 21/12/2018              | 10.00 | TAPP + -6.81%         | 6.08%              | 68,475            | (26)                 | 68,449            | 6.14%             | 64,264            | 95                   | 64,359            |
| GRUPO DECA   | Banco Agromercantil   | GTQ               | 24/01/2019              | 10.00 | TAPP + -6.87%         | 6.04%              | 143,215           | 1,339                | 144,554           | 6.82%             | 42,002            | (258)                | 41,744            |
| GRUPO DECA   | Banco América Central | USD               | 21/12/2018              | 10.00 | IBOR 90 + 2.26387%    | 5.10%              | 103,860           | (12)                 | 103,849           | 5.10%             | 97,492            | 120                  | 97,611            |
| GRUPO DECA   | Banco Internacional   | USD               | 19/12/2018              | 10.00 | TAPP + -1.25%         | 5.43%              | 17,310            | 13                   | 17,323            | 5.10%             | 16,249            | 24                   | 16,273            |
| GRUPO DECA   | Banco Agromercantil   | USD               | 24/01/2019              | 10.00 | LIBOR 90 + 3.05%      | 5.66%              | 20,772            | 161                  | 20,933            | 0.00%             | -                 | -                    | -                 |
| GRUPO DECA   | Banco Industrial      | USD               | 15/12/2017              | 1.00  | TAPP + -1.5%          | 5.09%              | 69,240            | -                    | 69,240            | 0.00%             | -                 | -                    | -                 |
| GRUPO DECA   | Banco Industrial      | GTQ               | 20/12/2018              | 10.00 | TAPP + -6.8%          | 6.09%              | 149,481           | (25)                 | 149,456           | 6.05%             | 140,289           | -                    | 140,289           |
| GRUPO DECA   | Banco América Central | GTQ               | 26/12/2018              | 10.00 | TAPP + -6.81%         | 6.08%              | 68,922            | (26)                 | 68,896            | 6.00%             | 64,684            | -                    | 64,684            |
| GRUPO DECA   | Banco Agromercantil   | GTQ               | 25/01/2019              | 10.00 | TAPP + -6.87%         | 6.04%              | 143,215           | 1,352                | 144,567           | 0.00%             | -                 | -                    | -                 |
| GRUPO DECA   | Banco América Central | USD               | 26/12/2018              | 10.00 | IBOR 90 + 2.26387%    | 5.10%              | 34,620            | (4)                  | 34,616            | 5.00%             | 32,497            | -                    | 32,497            |
| GRUPO DECA   | Banco Internacional   | USD               | 19/12/2018              | 10.00 | TAPP + -1.25%         | 5.43%              | 17,310            | 13                   | 17,323            | 5.00%             | 16,249            | -                    | 16,249            |
| GRUPO DECA   | Mercom Bank LTD       | USD               | 25/01/2019              | 10.00 | LIBOR 90 + 3.05%      | 5.65%              | 20,772            | 171                  | 20,943            | 0.00%             | -                 | -                    | -                 |
| GRUPO DECA   | Bancolombia Panamá    | USD               | 25/01/2019              | 10.00 | LIBOR 90 + 3.05%      | 5.76%              | 83,088            | 723                  | 83,811            | 0.00%             | -                 | -                    | -                 |
| GRUPO DECA   | Bancolombia Panamá    | USD               | 16/07/2019              | 1.00  | LIBOR 30 + 2.07%      | 4.37%              | 34,620            | -                    | 34,620            | 0.00%             | -                 | -                    | -                 |
| GRUPO DECA   | Banco Industrial      | GTQ               | 25/04/2019              | 5.00  | TAPP + -6.25%         | 6.67%              | 349,088           | (83)                 | 349,005           | 0.00%             | -                 | -                    | -                 |
| TICSA        | Bank of America       | MXN               | 16/04/2018              | 1.00  | TIIE + 1.75%          | 0.00%              | -                 | -                    | -                 | 10.35%            | 9,950             | -                    | 9,950             |
| TICSA        | Bank of America       | USD               | 2/01/2019               | 1.00  | LIBOR + 2.25%         | 0.00%              | -                 | -                    | -                 | 10.35%            | 12,677            | -                    | 12,677            |
| TICSA        | Bank of America       | MXN               | 6/04/2018               | 1.00  | TIIE + 1.75%          | 0.00%              | -                 | -                    | -                 | 10.35%            | 28,547            | -                    | 28,547            |
| TICSA        | Santander             | MXN               | 14/06/2016              | 7.00  | TIIE + 2.15%          | 12.47%             | 33,301            | 306                  | 33,607            | 12.20%            | 36,704            | 172                  | 36,876            |
| TICSA        | Santander             | MXN               | 14/06/2016              | 10.00 | TIIE + 2.15%          | 12.57%             | 52,487            | 83                   | 52,570            | 12.41%            | 53,031            | (116)                | 52,915            |
| TICSA        | Santander             | MXN               | 14/06/2016              | 14.00 | TIIE + 2.15%          | 13.33%             | 19,375            | 165                  | 19,540            | 13.15%            | 18,861            | 58                   | 18,919            |
| TICSA        | Interacciones         | MXN               | 1/08/2007               | 15.33 | TIIE + 3%             | 7.54%              | 19,308            | 1,696                | 21,004            | 11.60%            | 22,748            | 854                  | 23,603            |
| TICSA        | Interacciones         | MXN               | 1/05/2011               | 8.00  | TIIE + 3.9%           | 12.41%             | -                 | -                    | -                 | 8.28%             | 1,646             | 6                    | 1,651             |
| TICSA        | Banco del Bajío       | MXN               | 31/07/2013              | 14.67 | TIIE + 2.75%          | 8.57%              | 66,071            | (75)                 | 65,996            | 11.35%            | 65,184            | (643)                | 64,542            |
| TICSA        | FIDE                  | MXN               | 9/12/2015               | 3.00  | + 0%                  | 8.69%              | -                 | -                    | -                 | 8.69%             | 469               | (428)                | 41                |
| TICSA        | Santander             | MXN               | 25/05/2018              | 1.00  | TIIE + 3%             | 11.51%             | 2,035             | -                    | 2,035             | 11.60%            | 4,916             | -                    | 4,916             |
| TICSA        | Bank of America       | MXN               | 23/07/2018              | 1.00  | TIIE + 1.75%          | 10.26%             | -                 | -                    | -                 | 10.35%            | 9,571             | -                    | 9,571             |
| TICSA        | Bank of America       | MXN               | 3/09/2018               | 1.00  | TIIE + 1.75%          | 10.26%             | 3,860             | 423                  | 4,283             | 10.35%            | 11,551            | -                    | 11,551            |
| TICSA        | Bank of America       | MXN               | 4/12/2018               | 1.00  | TIIE + 2.25%          | 10.76%             | 11,573            | -                    | 11,573            | 10.85%            | 11,551            | -                    | 11,551            |
| TICSA        | Bank of America       | USD               | 28/09/2018              | 1.00  | LIBOR + 2.25%         | 10.35%             | -                 | -                    | -                 | 10.35%            | 10,341            | -                    | 10,341            |
| <b>Total</b> |                       |                   |                         |       |                       |                    | <b>21,754,046</b> | <b>311,412</b>       | <b>22,065,458</b> | <b>-</b>          | <b>20,628,839</b> | <b>205,961</b>       | <b>20,834,800</b> |

-Cifra en millones de pesos colombianos-

Interest paid for credit operations as of September 30, 2019 was \$1,004,657 (as of September 30, 2018: \$808,680).

The assumed net exchange difference as of September 30, 2019 associated with debt was for \$454,076 (as of September 30, 2018: \$43,945).

The information of Bonds Issued is as follows:

| Subseries          | Original Currency | Initial Date DD/MM/YYYY | Term | Nominal Interest Rate | September 30, 2019 |                   |                      |                   | December 31, 2018 |                  |                      |                  | Amount Awarded   |                  |                  |                  |                  |                  |                  |           |
|--------------------|-------------------|-------------------------|------|-----------------------|--------------------|-------------------|----------------------|-------------------|-------------------|------------------|----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------|
|                    |                   |                         |      |                       | IRR                | Nominal Value     | Amortized Cost Value | Total Amount      | IRR               | Nominal Value    | Amortized Cost Value | Total Amount     | Amount 2018      | Amount 2017      | Amount 2016      | Amount 2015      | Amount 2014      | Amount 2013      | Amount 2012      |           |
| A10a               | COP               | 22/01/2009              | 10   | IPC + 5.8%            | 0.00%              | 0                 | 0                    | 0                 | 9.16%             | 138,600          | 2,366                | 140,966          | 138,600          | 138,600          | 138,600          | 138,600          | 138,600          | 138,600          | 138,600          | 138,600   |
| A10a               | COP               | 4/12/2013               | 10   | IPC + 4.52%           | 8.70%              | 96,210            | -265                 | 95,945            | 8.17%             | 96,210           | (311)                | 95,899           | 96,210           | 96,210           | 96,210           | 96,210           | 96,210           | 96,210           | 96,210           | -         |
| A10a               | COP               | 20/03/2015              | 10   | IPC + 3.65%           | 8.54%              | 130,000           | 325                  | 130,325           | 8.01%             | 130,000          | 362                  | 130,362          | 130,000          | 130,000          | 130,000          | 130,000          | 130,000          | 130,000          | 130,000          | -         |
| A12a               | COP               | 14/12/2010              | 12   | IPC + 4.2%            | 8.07%              | 119,900           | 489                  | 120,389           | 7.58%             | 119,900          | 515                  | 120,415          | 119,900          | 119,900          | 119,900          | 119,900          | 119,900          | 119,900          | 119,900          | 119,900   |
| A12a               | COP               | 29/07/2014              | 12   | IPC + 4.17%           | 8.28%              | 125,000           | 357                  | 125,357           | 7.78%             | 125,000          | 166                  | 125,166          | 125,000          | 125,000          | 125,000          | 125,000          | 125,000          | 125,000          | -                | -         |
| A12a               | COP               | 20/03/2015              | 12   | IPC + 3.92%           | 7.84%              | 120,000           | 105                  | 120,105           | 7.34%             | 120,000          | 146                  | 120,146          | 120,000          | 120,000          | 120,000          | 120,000          | 120,000          | -                | -                | -         |
| A15a               | COP               | 21/04/2009              | 15   | IPC + 6.24%           | 10.12%             | 198,400           | 4,318                | 202,718           | 9.63%             | 198,400          | 4,260                | 202,660          | 198,400          | 198,400          | 198,400          | 198,400          | 198,400          | 198,400          | 198,400          | 198,400   |
| A20a               | COP               | 14/12/2010              | 20   | IPC + 4.94%           | 8.89%              | 267,400           | 551                  | 267,951           | 8.40%             | 267,400          | 548                  | 267,948          | 267,400          | 267,400          | 267,400          | 267,400          | 267,400          | 267,400          | 267,400          | 267,400   |
| A20a               | COP               | 4/12/2013               | 20   | IPC + 5.03%           | 9.14%              | 229,190           | -1,629               | 227,561           | 8.62%             | 229,190          | (1,541)              | 227,649          | 229,190          | 229,190          | 229,190          | 229,190          | 229,190          | 229,190          | 229,190          | -         |
| A20a               | COP               | 29/07/2014              | 20   | IPC + 4.5%            | 8.58%              | 250,000           | 160                  | 250,160           | 8.08%             | 250,000          | (100)                | 249,900          | 250,000          | 250,000          | 250,000          | 250,000          | 250,000          | 250,000          | -                | -         |
| A20a               | COP               | 20/03/2015              | 20   | IPC + 4.43%           | 8.34%              | 260,000           | 833                  | 260,833           | 7.83%             | 260,000          | 949                  | 260,949          | 260,000          | 260,000          | 260,000          | 260,000          | 260,000          | -                | -                | -         |
| A5a                | COP               | 20/03/2015              | 5    | IPC + 2.72%           | 6.70%              | 120,000           | 165                  | 120,165           | 6.13%             | 120,000          | 167                  | 120,167          | 120,000          | 120,000          | 120,000          | 120,000          | -                | -                | -                | -         |
| A6a                | COP               | 29/07/2014              | 6    | IPC + 3.57%           | 7.79%              | 125,000           | 1,144                | 126,144           | 7.36%             | 125,000          | 740                  | 125,740          | 125,000          | 125,000          | 125,000          | 125,000          | 125,000          | 125,000          | -                | -         |
| C10a               | COP               | 22/01/2009              | 10   | 10.8%                 | 0.00%              | 0                 | 0                    | 0                 | 10.79%            | 74,700           | 7,558                | 82,258           | 74,700           | 74,700           | 74,700           | 74,700           | 74,700           | 74,700           | 74,700           | 74,700    |
| International bond | USD               | 29/07/2009              | 10   | 7.625%                | 0.00%              | 0                 | 0                    | 0                 | 8.25%             | 1,624,875        | 49,306               | 1,674,181        | 1,624,875        | 1,492,000        | 1,500,355        | 1,574,735        | 1,196,230        | 963,415          | 884,115          |           |
| International bond | COP               | 31/01/2011              | 10   | 8.375%                | 14.03%             | 130,822           | -1,352               | 129,470           | 8.70%             | 1,250,000        | 88,210               | 1,338,210        | 1,250,000        | 1,250,000        | 1,250,000        | 1,250,000        | 1,250,000        | 1,250,000        | 1,250,000        | 1,250,000 |
| International bond | COP               | 3/09/2014               | 10   | 7.625%                | 7.74%              | 965,745           | -389                 | 965,356           | 7.74%             | 965,745          | 17,243               | 982,988          | 965,745          | 965,745          | 965,745          | 965,745          | 965,745          | 965,745          | -                | -         |
| International bond | COP               | 31/10/2017              | 10   | 8.375%                | 8.09%              | 3,530,000         | 250,842              | 3,780,842         | 8.46%             | 2,300,000        | 15,626               | 2,315,626        | 2,300,000        | 2,300,000        | -                | -                | -                | -                | -                | -         |
| International bond | USD               | 11/07/2019              | 10   | 4.25%                 | 4.38%              | 3,462,010         | 7,605                | 3,469,615         | 0.00%             | -                | -                    | -                | -                | -                | -                | -                | -                | -                | -                | -         |
| <b>TOTAL</b>       |                   |                         |      |                       |                    | <b>10,129,677</b> | <b>263,261</b>       | <b>10,392,938</b> |                   | <b>8,395,020</b> | <b>186,210</b>       | <b>8,581,230</b> | <b>8,395,020</b> | <b>8,262,145</b> | <b>5,970,500</b> | <b>6,044,880</b> | <b>5,036,375</b> | <b>3,337,815</b> | <b>2,933,115</b> |           |

Amounts expressed in millions of Colombian pesos, the exchange rate used was the closing TRM of each period

The detail of the International Bonds issued by the Group's subsidiaries is as follows:

ENSA:

| Subseries        | Original Currency | Initial Date DD/MM/YYYY | Term | Nominal Interest Rate | September 30, 2019 |                |                      |                | December 31, 2018 |                |                      |                | Amount Awarded |             |             |             |             |             |                |
|------------------|-------------------|-------------------------|------|-----------------------|--------------------|----------------|----------------------|----------------|-------------------|----------------|----------------------|----------------|----------------|-------------|-------------|-------------|-------------|-------------|----------------|
|                  |                   |                         |      |                       | IRR                | Nominal Value  | Amortized Cost Value | Total Amount   | IRR               | Nominal Value  | Amortized Cost Value | Total Amount   | Amount 2018    | Amount 2017 | Amount 2016 | Amount 2015 | Amount 2014 | Amount 2013 | Amount 2012    |
| Preferred bonds  | USD               | 10/07/2006              | 15   | 7.6%                  | 8.16%              | 346,201        | 3,287                | 349,488        | 8.16%             | 324,975        | 8,465                | 333,440        | -              | -           | -           | -           | -           | -           | -              |
| Corporated bonds | USD               | 13/12/2012              | 15   | 4.73%                 | 3.46%              | 276,961        | 803                  | 277,764        | 3.46%             | 259,980        | 2,520                | 257,460        | -              | -           | -           | -           | -           | -           | 141,458        |
| <b>TOTAL</b>     |                   |                         |      |                       |                    | <b>623,162</b> | <b>4,090</b>         | <b>627,252</b> |                   | <b>584,955</b> | <b>5,945</b>         | <b>590,900</b> | -              | -           | -           | -           | -           | -           | <b>141,458</b> |

Amounts expressed in millions of Colombian pesos, the exchange rate used was the closing TRM of each period

DELSUR:

| Subseries   | Original Currency | Initial Date DD/MM/YYYY | Term | Nominal Interest Rate | September 30, 2019 |               |                      |               | December 31, 2018 |               |                      |               | Amount Awarded |             |             |             |             |             |             |
|---|-------------------|-------------------------|------|-----------------------|--------------------|---------------|----------------------|---------------|-------------------|---------------|----------------------|---------------|----------------|-------------|-------------|-------------|-------------|-------------|-------------|
|   |                   |                         |      |                       | IRR                | Nominal Value | Amortized Cost Value | Total Amount  | IRR               | Nominal Value | Amortized Cost Value | Total Amount  | Amount 2018    | Amount 2017 | Amount 2016 | Amount 2015 | Amount 2014 | Amount 2013 | Amount 2012 |
| Investment certificates - CIDELSUR1 (ScotiaInversiones, BVES) | USD               | 16/08/2010              | 10   | LIBOR 6M + 3%         | 1.52%              | 72,702        | 430                  | 73,132        | 1.52%             | 68,245        | 425                  | 68,669        | -              | -           | -           | -           | -           | -           | -           |
| <b>TOTAL</b>  |                   |                         |      |                       |                    | <b>72,702</b> | <b>430</b>           | <b>73,132</b> |                   | <b>68,245</b> | <b>425</b>           | <b>68,669</b> | -              | -           | -           | -           | -           | -           | -           |

Amounts expressed in millions of Colombian pesos, the exchange rate used was the closing TRM of each period

In 2019 in the EPM Group, the following new features were presented by credit:

#### New loans

##### January

- EPM Parent Company: Colpatria for COP \$165,000 and BBVA for COP \$300,000
- Aguas Regionales EPM S.A. E.S.P.: Davivienda for COP \$4,800
- Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS): Davivienda for COP \$34,000
- Deca Group: Banco Industrial S.A. for USD \$5 million

##### February

- EPM Parent Company: Bancolombia for COP \$1,000,000 and HSBC for USD \$500 million.
- Centrales Eléctricas del Norte de Santander S.A. E.S.P. (CENS): Bogota Bank for COP \$7,000
- Empresa de Energía del Quindío S.A. E.S.P. (EDEQ): Banco AV Villas for COP \$5,519
- Deca Group: Banco Industrial S.A. for USD \$4 million

##### March

- Aguas Regionales EPM S.A. E.S.P.: Davivienda for COP \$1,300
- Empresa de distribución de energía del noreste de Panamá S.A.: Davivienda for USD \$10 million
- Deca Group: Banco Industrial S.A. for USD \$6 million

##### April

- Central Hidroeléctrica de Caldas (CHEC): Banco Popular for COP \$70,000
- Tecnología Intercontinental S.A (TICSA): Banco de América for MXN \$233.3 million
- Grupo Deca: Banco Industrial S.A for GTQ 780 millones and for USD \$5 million

##### May

- Empresa de Energía del Quindío S.A. E.S.P. (EDEQ): Banco AV Villas por COP \$5,000 and Bancolombia for COP \$11,000.
- Empresa de Distribución de Energía del Noreste de Panamá S.A. (Ensa): The Bank of Nova Scotia (Panamá) for USD \$7 million
- Grupo Deca: Banco Agromercantil for GTQ \$192.5 million

##### June

- Central de Energía Norte de Santander (CENS): Davivienda for COP \$30,000
- Empresa de Energía del Quindío S.A. E.S.P. (EDEQ): Banco Popular for COP \$6,000
- Tecnología Intercontinental S.A (TICSA): Banco de América for MXN \$233.3 million
- Empresa de distribución de energía del noreste de Panamá S.A. (Ensa): Davivienda for USD \$17 million and The Bank of Nova Scotia (Panamá) for USD \$13 million
- Grupo Deca: Banco de Desarrollo Rural for USD \$18 million

#### July

- EPM Parent Company: BNDES for USD \$1.9 million
- Empresa de Distribución de Energía del Noreste de Panamá S.A. (Ensa): The Bank of Nova Scotia (Panamá) for USD \$25 million
- DelSur: Banco de América Central for USD \$5 million
- Grupo Deca: Bancolombia Panamá for USD \$10 million

#### August

- Central de Energía Norte de Santander (CENS): Banco de occidente for COP \$10,000
- Empresa de Distribución de Energía del Noreste de Panamá S.A. (Ensa): The Bank of Nova Scotia (Panamá) for USD \$4 million and Bladex for USD \$4 million

#### September

- EPM Parent Company: BNDES for USD \$5.6 million
- Empresa de Distribución de Energía del Noreste de Panamá S.A. (Ensa): Bladex for USD \$3 million

#### Voluntary Prepaid

##### July

- EPM Parent Company: Bancolombia partial voluntary prepaid for COP \$300,000

##### August

- EPM Parent Company: Bancolombia partial voluntary prepaid for COP \$250,000

#### Debt Exchange / roll-over

##### January

Deca Group: Agromercantil Bank for GTQ 447.5 million, International Bank for USD \$6 million, Mercom Bank LTD for USD \$6 million and Bancolombia Panama for USD \$24 million

##### July

EPM conducted a management operation consisting of:

- Advance Repurchase COP 1.1 billion for the international issuance of bonds with a maturity in January 2021 with balance of COP 1.25 billion under a “tender offer” scheme. This repurchase was 89.5% of the balance of that financial obligation.
- Issuance of two bond segments in the international capital market, with an amount equivalent to \$1,382 million: \$1,000 million within 10 years and reopened global bonus, with 2027 COP \$1.23 billion.
- Voluntary prepaid for \$1,035 million, Club Deal International credits for US \$235 million, HSBC for \$500 million and EDC for \$300 million.



### Debt/EBITDA Covenant

On December 29, 2017, EPM entered into a credit agreement for U.S.\$1,000 million (the "IDB Invest Loan") with the Inter-American Investment Corporation ("IDB Invest"), the private sector division of the Inter-American Development Bank. The IDB Invest Loan has an A/B structure in which the IDB group funds tranche A and a group of international commercial banks and institutional investors from North America, Europe and Asia (CDPQ, KFW IPEX, BNP Paribas, ICBC, Sumitomo Mitsui, BBVA and Banco Santander) funds tranche B. Additionally, the IDB Invest Loan includes resources from the China Fund - China co-financing fund managed by IDB Invest. Tranche A and the portion financed by the China Fund have a total term of 12 years, and tranche B has terms of 8 and 12 years. The proceeds will be disbursed gradually over a 4-year disbursement period. Interest on the IDB Invest Loan accrued at a rate of LIBOR plus 2.125% and 2.75% payable semi-annually in arrears. EPM may voluntarily prepay the IDB Invest Loan at any time. All payment obligations under the IDB Invest Loan rank in all respects at least pari passu in priority of payment with all other present and future unsecured and unsubordinated External Indebtedness of the borrower. The IDB Invest Loan provides for certain financial covenants, which are: the net debt to Adjusted EBITDA ratio must be greater than 4.0 and the interest coverage ratio to be less than 3.0. As of June 30, 2019, the total outstanding balance under this loan was Ps.1,398,234 million. On December 12, 2018, IDB Invest granted EPM a waiver for its non-compliance with certain environmental covenants under the loan agreement caused by of the Ituango Contingency. Currently EPM and IDB Invest are negotiating an amendment to this loan agreement to revise the environmental covenants.

EPM has entered into several loan agreements with the IDB, certain of which are guaranteed by Colombia (the "IDB Loans"). Generally, these loans have been entered into in connection with certain of EPM's infrastructure projects, including the expansion of water and sewage infrastructure in Medellín, the Medellín river clean-up program and the Porce III hydroelectric project. In relation to the Medellín river clean-up program, on March 25, 2009, EPM and the IDB entered into a 25-year credit facility for up to U.S.\$450 million.

These loans provide for an interest rate of (i) LIBOR plus a fixed rate and/or (ii) the IDB lending spread, semi-annual interest payments, cross-defaults in respect of other indebtedness with the IDB and voluntary prepayments. Also, under certain loan agreements, EPM is (i) prohibited from incurring new indebtedness with maturities longer than one year, as a result of which EPM's total financial indebtedness/consolidated Adjusted EBITDA ratio exceeds 3.5, and (ii) required to maintain a long-term indebtedness/net worth ratio not to exceed 1.5. Other restrictive covenants include limitations on liens, limitations on the sale of assets and limitations on investments.

The IDB Loans allow EPM to convert the currency of the outstanding balance, with the authorization of Colombia, the loan's guarantor. On May 27, 2014, EPM converted a tranche of IDB Loan 2120 for an aggregate principal amount of U.S.\$98.6 million to Ps.190,295 million, with a fixed interest rate of 6.2716%. On March 31, 2016, EPM converted IDB Loan 1664 for an aggregate principal amount of U.S.\$153.8 million to Ps.474,615 million, with a fixed interest rate of 7.80%. On August 23, 2016, EPM converted a tranche of IDB Loan 2120 for an aggregate principal amount of U.S.\$154.3 million to Ps.450,692 million, with a fixed interest rate of 7.50%. On December 8, 2017, EPM converted a tranche of IDB Loan 2120 for an aggregate principal amount of U.S.\$68.3 million to Ps.205,681 million, with a fixed interest rate of 6.265%.

Under IDB Loan 1664, EPM is required to maintain a total financial indebtedness/consolidated Adjusted EBITDA ratio of 3.5 which is measured and reviewed annually. On December IDB confirmed that would grant the waiver, in the official communication on January 17, 2019, the IDB granted EPM a waiver for its non-compliance with such ratio for the period ending December 31, 2018 and 2019.

On September 29, 2008, EPM entered into a syndicated loan agreement with The Bank of Tokyo-Mitsubishi UFJ, LTD acting as joint lead arranger and facility and collection agent, and Banco Bilbao Vizcaya Argentaria, S.A., Tokyo Branch, acting as joint lead arranger (the "Japan Bank Loan"). The Japan Bank Loan is guaranteed by the Japan Bank for International Cooperation. The Japan Bank Loan bears interest



at LIBOR plus 0.95% per annum. EPM may voluntarily prepay the Japan Bank Loan at any time, without premium or penalty (except for mandatory prepayment break funding costs in case prepayments are made on a date other than on an interest payment date). Amounts prepaid or repaid under the Japan Bank Loan cannot be re-borrowed. All payment obligations under the Japan Bank Loan rank pari passu with all of EPM's unsecured and unsubordinated External Indebtedness. The Japan Bank Loan contains both affirmative and negative covenants and provides for certain cross default events, including defaults under agreements guaranteed by the Japan Bank for International Cooperation or defaults under any of EPM's External Indebtedness. On May 29, 2013, EPM and the Japan Bank for International Cooperation entered into an Indemnity Agreement, which provides for certain financial covenants, including covenants pursuant to which EPM may not allow its long-term financial debt to shareholders' equity ratio to exceed 1.5:1.0 or its total financial debt to consolidated Adjusted EBITDA ratio to exceed 3.5:1.0, measured quarterly.

On May 24, 2019, the Japan Bank for International Cooperation granted EPM a waiver for its non-compliance with the total financial debt to consolidated Adjusted EBITDA ratio for the period ended December 31, 2018.

On June 28, 2019, the Japan Bank for International Cooperation granted EPM a waiver for its non-compliance with the total financial long-term debt to consolidated EBITDA ratio because during the period ended March 31, 2019, EPM's total financial long-term debt to consolidated EBITDA ratio stood at 4.0:1.0. This waiver also covers the quarters ended June 30, 2019, September 30, 2019 and December 31, 2019 so long as EPM's total financial long-term debt to consolidated EBITDA ratio during these periods does not exceed 4.0:1.0.

On August 10, 2012, EPM entered into a credit facility with Agence Française de Développement ("AFD"), this loan matures in July 2027 and, after January 31, 2016, EPM may voluntarily prepay the AFD loan at any time, without premium or penalty (except for mandatory prepayment break funding costs in case prepayments are made on a date other than on an interest payment date). All payment obligations under the AFD loan rank at least pari passu with all EPM's unsecured and unsubordinated External Indebtedness obligations.

The AFD loan provides for certain financial covenants, including covenants pursuant to which EPM shall maintain an interest coverage ratio of no less than 3.0 and a total financial indebtedness to consolidated Adjusted EBITDA ratio of no more than 3.5, which are reviewed semi-annually. Other restrictive covenants include limitations on liens and limitations on the sale of assets. On December 14, 2018, the AFD granted EPM with a waiver for its non-compliance with the total financial indebtedness to consolidated Adjusted EBITDA ratio as of December 31, 2018 and as of June 30, 2019.

Regarding the long-term financial debt ratio to EBITDA, as of September 30, 2019 the result of the indicator is 3.80 times.

Contractually, one of the management schemes to avoid noncompliance on these types of commitments is the issuance of waivers by creditors.

It is worth mentioning that the fact that EPM exceeds the agreed covenant Debt/EBITDA does not generate a direct activation of the declaration of noncompliance by the banks, nor of advance payment, as it is an action that is contractually subject to the decision of the bank(s) to exercise that declaration, and additionally to the fact of having remedial terms agreed in the contracts to address a possible noncompliance.

EPM must report compliance with the Long Term Financial Debt/EBITDA indicator as follows: to the Japan Bank for International Cooperation - JBIC - quarterly, to the French Development Agency - FDA - semiannually and to the Inter-American Development Bank - ADB annually. Currently, there are waivers granted by the aforementioned banks for the 2019 term.

JBIC established a new monitoring indicator as of June, Net Financial Debt / Ebitda including treasury and transitory loans.

In relation to HSBC credit, it has been agreed on the Net Financial Debt/EBITDA metric, but is inactive, since EPM has two investment grade credit risk ratings.

### Default events

During the reporting period, the EPM Group has not defaulted on any principal or interest payment of its loans.

## Note 14. Provisions, Contingent Liabilities and Contingent Assets

### 14.1. Provisions

The reconciliation of provisions is as follows:

| Concept   | Dismantling and restoration | Onerous contracts | Lawsuits       | Contingent Consideration on Business Combination | Warranties     | Other provisions | Total            |
|---|-----------------------------|-------------------|----------------|--|----------------|------------------|------------------|
| Initial balance   | 85,134                      | 61,051            | 326,141        | 153,669  | 239,115        | 387,258          | 1,252,368        |
| Additions   | 6,586                       | -                 | 21,339         | -  | -              | (7,185)          | 20,740           |
| Adjustment for changes in estimates                       | 33,440                      | -                 | 3,161          | -  | 14,316         | 11,353           | 62,270           |
| Capitalizable dismantling                                 | (2,097)                     | -                 | -              | -  | -              | -                | (2,097)          |
| Exchange difference                                       | -                           | -                 | 1,516          | 6,953  | -              | -                | 8,469            |
| Other changes   | 1,702                       | 1,251             | 8,468          | 2,419  | -              | (18,298)         | (4,458)          |
| Principal Payments  | (4,429)                     | (19,647)          | (9,291)        | (2,178)  | -              | (13,096)         | (48,641)         |
| Liabilities directly associated with assets held for sale | (6,199)                     | -                 | -              | -  | -              | -                | (6,199)          |
| Reversals   | (1,368)                     | (2,545)           | (28,817)       | (17,229)   | -              | (2,169)          | (52,128)         |
| Foreign Currency Exchange Effects                         | 564                         | -                 | 295            | -  | -              | 15,089           | 15,948           |
| <b>Final balance</b>                                      | <b>113,333</b>              | <b>40,110</b>     | <b>322,812</b> | <b>143,634</b>                                   | <b>253,431</b> | <b>372,952</b>   | <b>1,246,272</b> |
| Non-Current   | 95,853                      | 10,163            | 101,126        | 142,429  | 107,144        | 93,620           | 550,335          |
| Current   | 17,480                      | 29,947            | 221,686        | 1,205  | 146,287        | 279,332          | 695,937          |
| <b>Total</b>  | <b>113,333</b>              | <b>40,110</b>     | <b>322,812</b> | <b>143,634</b>                                   | <b>253,431</b> | <b>372,952</b>   | <b>1,246,272</b> |

- Figures in millions of Colombian pesos -

During the three month period ended September 2019 and 2018, the amount recorded on Interim Condensed Consolidated Statement of Comprehensive Income related to provisions amounted to \$101,167 and \$233,930, respectively.

#### 14.1.1 Dismantling or Restoration

The Group is obliged to incur costs of Dismantling or Restoring its facilities and assets, in the following:

- Recall of transformers containing PCBs (Polychlorinated Biphenyls). The Group has committed to the dismantling of these assets from 2008 to 2026, covered by Resolution 222 of December 15, 2011 of the Ministry of Environment and Sustainable Development and the Stockholm Convention of May 22, 2008. Applies in Colombia, Panama and El Salvador. The provision is recognized by the present value of the expected costs to settle the obligation using estimated cash flows. The main assumptions considered in the calculation of the provision are: estimated costs, CPI and fixed rate TES. To date, it has been shown that the provision will be affected given that it is planned to complete the dismantling in a shorter time than estimated, while the estimated costs decrease since the dismantling peak is already finished.

- Solid waste disposal in Colombia is made in landfills. It is land in which cells or vessels are built for the deposit of garbage, and it is necessary to restore it through a series of activities aimed at closing, decommissioning and post-closing. The obligation begins from the moment in which the sanitary landfill is in optimal conditions for the realization of the activity of final disposal and goes until the regulating environmental entity, by resolution, decrees the completion of the closing, decommissioning and post-closure.
- Decommissioning of a coal mine located in the Municipality of Amagá, Department of Antioquia, Colombia, with Resolution 130 AS-1106242 of October 21, 2011 issued by the competent environmental authority (CORANTIOQUIA), approving the environmental component of the plan to close the coal mines of the mining title and to this end, contracts for the construction of various civil works, urban planning and monitoring in the coal mines of the mining title, code RPP 434 of the Amagá area. The main assumptions considered in the calculation of the provision are: estimated costs, CPI and fixed rate TES. Currently the company is in the final stages of the actions contemplated in the aforementioned resolution and awaiting a pronouncement by CORANTIOQUIA on the matter, which could involve more monitoring. However, it is clear that independent of this pronouncement, EPM must carry out the necessary actions for the delivery of the title, which include legal, technical processes and the structuring of decisional schemes. To date, it has been shown that the provision will be affected, due to the fact that, depending on the qualification of the existing risk, it is necessary to continue monitoring the gases from the Amagá area mines.
- The closure and abandonment plan for the Los Cururos Wind Farm in Chile includes the dismantling of facilities such as wind turbines, substation and civil works, among others. Two years before the closing, a closure and abandonment plan will be delivered to the competent authority, in accordance with current legal requirements. The main assumptions considered in the calculation of the provision are: estimated costs, CPI and fixed rate TES.
- In EPM, environmental provision in the construction of infrastructure projects: it arises as a legal obligation derived from environmental licenses granting to compensate for loss of biodiversity during the construction phase, as well as compensation for the taking of preserve areas, affectation to endangered species and forest use; obligations that are formalized, through the resolutions of the National Authority of Environmental Licenses (ANLA, Autoridad Nacional de Licencias Ambientales), Regional Autonomous Corporation (CAR, Corporación Autónoma Regional) and/or the Ministry of Environment and Sustainable Development (MADS). The executions of the biotic environmental compensations of the project extend beyond the time in which the asset begins to operate technically, being necessary to implement the figure of the provision with the intention that these expenditures remain as a greater value of the construction in progress. The Group is committed to offset the loss of biodiversity, taking and affectation from 2016 to 2019 according to resolutions: Res. 1313/2013 ANLA, Res. 519/2014 ANLA, Res LA. 0882/04/08/2014 ANLA, Res. 1166/2013 MADS, Res. 1852/2013 CAR, Res. 2135/2014 CAR, Resolution 1189/22/07/2104 MADS, Res. 1120907 / 17-03-2015 CORNARE, Res. 141011206 / 16-10-2014 CORANTIOQUIA, Res LA. EIA1-9872 04/21/2014 CVS, among others. The provision is recognized by the present value of the expected costs to settle the obligation using estimated cash flows. The main assumptions considered in the calculation of the provision are: estimated costs, CPI and fixed rate TES.

As of September 30, 2019, EPM continued to recognize the provision arising from the contingency of the Ituango project for \$64,429 for environmental contingency, established by the specific action plan for the recovery of the parties affected by the events of the occluding of the Cauca river diversion tunnel that presented the project. on April 28, 2018; by the closing of floodgates in 2019 that decreased the flow of the river downstream of the project; and for the events that may arise due to the technical milestones still to be reached, specific to the contingency, as well as the execution of the project itself.

The specific action plan for recovery must consider three framework programs:

- a. Recovery of affected marshes
- b. Recovery of the affected fish fauna

c. Restoration of aquatic habitats located in the affected area

These three programs correspond to the environmental component as an answer to the identification of the caused effects, as well as discretionary actions. It also includes social programs, economic activities, infrastructure, risk management, among others.

The different actions are planned to be developed between the municipalities of Valdivia to Nechí, however, if they are identified in the municipalities that are part of La Mojana, they will also be subject to intervention.

#### 14.1.2 Onerous Contracts

As of September 30, 2019, the Group has recognized \$40,110 (2018: \$61,051) for the contract of fuel supply and transportation signed between EPM and TGI-Transportadora de Gas Internacional S.A. E.S.P., with the objective of supporting the Termo Sierra plant and obtaining the income from the reliability charge established by the Energy and Gas Regulatory Commission.

The main assumptions considered for calculating the provision are: costs associated to the contract with the stated conditions, utilization factor or suspension of payments for contract maintenance, LIBOR rate, fixed rate in Colombian pesos TES, Market Representative Rate (TRM) for the quarter and macroeconomic environment.

The main hypothesis - assumptions used for future events are: from 2019 to 2020 the following assumptions are maintained: Suspension of the contract for 30 days every year and utilization of the contract only for 15 days each year for generation for the Termo Sierra plant and the rest of the time would be paid without using the contract (only fixed costs).

#### 13.1.3 Lawsuits

This provision covers the estimated probable losses related to labour, administrative, civil and tax lawsuits (by Administrative or Governmental Channels) that arise in the operations of the Group companies. The main assumptions considered for calculating the provision are: Average CPI to actual data in previous years and projected data in future years, discount rate calculated with reference to market yields of bonds issued by the National Government, fixed rate TES in Colombian pesos to discount, estimated value to be paid, and the estimated payment date for those lawsuits rated as probable. As of today, no future events have been foreseen that may affect the calculation of the provision.

For the Group companies operating in Colombia, in order to minimize the uncertainty that may arise regarding estimated dates of payment and values to be paid in a lawsuit rated as probable, the company uses business rules based on statistical to obtain the average length of processes per action as well as case law to estimate the maximum amounts the law defines for the value of the extra-economic or intangible claims when they exceed their amount, as described below:

##### Average length of processes per action

##### Administrative and tax processes

| Type of legal action or procedure                | Average length<br>(in years) |
|--|------------------------------|
| Abbreviated                                      | 4                            |
| Petition for compliance                          | 4                            |
| Group action                                     | 6                            |
| Representative actions                           | 4                            |
| Conciliation (pre-trial)                         | 2                            |
| Partie civile proceedings                        | 4                            |
| Contractual (Breach of contract)                 | 13                           |
| Survey and demarcation                           | 5                            |
| Executive  | 5                            |
| Singular executive                               | 3                            |
| Expropriation                                    | 4                            |
| Comprehensive reparation incident (criminal)     | 2                            |
| Imposition of easements                          | 4                            |
| Nullification of administrative acts             | 5                            |
| Nullification and reinstatement of rights        | 10                           |
| Nullification and reinstatement of labour rights | 11                           |
| Ordinary litigation                              | 7                            |
| Ordinary of membership                           | 5                            |
| Accusatorial criminal (Law 906 of 2004)          | 4                            |
| Division's lawsuit                               | 4                            |
| Protection of consumer rights                    | 6                            |
| Police Grievance                                 | 3                            |
| Right to reclaim                                 | 7                            |
| Direct compensation                              | 12                           |
| Oral   | 5                            |

### Labour processes

| Type of legal action or procedure         | Average length<br>(in years) |
|---|------------------------------|
| Labor Solidarity                          | 3.5                          |
| Pension                                   | 3.5                          |
| Extra hours                               | 3.5                          |
| Job reinstatement                         | 4                            |
| Salary scale equalization                 | 3.5                          |
| Unfair dismissal compensation             | 3.5                          |
| Reassessment of social benefits           | 3.5                          |
| Compensation work accident                | 4                            |
| Refund of the health/pension contribution | 4                            |

### Application of case law

**Typology:** the values of claims for compensation of extra-patrimonial damages will be recorded according to the following typology:

- Non-material damage.
- Damage to health (physiological or biological damage), derived from a physical or psychophysical injury.
- Damage to relationship life.
- Damage to constitutional and conventional property.

The values of other extra-patrimonial damage claims not recognized by case law will not be recorded, unless by the claim can be inferred that, despite being otherwise denominated, it corresponds to one of the accepted typologies. Neither will claims for extra-patrimonial compensation for damages to property be recorded.

**Quantification:** The amounts of extra-patrimonial damage claims will be recorded uniformly as follows, regardless of its typology:

|                              |   |
|------------------------------|---|
| Direct victim compensation   | 100 Monthly Minimum Legal Wage Enforced (MMLWE) |
| Indirect victim compensation | 50 Monthly Minimum Legal Wage Enforced (MMLWE)  |

- **For Subsidiaries in Chile:** with regard to the probable payment date of trials, the type of process and previous cases are considered, in this sense, the labor process being oral and having only two hearings, has a maximum duration of six months, except in specific cases where notifying the demand is troublesome. In civil trials, given that they are lengthy procedures and available instances can last at least two years, thus the estimated time in the trials currently processed by the subsidiary Aguas de Antofagasta S.A., considering its progress, They should last until 2019.

**Amounts:** to determine the amount of the judgments, first the amount of the claim by the plaintiff is considered, for applying case law in that regard is unfeasible, the amounts will vary depending on the Court and the cause to ask.

Additionally, in civil trials, the amounts of the indemnities will depend on the court that dictates it, given that Chile possesses no case-law-system. What a civil judge cannot do and less the appellate and supreme court, is to confer figures greater than plaintiffs' demands.

- **For Subsidiaries in Panama:** regarding the estimated date of payment, each case is evaluated in a particular way with external legal advisors, for which the average duration of similar processes is taken into consideration.

**Amounts:** estimated amounts to pay for a lawsuit is determined based on the amount of the plaintiff claim and an analysis of the specific condition that motivates the claim in order to determine the recognition of a possible loss. For this we use the appreciation of external legal advisors of each company and in certain cases with the support of insurance advisors in case of requiring an actuarial valuation.

- **For Subsidiaries in El Salvador:** the estimated date of payment for administrative or judicial proceedings is assessed based on the average length for the resolution of similar processes, obtained from statistical data over the 20 years of operation of the subsidiaries.

**Amounts:** estimate amounts of lawsuits are determined based on the amount of the initial claim filed against the company.

Detail for each type of process is as follows:



| Business                         | Third Party  | Claim  | Value   |
|----------------------------------|--|--|---------|
| EPM                              | Oscar Elias Arboleda Lopera  | It includes 173 plaintiffs who worked for EADE; and they state that in the dissolution and liquidation of said company there was an employer substitution with EPM, which obliges them to cover all worker compensation debts.   | 163,934 |
|                                  | Dragados Porce II Consortium   | Pay plaintiffs among others, the sums of money resulting from the return of the entire compensation deducted illegally by EPM in the hiring process No. CD002376.  | 27,862  |
|                                  | Miscellaneous labor  | Other lawsuits less than \$1,018.  | 13,138  |
|                                  | Miscellaneous Administrative   | Other lawsuits less than \$1,030.  | 8,608   |
|                                  | John Walter Jaramillo  | That the layoff be declared nullified, along with the respective salaries and increases and social benefits during the whole time they remain disassociated from the company; in the same way contributions to social security will be the responsibility of the defendant until they are effectively reintegrated.  | 7,373   |
|                                  | Humberto Hernando Gómez Franco   | To declare EPM administratively and financially responsible for the injuries suffered by Mr. Humberto Henando Gómez Franco, when he was electrocuted by high-voltage cables owned by EPM, on 10/23/2013, on the farm La Playa owned of Mr. Antonio Lopera, located in the Virgen sector, of the Vereda Hoyorrico jurisdiction of the Municipality of Santa Rosa de Osos.               | 1,643   |
|                                  | Municipality of Yumbo (Valle)  | Industry and trade and complementary signs and platforms and public lighting.  | 4,675   |
|                                  | Dragados Porce II Consortium   | That EPM be ordered to recognize and pay the damages caused to the good name of the companies that constituted the DRAGADOS CONCRETOS PORCE II CONSORTIUM.   | 4,038   |
|                                  | Oliver Antonio Aguirre Soto  | That the signed settlement act be annulled due to defects in the consent of the parties, and consequently it shall be ordered that the employment contract be reinstated, reimbursement take place, payment of all the salaries and benefits not received, as well as contributions paid to social security from the moment of layoff until when the person is effectively reinstated. | 3,113   |
|                                  | Victor Vergara   | Reimbursement of former EADE worker.   | 2,643   |
|                                  | Unión Temporal Energía Solar S.A. and Estructuras Arbi Ltda.   | That the bid submitted by the claimants to the tender No. ES-2043-GI convened by EPM was declared legally eligible to be taken into account when awarding the respective contract of the tender No. ES-2043-GI.  | 1,963   |
| Construcciones Pico y Pala Ltda. | That the following resolutions are void: 95070 of April 5, 1999, issued by EPM, through which the contract 1/DJ-682/15 concluded between EPM and the Consortium Trainco S.A. was unilaterally settled, and 113701 of March 15, 2000, also issued by EPM, whereby the appeal filed against resolution 95070 of April 5, 1999 was negatively resolved. | 1,811  |         |

| Business | Third Party                      | Claim  | Value |
|----------|----------------------------------|--|-------|
|          | Francisco Javier Munoz Usman     | That the signed settlement act be annulled due to defects in the consent of the parties, and consequently it shall be ordered that the employment contract be reinstated, reimbursement take place, payment of all the salaries and benefits not received, as well as contributions paid to social security from the moment of layoff until the person is effectively reinstated.  | 1,591 |
|          | Carlos Olimpo Cardona            | That the shareholders be reinstated to the same position or role or another of the same or higher category than the one they had been carrying out, that as a consequence of the indemnity title all salaries and benefits not received must be paid, in addition to all contributions in favor of the Comprehensive Social Security System.   | 1,263 |
|          | Accesorios y Sistemas S.A.       | Declare the nullity of resolution 3077 of December 11, 200, issued by the CEO of EPM, by which it was resolved to declare the realization of the quality risk and proper functioning of the vehicles under contract 090321557.   | 1,185 |
|          | Miscellaneous Tax                | Other court cases of an amount less than \$4,674.  | 1,275 |
|          | TRAINCO S.A.                     | To declare the nullity of resolutions 161052 of March 5, 2001, issued by EPM, by which the contract 2101870 between EPM and Trainco S.A. was settled unilaterally, and 178702 of June 7, 2001.   | 1,052 |
|          | Omar Augusto Lugo Hoyos          | That the signed settlement act be annulled due to defects in the consent of the parties, and consequently it shall be ordered that the employment contract be reinstated, reimbursement take place, payment of all the salaries and benefits not received, as well as contributions paid to social security from the moment of layoff until the person is effectively reinstated.  | 1,019 |
|          | Didier De Jesus Restrepo Montoya | The plaintiffs claim the payment of moral damages allegedly caused, by the eviction from their homes on a property owned by EPM, for the construction of the Porce III Hydroelectric Project, which were subject to eviction ordered by the Municipality of Anorí.   | 1,031 |
|          | Consultel Ltda.                  | Declare EPM responsible for breach of Contract No: 299901-26731, whose object is "BUILDING INTERNAL AND EXTERNAL GAS NETWORKS AND CONNECTING CUSTOMERS TO THE EPM NATURAL GAS DISTRIBUTION SYSTEM, IN THE ABURRÁ VALLEY AND ITS RELATED WORKS AND ACTIVITIES."   | 1,047 |
|          | Luis Javier Duarte Arias         | The plaintiff claims to have worked for the company Antioqueña de Energía S.A. ESP performing different tasks, and states that in the dissolution and liquidation of said company there was an employer substitution with Empresas Públicas de Medellín ESP, since it carried out the same activities without continuity, it was the owner of the entire EADE at the time of liquidation and agreed to cover all worker compensation debt. | 1,024 |
|          | Dragados Porce II Consortium     | Record of Exchange difference Account 271005 Litigation No. 14000857   | 1,030 |



| Business          | Third Party                          | Claim  | Value          |
|-------------------|--------------------------------------|--|----------------|
|                   | Payments                             | Labor lawsuits that have been partially paid in 2019 and have still not been completed.  | (2,683)        |
| <b>EPM Total</b>  |                                      |  | <b>249,635</b> |
| <b>CHEC</b>       | Miscellaneous                        | Material and moral damages   | 6,496          |
|                   | Miscellaneous                        | Loss Profit / Material-moral Damage  | 5,603          |
|                   | Miscellaneous                        | Permanent per diem - social security contributions   | 2,976          |
|                   | Cartons Y Papeles Del Risaralda S.A. | Redress and payment of material damages  | 2,038          |
|                   | Miscellaneous                        | Compensation for material damages.   | 1,719          |
|                   | Miscellaneous                        | Readjustment of salaries and social benefits   | 1,403          |
|                   | Miscellaneous                        | Reinstate to job, liquidate social benefits and moratorium penalties   | 807            |
|                   | Miscellaneous                        | Occupational accident  | 633            |
|                   | Hernando De Jesús Ocampo Jimenez     | Real Contract  | 432            |
|                   | Miscellaneous                        | Material and moral damages   | 341            |
|                   | Miscellaneous                        | Employer Substitution  | 338            |
|                   | Miscellaneous                        | Allowance 14   | 205            |
|                   | Camilo Donado Barcelo                | Termination of Contract Without Just Cause- Reimbursement  | 190            |
|                   | Miscellaneous                        | Pension settlement   | 146            |
|                   | Maria Noralba Flórez                 | Consider meeting requirements for survivor pension   | 39             |
|                   | Hector Fabio Castaño Gómez           | Retroactive Recognition Collective Agreement 2013-2017   | 28             |
|                   | Hernan De Jesus Marin Salgado        | Penalty Share Fee  | 5              |
| <b>CHEC Total</b> |                                      |  | <b>23,399</b>  |
|                   | Elsa Reyes De Buitrago               | That the differences arising from the mathematical operation tending to obtain the indexation of the first pension allowance be recognized and paid, as pensioners and/or pension substitutes for all of the plaintiffs; that the values and the differences derived from the realization of the indexation of the first allowance be ordered by the firm to be indexed in order to repel the loss of the purchasing power and therefore the updating of the sentences to be | 2,322          |

| Business | Third Party                       | Claim  | Value |
|----------|-----------------------------------|--|-------|
| CENS     |                                   | issued; that CENS be ordered to pay the maximum legal interests contemplated in law 100 of 1993, article 41.   |       |
|          | Jesus Efraín Ibarra Ochoa         | That the compatibility be declared between the retirement pension recognized by CENS and the old-age pension recognized by the ISS pensions now Colpensiones.  | 1,077 |
|          | William Alexis Ramírez            | Cease payment for public lighting to the municipality of Cúcuta, reimbursement of balances for public lighting to the municipality, payment of contractual and extra-contractual damages. Claim: \$928,023,004.78 Incentive: 15% of the value recovered by the Municipality.   | 1,056 |
|          | Carmen Alicia Rodriguez           | That the differences arising from the mathematical operation tending to obtain the indexation of the first pension allowance be recognized and paid, as pensioners and/or pension substitutes to all the shareholders, operations that must be carried out from the moment in which the pension was caused and the time in which it was given recognition as can be evidenced in the resolutions that grant the pension rights, in addition that the values and differences derived from the indexation of the first allowance are ordered by the court its indexation to safeguard against the loss of purchasing power and therefore updating the sentences to be issued. That CENS be ordered to pay the maximum legal interests under Law 100 of 1993 in Article 141 | 912   |
|          | José Francisco Arango Bautista    | Material damage/moral damage. /related damage to life.   | 757   |
|          | Hayber Humberto Bermudez Peñaloza | Moral injury to the injured party. /Health damage. /Damage to conventional and constitutionally protected property or rights /Moral injury to the injured party's son. /damage to conventional property or rights for the child/moral damage to the parents. /damage to the conventional property or rights of the parents/moral injury to the brothers. /Damage to the conventional property or rights of the brothers.   | 741   |
|          | Ermelina Perez De Rivera          | That it is declared that CENS has the obligation to continue paying all of the contributions to health as a right acquired in favor of the actors and, consequently, is ordered to continue paying 12% on the pension allowance as a right acquired legally in accordance with the collective agreement in force at the time of retirement of each of the actors and the administrative act that recognized the pensions, also repay the contributions not paid from the date of the compatibility of the pension, in addition to indexing the money not received and default interests.   | 666   |
|          | Carlos Omar Rincón Carrillo       | The lawsuit demands the recognition and payment of the transportation aid discounted by the contractor, expenses incurred for the maintenance of work tools, benefits, severance pay and their interest, vacations, service premium, moratorium compensation in accordance with Article 99 of Law 50 of 1990, compensation for late payment of the settlement upon termination of the employment contract, together with the costs of the proceedings.   | 643   |

| Business | Third Party                  | Claim  | Value |
|----------|------------------------------|--|-------|
|          | Other Work Processes         | Other work processes with lower amount of COP \$100  | 535   |
|          | Yesid Jaimes                 | That it be declared that the plaintiffs have the right within their entire pension life, that the pension be readjusted according to the parameters indicated in article 1 of Law 71 of 1988 and not those established in article 14 of Law 100 of 1993, order CENS to pay the claimants retroactively, the amounts left to pay and that are settled when applying the largest increase, in a percentage equal to the legal minimum wage, for each annual period, with deduction of the increase actually paid from April 1, 1994, likewise, each insolvent value must be duly indexed supported by the percentage variation of the consumer price index (IPC). That the defendant be ordered to recognize and pay the default interest referred to in article 141 of Law 100 of 1993.   | 534   |
|          | Carmen Rosa Galvis Urbina    | To declare CENS and engineering and services temporary union extracontractually responsible for the damages caused to the plaintiff on the occasion of Freddy Diaz's death. /Moral Damages /consolidated and future material damages.  | 462   |
|          | Alexander Pineda Riobo       | Claim for transportation assistance for contract company workers and non-payment of unemployment assistance and non-payment of benefits ////\$374,619,8038   | 372   |
|          | Bersaline Ortiz Llanez       | It demands that the loss of the possibility of performing "other virtual activities, which, although not producing equity, make existence pleasant" be repaired. To determine the value of this PHYSIOLOGICAL DAMAGE, the repeated jurisprudence of the Honorable State Council, regarding the regulation of such damages, must be taken into account. Therefore, I also put the amount at 100SMLMV (Salario Mínimo Legal Mensual Vigente [Legal Minimum Monthly Wage in Effect]), for each of the family members (wife and daughter) /As a result of the previous declaration, the COLOMBIAN NATION, MINISTRY OF MINES AND ENERGY AND INTERCONEXIÓN ELECTRICA ISA S.A. E.S.P., and CENTRALES ELECTRICAS DE NORTE DE SANTANDER AND EPM, must pay the members of the petitioner family. Because of the pain, the anguish, suffering and sadness produced by the action that gave rise to the responsibility. In this case, the pain suffered by BERSALINE ORTIZ LLANES AND LEYDI PATRICIA GARCÍA ORTIZ, for permanent injuries, which I place at the value of 100SMLMV, for each of them (mother and daughter). | 335   |
|          | Ana Victoria Rivera Mantilla | Refund of 12% of pensioners health contributions /According to the demand, it is higher than 50 monthly legal minimum wages for each of the plaintiffs. //The provision corresponds to the following value: According to the lawsuit, over \$312,496,800   | 312   |
|          | Mercedes Quintero Munoz      | That the differences arising from the mathematical operation tending to obtain the indexation of the first pension allowance be recognized and paid, also that CENS be ordered to pay the interest at the legal maximum.   | 250   |

| Business | Third Party                                | Claim   | Value |
|----------|--|---|-------|
|          | JOSE HERLIN<br>VELANDIA ROJAS              | They request that their conventional benefits of articles 20, 21, 26, 36 be recognized in the same way as workers who entered the company as workers before February 1, 2004, the moratorium compensation of article 99 of law 50 of 1990, costs, indexing and extra and ultra petita. //According to the lawsuit, it is higher than 50 legal minimum monthly wages for each of the plaintiffs. //The provision corresponds to the following value: According to the lawsuit, over \$195,310,500.   | 195   |
|          | RICHARD<br>ARCENIO<br>RODRIGUEZ<br>CAMARGO | Be it declared that the plaintiffs' time of service as SENA apprentices at CENS will be taken into account for all purposes with the date on which they began as indefinite-term contractors in accordance with the provisions of the Collective Bargaining Agreement; be it further declared that the Company has failed to fully comply with the requirements of that agreement and recognize and pay to the plaintiffs all the corresponding labor claims.   | 194   |
|          | Hernando Duarte<br>Silva                   | It is requested that ISS (now COLPENSIONES) be ordered to recognize and pay the old-age pension compatible with the retirement pension recognized by CENS S.A. E.S.P. and, as a result, order the recalculation of the old-age pension in accordance with Article 20 of Agreement No 049 of 1990, default interest on article 141 of Law 100 of 1993, indexation of sums recognized as retroactive and increases until payment is made, indexation of the first month, and condemnation in costs and law agencies.  | 172   |
|          | Elda Beatriz<br>Villamizar Vivas           | It is requested that CENS be ordered to pay the health contributions consisting of 12% of the pension allowance from the total plaintiffs and reliquidate the pension consisting of the 14 months per year, from the moment in which this 12% has been deducted to the date with the inclusion of the percentage factor included in the pension, as well as to reimburse the health contributions deducted from the plaintiffs for an amount of 12%. In addition, the values corresponding to the pension difference must be recognized and paid indexed, with recognition of interests at the legal maximum. | 164   |
|          | Leidy Lorena<br>Rincón Ramírez             | The lawsuit demands the recognition and payment of the transportation aid discounted by the contractor, other discounted amounts, benefits, severance pay and its interest, vacations, service premium, moratorium compensation in accordance with Article 99 of Law 50 of 1990, compensation for late payment of the settlement upon termination of the employment contract, together with the costs of the proceedings.   | 165   |

| Business          | Third Party                   | Claim  | Value         |
|-------------------|-------------------------------|--|---------------|
|                   | Jose Javier Velandia          | That Cens and Comyconta be declared administratively and extracontractually responsible for the damages that were caused by disabling José Velandia/ loss of earnings/ moral damages, for the pain suffered by José Velandia when he was left without a source of work since he served for 17 years as a technician in installation and meters./ Damage to life in relation to damage that may arise from the psycho-physical injury caused by the action of Cens and Comyconta when disabling him and penalizing him./ That 1,500,000 be paid from the date of presentation of the claim. | 159           |
|                   | JESUS DAVID OSORIO VEGA       | They request that their conventional benefits of articles 20, 21, 26, 36 be recognized in the same way as workers who entered the company as workers before February 1, 2004, the moratorium compensation of article 99 of law 50 of 1990, costs, indexing and extra and ultra petita. //According to the lawsuit, over \$156,248,400  | 157           |
|                   | Jaime David Quintana Rancruel | The claim demands the recognition and payment of the transportation aid discounted by the contractor, expenses incurred for the maintenance of work tools, benefits, severance pay and its interest, vacations, service premium, moratorium compensation in accordance with Article 99 of Law 50 of 1990, compensation for late payment of the settlement upon termination of the employment contract, together with the costs of the proceedings.   | 140           |
|                   | SOCIETY PALMAS LA LLANA SAS   | That Cens be declared civilly responsible in the form of non-contractual civil liability for damages of various kinds. /Consequential damages, loss of earnings /moral damage.   | 123           |
|                   | Jesus Alberto Sandoval Ariza  | Conventional Benefits  | 117           |
|                   | Luis Horacio Durán Villaruel  | Request that CENS S.A. E.S.P. to pay the money that the plaintiff said was illegally deducted from his liquidation, for salaries and social benefits caused in the period between August 18, 2009 and the date of retirement of the company.   | 182           |
|                   | Jesús Alejandro Sinisterra    | That CENS S.A. E.S.P. cancel the plaintiff the monies that were illegally deducted from his liquidation, for salaries and social benefits caused in the period between May 18, 2009 and the date of retirement of the company.   | 263           |
|                   | Melba Sofia Nieto             | It is requested the recognition and payment of the pension adjustment established in article 116 of law 6 of 1992 and its regulatory decree 2108 of the same year, the payment of the differences that exist in the value of your pension according to the intended adjustment that has come causing since January 1, 1993, default interest on the amounts due and indexation.  | 196           |
| <b>CENS Total</b> |                               |  | <b>13,202</b> |
| <b>EMVARIAS</b>   | Miscellaneous                 | Real Contract  | 5,968         |
|                   | LIZ NORMA BEDOYA MOLINA       | SALARY LEVELING REQUEST  | 462           |

| Business              | Third Party                           | Claim  | Value        |
|-----------------------|---------------------------------------|--|--------------|
|                       | Miscellaneous                         | Penalty Pension  | 347          |
|                       | Miscellaneous                         | Labor responsibility for solidarity with Comultrevv 140  | 73           |
| <b>EMVARIAS Total</b> |                                       |  | <b>6,850</b> |
| ESSA                  | Luis Antonio Manrique Hernandez       | That the companies being sued, ELECTRIFICADORA DE SANTANDER S.A. E.S.P. and ECOPETROL S.A. be ordered jointly and severally to pay LUIS ANTONIO MANRIQUE HERNANDEZ for full and ordinary compensation for material damages in relation to consolidated loss of earnings.   | 582          |
|                       | Gerardo Vargas Barón                  | That it declares ELECTRIFICADORA DE SANTANDER jointly and severally responsible and in case of failure of the claim against the pension fund manager ING, orders it to pay the disability pension of common origin for the following aspects. As the entity that is the beneficiary of the personal services provided by my client, since his personal services are always provided on behalf of ESSA in front of the users. | 448          |
|                       | Gloria Gámez Edilse                   | that ESSA be declared administratively responsible for the death of Omar Mendez Lozano and be ordered to pay moral and material damages.   | 436          |
|                       | Osmel Rodriguez                       | It is declared that the occupational accident occurred to Osmel Rodriguez, occurred due to sufficient proven and exclusive fault of the employer ELECTRIFICADORA DE SANTANDER S.A, who is obliged to make the total and ordinary compensation for damages, as provided by Article 216 of C.S.T.  | 396          |
|                       | Mary Consuelo Abaunza Salazar         | The ELECTRIFICADORA DE SANTANDER ESSA is ordered to respond in equity for solidarity with the contractor Javier Sanchez Gomez to the payment of the patrimonial and extra-economic damages due due to the death of the worker ARLEY DAVID OSPINA ABAUNZA who loses his life in accident due to conditions exposed in the facts.  | 383          |
|                       | Martha Cecilia Rodriguez Ardila       | The plaintiffs request that ESSA be held liable for all the damages caused to the plaintiffs, for the events in which HUGO FELIZ DUARTE ROJAS was killed. 1000 GRAMS OF GOLD, in facts occurring on 09-Jan-1991.   | 369          |
|                       | Diana Rocio Rivera Galeano and Others | That it be declared that the work accident in which Juan Alberto Granados Ramirez lost his life occurred due to sufficiently proven fault of the employer. That it is declared that the ELECTRICIADORA DE SANTANDER is jointly and severally liable with the employer for the value of the compensation to which legitimate successors are entitled, such as their daughter and her permanent surviving partner.             | 352          |
|                       | Ana Aydee Prada Ochoa                 | Compensation payment for the death of Alirio Silva Pimiento in an accident at work in the Municipality of San Joaquín, due to voltage discharge.   | 331          |



| Business | Third Party                     | Claim   | Value |
|----------|---------------------------------|---|-------|
|          | Ana Mides Díaz Palacio          | That the defendants PROING and ESSA be jointly and severally condemned to recognize and pay Ana Mides Díaz Palacios and Pedro Elias Díaz Meneses, as parents and Elba Rosa Díaz Díaz; Onorgen Díaz Díaz; Dienida Díaz Díaz; Ligia Marcela Díaz Díaz; Liselly Díaz Díaz; Daniela Díaz Díaz; Carmelo Díaz Bautista as brothers, for total and ordinary compensation for material damages in what corresponds to consolidated and future lost profits, for objective and subjective moral damages and damage in relation and life claimed in this lawsuit because of the work accident where the worker Pedro Nel Díaz Díaz lost his life. | 328   |
|          | Carolina Herrera De Ortiz       | To declare that CAROLINA HERRERA DE ORTIZ, has the right to the defendant entity granting her the substitution of the retirement pension of her late husband Paulino Ortiz Luna, in a complete way and compatible with the replacement pension of old age recognized by the INSTITUTE OF SOCIAL INSURANCE ISS.  | 296   |
|          | Gabriel Antonio Villegas Murcia | That it is declared that GABRIEL ANTONIO VILLEGAS MURCIA suffered a work accident on November 29, 2011, while performing his duties as a motorcycle linesman, in the performance of activities for the defendant. That it be declared that the work accident that occurred to GABRIEL ANTONIO VILLEGAS MURCIA occurred due to sufficiently proven and exclusive fault of the employer FUREL S.A.  | 293   |
|          | Jorge Eliseo Chaparro Murcia    | That it be declared that ESSA is administratively responsible for the death of Ernesto Chaparro Urueña as a result of an electric shock and consequently is ordered to pay the amount of 100 minimum wages to each of the plaintiffs.   | 275   |
|          | Carlos Eduardo Solano           | Declare ESSA administratively responsible for damages caused to the plaintiffs for the occasion of the death of Mauricio Solano Camacho and as a result to pay the plaintiffs for moral damages and material damages.   | 258   |
|          | María Yasmina Sanbria Mejía     | To declare ELECTRIFICADORA DE SANTANDER SA ESP, CHARTIS SEGUROS, SEGUROS DEL ESTADO, HV CONSTRUCTORES LTDA, CPI CENTRAL DE PROYECTOS E INGENIERIA LTDA, and CARLOS JULIO HERRERA SUAREZ, administratively and extra contractually responsible for the damages caused to the plaintiff, on the occasion of a indiscriminate felling of trees that produced erosion in the property of my represented party and invasion of private property.   | 236   |
|          | Samuel Prada Cordero            | Loss of profit / emerging damage  | 207   |

| Business | Third Party                               | Claim   | Value |
|----------|---|---|-------|
|          | Franquelina Ortiz Cruz                    | To declare ELECTRIFICADORA DE SANTANDER SA ESP, AIG SEGUROS COLOMBIA, SEGUROS DEL ESTADO, HV CONSTRUCTORES LTDA, CPI CENTRAL DE PROYECTOS E INGENIERIA LTDA, and CARLOS JULIO HERRERA SUAREZ, administratively and extra contractually responsible for the damages caused to the plaintiff, on the occasion of a indiscriminate felling of trees that produced and an invasion of private property.   | 185   |
|          | Ana Mercedes Leal                         | To declare that Oscar Alberto Camacho Leal suffered an accident at work on October 1, 2014 while performing his duties at the service of MECM PROFESIONALES CONTRATISTAS SAS that caused his death.   | 168   |
|          | Manuel Gregorio Álvarez Hernandez         | That ESSA be declared responsible for the death of MANUEL GREGORIO ALVAREZ CORRALES on April 27, 2013 who worked as an assistant to the ITELEC SAS firm in the GASNATURAL FENOSA fiber optic laying project, when he was hit by a line of 13.2 Kv while performing his duties, the line hit him on his left leg, part of his abdomen and genitals, causing serious burns and internal injuries that subsequently caused his death   | 159   |
|          | Mileidy Durán Flórez                      | For unpaid balance/default interest provided for in Article 177 of Decree 01 of 1984 CCA at the rate of 1.5 times the current bank interest, generated on the capital value, liquidated since November 8, 2015 and to the date of the filing of the lawsuit/default interest set forth in Article 177 of Decree 01 of 1984 CCA at the rate of 1.5 times the current bank interest, generated on the capital value, settled from December 8, 2017 and until the total payment of the obligation is verified. | 126   |
|          | Mercedes Ardila De Ballesteros and Others | Recognition of family group health service, scholarships or study aids  | 110   |
|          | Ernesto Vicente Pinzón Estévez            | To declare that ESSA is administratively responsible for material unlawful damages caused to ERNESTO VICENTE PINZON on the occasion of the failure in the electric power transmission service that occurred on April 24, 2015 at the EL Guacamayo de Piedecuesta property.  | 105   |
|          | Ferney Ivan Lozano Parada                 | To be ordered to ELECTRIFICADORA DE SANTANDER S.A. E.S.P., deposit the corresponding value of the severance of the trigger in a severance fund according to the values corresponding to the years 2011, 2012 and 2013.  | 97    |
|          | Carmen Smith De Granados Acelas           | That it be declared that ESSA SA ESP is administratively responsible for all the damages and material damages caused by the installation of 2 towers that support electric power networks and that have prevented the ultimate purpose through which the acquiring party acquired the property (for constructing housing.)  | 90    |



| Business                | Third Party                   | Claim  | Value        |
|-------------------------|-------------------------------|--|--------------|
|                         | Juan Camilo Suarez Gomez      | Declare the existence of an employment contract between Juan Camilo Suarez and ESSA from June 29, 2011 to date in position c-7 / declare the existence of an accident at work occurred on January 11, 2014 as a result of an accident at work that caused him crushing and total dismemberment of the fifth finger of the left hand.   | 76           |
|                         | Estefanía Sánchez Monsalve    | Material damages in the form of consequential damage due to repairs and cleaning/ loss of earnings until when the mattress factory restarted operations/ machinery that was lost due to the fire / payment for the SIIGO system installed on a computer that was incinerated / Moral damages due to the loss of the mattress factory for ESTEFANÍA SANCHEZ MONSALVE and HEBERT HORACIO ACEVEDO SARMIENTO 70 SMLMV each / damage to life in relation to ESTEFANÍA SANCHEZ MONSALVE and HEBERT HORACIO ACEVEDO SARMIENTO for 70 SMLMV each | 41           |
|                         | Osmel Rodríguez               | That the defendant company be condemned to recognize and pay to my principal, the value of hospitalization assistance enshrined in Article 37 of the Collective Labor Convention signed between ESSA and SINTRAELECOL, as an ESSA worker and affiliated with SINTRAELEOL, derived from their stay in the medical centers of the cities of San Gil, Bucaramanga and Medellín for one hundred ninety-eight (198) days in the years 2010, 2011 and 2012.  | 40           |
|                         | Eduardo Portilla Plata        | That Essa be declared extracontractually liable for the damages caused to the plaintiff.   | 26           |
|                         | Víctor Manuel Díaz Domínguez  | The damages caused to date due to the easement imposed on the plaintiff's property should be recognized and paid.  | 9            |
|                         | Pablo Armando Buitrago        | ESSA is held liable for the material and moral damages caused to the plaintiff for the public work imposed on the Corinto estate located in the municipality of Suaita, Santander which the plaintiff owns.  | 4            |
|                         | Eseir Bohorquez Suarez        | That the Municipality of Lebrija and ESSA pay the incentive worth 10 SMLMV as they were ordered in a trial of first instance, as well as the costs settled by the Thirteen Administrative Court of Bucaramanga at \$1,987,600 / to be ordered to pay \$17,113,600.   | 3            |
| <b>ESSA Total</b>       |                               |  | <b>6,429</b> |
| <b>Aguas Nacionales</b> | Jesus Enrique Acevedo Ruiz    | Impleader: Real Contract. Payment of salaries and legal and extra legal benefits and social security, compensation of law and moratoriums, monetary correction, extra and ultra petita sentence and payment of procedural costs.   | 1,420        |
|                         | Alberto Guerrero Castro       | Reliquidation of wages, benefits and social security, arrears compensation.  | 299          |
|                         | Antonio José Lopera Jaramillo | Solidarity, payment of salaries, benefits and social security, moratorium compensation for unjustified dismissal.  | 287          |
|                         | Fray Noe Betancurt Taborda    | Solidarity, reimbursement for labor stability reinforced by health, compensation law 361 of 1997 and moratorium compensation, payment of social benefits.  | 143          |

| Business                      | Third Party                                  | Claim   | Value        |
|-------------------------------|--|---|--------------|
|                               | Rodrigo Cuervo Duque                         | The AGUAS NACIONALES EPM S.A. E.S.P. is jointly and severally liable for wages, benefits, compensation for unfair dismissal and compensation for dismissal of a sick worker (Law 361 of 1997).  | 40           |
|                               | Jorge Orlando Buitrago                       | Financial recognition for the damages and losses caused in a traffic accident suffered by one of the drivers of the Contractor that was in 2005.  | 110          |
|                               | Natalia López Montoya                        | To declared the existence of the labor relationship, payment of wages, social benefits, compensation, moratorium sanction of article 65 CST.  | 19           |
| <b>Aguas Nacionales Total</b> |  |   | <b>2,318</b> |
| ENSA                          | Aristides Contreras and others               | Civil Proceedings presented by the Residents of housing development La Toscana  | 1,021        |
|                               | Aristides Contreras and others               | Civil Proceedings against ENSA, for damages caused by the interruption of the service   | 346          |
|                               | Oswall Dall Amico and others vs M&D and ENSA | Claim against ENSA for solidarity for the payment of acquired rights  | 83           |
|                               | Electrical Technology                        | Civil Procedure presented by Electrical Technology against ENSA for unilateral discount   | 21           |
| <b>ENSA Total</b>             |  |   | <b>1,471</b> |
| DEL SUR                       | SIGET Contingencies (Miscellaneous Clients)  | Claims for bad tariff classification  | 290          |
|                               | Miscellaneous Employees                      | Job Benefits Claim  | 232          |
|                               | San Salvador Municipal Mayor's Office        | Payment of Municipal Taxes by Pole Installation)  | 33           |
|                               | Miscellaneous Clients                        | Damaged devices claims  | 371          |
|                               | San Esteban Catarina Mayor's Office          | Payment fee for use of poles and installation of structures   | 21           |
| <b>DELSUR Total</b>           |  |   | <b>947</b>   |
| Other Subsidiaries            | Empresas Públicas de Rionegro                | Litigations PPA. (EMPRIO PPA)   | 9,422        |
|                               | Aguas Regionales S.A.                        | It is declared that between WILSON DE JESÚS LEGARDA PALACIO and MANPOWER COMPANIES OF COLOMBIA, identified with Nit 890.916.868-8, an employment contract was signed, which began on the first day of June 2015 and was valid until day 28 June 2018, date on which the employer decides to terminate the employment contract unilaterally and unfairly | 45           |

| Business                         | Third Party  | Claim   | Value         |
|----------------------------------|--|---|---------------|
|                                  | Aguas Regionales S.A.  | Direct Repair requesting liability to be declared to the Regional de Occidente S.A. E.S.P. for the equity damage caused to the plaintiff for the lack of payment of services rendered through September 2010. / To be ordered to pay default interest. (HLB FAST Auditores Ltda.)   | 38            |
|                                  | Empresa Energía Quindío de del                               | Declaration of employer's fault in the accident at work suffered by Mr. Wilson Grisales Henao in events that occurred on October 17, 2012 when he carried out electrical work on the farm in the mountain village Peking municipality of Quimbaya by the contractor of EDEQ INGELEL SAS, therefore, condemns the payment of full and ordinary compensation for damages. EDEQ is jointly and severally demanded. | 1,412         |
|                                  | Empresa Energía Quindío de del                               | That the Administrative Act contained in the Business Decision 1089-2012 of December 18, 2012 is void, through which some depositions are answered, issued by LA EMPRESA DE ENERGÍA DEL QUINDÍO S.A E.S. P subscribed by ENITH VILLEGAS BOTERO, customer service team leader.   | 20            |
| <b>Other Subsidiaries Total</b>  |  |   | <b>10,937</b> |
| <b>Aguas de Antofagasta S.A.</b> | 12.050/201 Maritime Authority                                | Water spill research served on the coastal edge in the PEAS Sur sector.   | 1,428         |
|                                  | 12.050/272 Maritime Authority                                | Water spill research served on the coastal edge in the PEAS Sur sector.   | 1,387         |
|                                  | Penalty Proceeding SISS No. 4265-2019                        | A sanitizing process of the Superintendence of Health Services for violations of events in Taltal, Mejillones and Antofagasta.  | 846           |
|                                  | Penalty Proceeding SISS No. 4259-2019                        | Health Services Superintendence Process for Non-Compliance to the Development Plan.   | 564           |
|                                  | 16901/18-7 Morales and others ADASA and others.              | Severance of damages by consumer law, by quality in water in the Sierra Nevada building.  | 480           |
|                                  | O-1512-2018 Gonzalez with Omar Muñoz, Iteck, DERL and ADASA. | Void nullity, nullity of termination, unjustified misrepresentation of causal, collection of benefits and indemnity.  | 346           |
|                                  | Penalty Proceeding SISS No. 4408-2019                        | A sanitizing process of the Superintendence of Health Services for non-compliance to the obligation to ensure the quality and continuity of water service served in the city of Antofagasta.  | 339           |

| Business | Third Party                                       | Claim  | Value |
|----------|---|--|-------|
|          | Penalty Proceeding SISS No. 4222-2018             | Sanitary process of the Superintendence of Health Services for non-compliance with the duty of assuring the quality of the AP service, for color problems in Mejillones.   | 282   |
|          | Penalty Proceeding SISS No. 4223-2019             | Health Services Superintendence Process for Non-Compliance with Instructions.  | 282   |
|          | Penalty Proceeding SISS No. 4157-2018             | A sanitizing process of the Superintendence of Health Services for non-compliance with the duty to ensure the quality of the AP service, affecting the generality of customers and by violating orders and instructions from the SISS, all relating to the service provided to the town of Mejillones. | 257   |
|          | Penalty Proceeding SISS No. 4172-2018             | Health Services Superintendence Process for Non-Compliance with a Duty to Ensure Continuity and Quality of the Treatment Service and AS Provision and Non-Compliance with SISS Instructions in Antofagasta.  | 225   |
|          | Penalty Proceeding SISS No. 4185-2018             | A sanitizing process of the Superintendence of Health Services for non-compliance with a duty to ensure the quality of the AP distribution service, not to respect the pressure parameters available on the network for the locations of Tocopilla, Calama and Antofagasta.                            | 211   |
|          | J-77-2019 Cuts with Aguas de Antofagasta S.A.     | Payment of Executive Settlement  | 148   |
|          | O-993-2018 Servicios Tirreno de Aguas Antofagasta | Claim Damages  | 143   |
|          | Penalty Proceeding SISS No. 4400-2018             | Health Services Superintendence process for non-compliance with the duty of ensuring the quality of the AP service, for unplanned cuts.  | 141   |
|          | Penalty Proceeding SISS No. 4089-2018             | A sanitizing process of the Superintendence of Health Services for non-compliance with the duty of ensuring the continuity and quality of the treatment service and water provision served and non-compliance with the instructions of the SISS in Tocopilla.  | 99    |
|          | 12.050/179 Maritime Authority                     | Water spill research served on the coastal edge in the PEAS Sector of Antofagasta.   | 92    |
|          | Penalty Proceeding SISS No. 4208-2018             | Sanitary process of the Superintendence of Health Services due to a duty to ensure the quality of the AP service, for pressure issues in the Paranal Hill, Afta.   | 85    |

| Business                              | Third Party   | Claim   | Value          |
|---------------------------------------|---|---|----------------|
|                                       | O-724-2019 Valenzuela with Omar Muñoz   | Nullity of termination, collection of employment benefits                     | 59             |
|                                       | FO-0203-299 Aguas de Antofagasta  | Taxation for unauthorized construction on riverbed.                           | 44             |
|                                       | 12.050/174 Maritime Authority   | Water spill research served on the coastal edge in the PEAS La Chimba sector. | 31             |
|                                       | 12.050/195 Maritime Authority   | Water spill research served on the coastal edge in PEAS Las Rocas.            | 31             |
|                                       | 12.050/161 Maritime Authority   | Water spill research served on the coastal edge in the Plata sector.          | 31             |
|                                       | 192EXP28 Aguas Antofagasta Tax  | Taxation Plant Filter Salar del Carmen  | 24             |
|                                       | O-1141-2019 Valladares with Villegas  | Unjustified termination and collection of employment benefits.                | 19             |
|                                       | C-6289-2018 Sociedad comercial gastronómica Fogo with Aguas Antofagasta S.A.  | Demand for compensation for water supply damage caused by the PEAS Sur event. | 14             |
|                                       | C-6294-2018 Sociedad comercial gastronómica Kinki with Aguas Antofagasta S.A. | Demand for damages by water supply cut-off caused by the PEAS Sur event.      | 10             |
|                                       | 192EXP42 Aguas Antofagasta Tax  | Taxation filter plant Salar del Carmen DS 735/69                              | 4              |
| <b>Agua de Antofagasta S.A. Total</b> |   |   | <b>7,622</b>   |
| <b>Recognized Litigation Total</b>    |   |   | <b>322,812</b> |

- Figures in millions of Colombian pesos -

#### 14.1.4 Contingent considerations On Business Combination

Corresponds to contingent considerations on business combination related to the acquisition of the following group of assets that constitute a business: Espiritu Santo Energy S. de R.L. subsidiary and

Empresas Varias de Medellín S.A. E.S.P. (EMVARIAS) subsidiary, the balance as of September 30, 2019 amounted to \$128,845 (2018: \$121,498) and \$14,788 (2018: \$18,961), respectively.

The contingent consideration of Espiritu Santo, is related with the Espiritu Santo project, where the payment of the principal amount will be made by the EPM when the company who sold obtains the environmental license of the project and then assign it to EPM, according to the Purchase Agreement.

The contingent consideration of Emvarias, is related with payments that the company will be made for the litigation in progress against Emvarias at the date of acquisition of this subsidiary, according to the Purchase Agreement.

The main assumptions considered for calculating the contingent consideration related to the acquisition of Espiritu Santo are: estimated date of occurrence of milestones associated to the contingent payment, probability of occurrence associated, and additionally the discount of the flows of payments applying a discount rate (LIBOR Rate) according to the risk of the liability. As of this date no future events have been revealed that may affect the calculation of the provision.

The main hypothesis used in the future events of the contingent consideration related to the acquisition of EMVARIAS are: ongoing lawsuits against EMVARIAS at the date of the transaction, definition of the year of materialization of each lawsuit, definition of the related amount to each of the disputes, estimate of future contingent expenses related to the litigation estimated for each year and discount rate (TES fixed rate) to discount future contingent expense flows. To date, there have been no future events that could affect the calculation of the provision.

#### 14.1.5 Warranties

As of September 30, 2019, the Group has the following warranties:

1. Provision for the warranty of the reliability charge of \$146,287 to cover the construction and commissioning of the Hydroelectric Power Plant and its monthly readjustments.

Establishment of the provision for warranty No. 10090002278 - Reliability charge which amount is USD 42.3 million (COP \$146,287). According to Resolution CREG 061 of 2017, the warranties of the reliability charge for the entry of new generation projects are executed when the commercial operation of the plant is delayed for more than one year. The contingencies presented in the diversion tunnel make the Ituango Hydroelectric project incur in this type of delay and, therefore, under the current regulations, the execution of this warranty.

EPM is negotiating with the CREG and the Government in general, a modification to the regulation of warranties of reliability charge that provides some opportunity to continue with the obligations of steady power and that in turn avoids the execution of the warranty in matter. The main actions are: a) making feasible several auctions of annual reconfiguration of the amount, b) seek for support in other generation assets, such as generation with the Termo Sierra power station and c) looking for new power plants that increase the country's power supply.

2. Provision of \$107,144 for the default, from January to October of 2021, to the Intercolombia transporter for the months following the entry into operation of the connection infrastructure of the Ituango project.

#### 14.1.6 Other provisions

The Group maintains other provisions for events such as: Management Premium, Multiplying Points, Somos Program, Technical Reserve and provisions for High-Cost and Catastrophic Illness, Compensation to Customers for non-compliance with Quality of Service Standards, which are regulated by the, Autoridad

Nacional de los Servicios Públicos de Panamá (ASEP), provision for compliance with quality indicators and energy not served.

The main assumptions considered in the calculation for each type of provision are:

**Management premium:** Awarded to the members of EPM management as an extra-legal benefit. The main assumptions considered for calculating of each type of provision are the provision are: discount rate TES fixed rate, estimated value to be paid and estimated date of payment. To date, there have been no future events that could affect the calculation of this provision.

**Multiplying points:** Points obtained throughout the year must be recognized at the request of the interested party or by decision of the Human Talent Development Directorate each accounting closing for the period and must be disbursed along with the payroll. The value of each point is equivalent to 1% of the Monthly Minimum Legal Wage Enforced (MMLWE) and the points should not be accumulated from one year to the next.

**Somos Program:** The program operates under the modality of point accumulation. Depending on behavior of the statistics the points are accounted for with a cashing probability of 80%.

**Technical reserve:** The calculating basis for this reserve is that corresponding to all the authorization of services issued and that on the closing date in which the reserve is calculated have not been collected, except those that correspond to authorizations with over twelve months of issuance or to those that after at least 4 months of having been issued, there is evidence they have not been used.

**high-cost and catastrophic illness:** The calculating basis for this provision is that corresponding to the analysis of the entire population served of affiliates and beneficiaries of the Entidad Adaptada de Salud (EAS) of EPM, that suffer of any of the previously authorized illnesses.

For other provisions, the main assumptions considered in the measurement are: estimated life expectancy, estimated date of payment, estimated amount to be paid, discount rate calculated with reference to market yields of bonds issued by the National Government.

As of September 30, 2019 the Group includes the following provisions derived from the contingency of the Hidroituango project:

1. In EPM, provision of \$43,596 for the contingency of the Ituango project that caused the flooding of the Cauca River because of the occluding that the project suffered on May 12, 2018. For the attention of those affected in the Puerto Valdivia municipality, for Compensation of emerging damage, lost profits and moral damages. As of September 30, 2019, EPM has paid \$4,708.
2. Provision recognized in 2018 for \$42,917 for the recovery of families affected and evacuated by the total losses of their homes and economic activities as a result of the flooding the Cauca River, caused by the occluding of the Ituango project, on April 28, 2018. This provision includes all costs of sustaining the shelters and the payment of economic support; said estimate was updated and projected until October 2019. As of September 30, 2019, EPM has paid \$16,833 (2018: \$23,700) and the balance of this provision amounted at \$5,869 (2018: \$19,217).

The Company and the relevant control and surveillance bodies continue to investigate the occurrence. At the date of presentation of the consolidated financial statements, the financial effect, if any, of the results of the root cause analysis for the contingency of the project can not be reliably estimated

Other provisions are including in Aguas Nacionales for \$16,137 related to disputes presented by the CICE and HHA consortiums of a contractual, non-judicial nature. The CICE consortium built the Northern Interceptor (Interceptor Norte). The HHA Consortium is in charge of building the Aguas Claras Wastewater Treatment Plant in Bello and the points under discussion are related to the deadline, design engineering and financial issues. The main assumptions considered in the calculation for each type of provision are the same as those applied to lawsuits.



As of September 30, 2019, the Technical Reserves associated with the obligations of insurance contracts are included, which are detailed as follow:

#### 14.2. Insurance Technical Reserves

Technical Reserves associated with Insurance Contract Obligations are detailed below:

| Insurance Technical Reserves             | September 2019 | December 2018  |
|--|----------------|----------------|
| Payable Loss Reserve                     | 106,485        | 129,491        |
| Incurred But Not Reported (IBNR) Reserve | 53,057         | 49,804         |
| Unearned Premium Reserve (UPR)           | 53,205         | 39,912         |
| <b>Total</b>                             | <b>212,747</b> | <b>219,207</b> |

*Amounts expressed in millions of Colombian pesos -*

Movement of Insurance Technical Reserves is as follows:

| September 2019                           | Initial Balance | Adjustment in Technical Reserves | Final Balance  |
|--|-----------------|----------------------------------|----------------|
| Payable Loss Reserve                     | 129,491         | (23,006)                         | 106,485        |
| Incurred But Not Reported (IBNR) Reserve | 49,804          | 3,253                            | 53,057         |
| Unearned Premium Reserve (UPR)           | 39,912          | 13,293                           | 53,205         |
| <b>Total</b>                             | <b>219,207</b>  | <b>(6,460)</b>                   | <b>212,747</b> |

*Amounts expressed in millions of Colombian pesos -*

| December 2018                            | Initial Balance | Adjustment in Technical Reserves | Final Balance  |
|--|-----------------|----------------------------------|----------------|
| Payable Loss Reserve                     | 92,550          | 36,941                           | 129,491        |
| Incurred But Not Reported (IBNR) Reserve | 32,350          | 17,454                           | 49,804         |
| Unearned Premium Reserve (UPR)           | 32,979          | 6,933                            | 39,912         |
| <b>Total</b>                             | <b>157,879</b>  | <b>61,328</b>                    | <b>219,207</b> |

*Amounts expressed in millions of Colombian pesos -*

#### 14.3. Contingent Liabilities and Contingent Assets

The breakdown of contingent liabilities and contingent assets is as follows:



| Type of contingency | Contingent liabilities | Contingent assets |
|---------------------|------------------------|-------------------|
| Litigation          | 911,608                | 263,725           |
| Guarantee           | 278,235                | 131               |
| Others              | 422,081                | -                 |
| <b>Total</b>        | <b>1,611,924</b>       | <b>263,856</b>    |

- Amounts expressed in millions of Colombian pesos -

The Group has lawsuits or procedures that are currently in process with the legal, administrative and arbitration bodies.

The main lawsuits pending of resolution and judicial and extrajudicial disputes in which the Group is a party to as of the report date, are indicated below:

#### 14.3.1 Contingent liabilities

##### Litigation:

| Business | Third Party                    | Claim   | Value   |
|----------|--------------------------------|---|---------|
| EPM      | Isagen S.A. E.S.P.             | Accordingly, EPM is ordered to compensate ISAGEN for the damages it suffered as a result of the aforementioned fire and the consequent unavailability of the Guatapé Power Plant.   | 293,324 |
|          | Miscellaneous Administrative   | 306 litigation less than \$6,054 with an average of \$698.  | 213,644 |
|          | La Cuelga Ltda. mining company | Compensation for all economic damages caused to the La Cuelga Mining Company, which originate from the execution, filling of the reservoir and commissioning of the Porce III hydroelectric project.  | 41,954  |
|          | Aura De Jesús Salazar Mazo     | They request 100 SMLMV for affecting mining activity; and, for moral damages that are valued equivalent to 200 SMLMV for each of the people in the group, approximately 113.  | 39,079  |
|          | Aura De Jesús Salazar Mazo     | Collective law approximately 113 people who each claim \$1,133,400 for Consolidated Loss of Earnings and \$78,753,854 for Future Loss of Earnings, for destroying, interrupting and cutting the ancestral horseshoe paths that lead from the Alto Chiri village of the municipality of Briceño to the settlement Valle de Toledo. | 29,062  |
|          | Miscellaneous labor            | 181 litigation less than \$ 914 with an average of \$ 81.   | 14,714  |

|                                  |   |   |        |
|----------------------------------|---|---|--------|
| Yalida María<br>Madrigal Ochoa   | For the eleven defendants, it is estimated that she suffered damage to life as her social and family environment was affected due to the death of Nicolás Alberto Moreno Trujillo.  | 10,223  |        |
| CONINSA RAMÓN<br>H.S.A.          | That EPM is declared to have failed to comply with contract No. 2/DJ-2183/43 and its additional agreements (bilateral modification acts) signed with EL CONSORCIO CONINSA S.A.-CONSTRUCCIONES E COMERCIO CAMARGO CORRÁ S.A., for not paying the damages suffered by Contractor Consortium, caused by the economic imbalance of the contract and for not having recognized in a timely manner the value of the greater costs suffered. | 6,694   |        |
| Alejandra<br>Betancur Giraldo    | Declare that EPM, the municipality of Girardota and INGELEL are responsible for the de facto occupation of the plaintiffs' premises. That damages be paid to them, jointly and severally, in the amount of \$6,102,004,043. Order the defendant to pay the costs and interest.  | 6,088   |        |
| Fiduciaria<br>Colpatria S.A.     | They request to issue a payment order against EPM and in favor of Fiduciaria Colpatria S.A. acting as spokesperson for the Autonomous Equity FC - ENERTOTAL, for the concept of Invoice capital plus interest on arrears since November 3, 2010 and from there onwards according to the fluctuation, as certified by the Banking Superintendence for each of the periods until the entire obligation is canceled.                     | 6,055   |        |
| Moraine Olave De<br>Larios       | Family members of former Integral worker who died in Ituango, claim for full compensation for damages, for moral damages caused.  | 5,085   |        |
| Derly Rocío<br>Quintero Trujillo | Declare Consorcio CCC Ituango liable for the fatal accident suffered by the former worker Juan Camilo Pedroza Vélez and order the payment of damages. And EPM in solidarity.  | 1,218   |        |
| Hernando Díaz<br>Correa          | Plaintiff seeks workers' compensation.  | 914   |        |
| Jesús Evelio<br>Garcés Franco    | Request that nullity be declared to resolutions by the Request for Appeal by EPM, and the SSPPD; that EPM be declared administratively responsible for restoring the rights to the claimant for improper collection of alleged works in connection with the aqueduct.   | 163   |        |
| <b>EPM Total</b>                 |   | <b>668,217</b>  |        |
| <b>EDEQ</b>                      | Gerson Obed<br>Peña Muñoz and<br>others   | It is demanded to return of the monies collected for the public lighting tax in the municipality of Armenia, since they consider that this collection is illegal. | 66,741 |

|  |   |       |
|--|---|-------|
| Danielly Arcila de Gil and Others        | The defendants are declared administratively, extra-contractually, jointly and severally, and patrimonially liable for the injuries suffered by Danielly Arcila de Gil, which are the result of the fall suffered by an iron hitch that is part of the junction box lid, which is concrete and belongs to the MUNICIPALITY OF ARMENIA, the PUBLIC COMPANIES OF ARMENIA - ESP; and EMPRESAS PÚBLICAS DE ARMENIA - E.S.P.; and EMPRESA DE ENERGIA DEL QUINDÍO S.A. E.S.P. EMPRESA DE SERVICIOS PUBLICOS - EDEQ. | 2,513 |
| Maria Amparo Fernandez Gil               | That the payment of all damages be ordered jointly and severally, due to the death of Otálvaro Sánchez  | 2,417 |
| Paola Andrea Giraldo Cadrasco and others | Compensation for damages caused by the death of Wilmer Marín Marulanda on the occasion of an electric shock coming from high-voltage rope.  | 1,897 |
| Derly Patricia Álvarez and others        | Compensation for damages caused by the death of Alfredo Barragán Espinosa due to an electric shock that he suffered while accommodating the cover of a dump truck in the Barragán river, municipality of Caicedonia.  | 1,866 |
| Diana Rocio Vargas Alzate and others     | Demand for direct reparations for the death of the minor JOAN MANUEL VARGAS PELÁEZ, occurring on November 16, 2013 at Finca La Molienda Quindiana. (Vereda Baraya-Montenegro Quindío)   | 913   |
| John Jairo Lopez Perez and others        | EDEQ is sued for the damages that the plaintiffs allegedly suffered with the death by electrocution of Jhon Esteban López Henao, which occurred on November 4, 2016 in the Lotería del Quindío building   | 781   |
| Sandra Milena Sanchez                    | That the Co-Defendants be held administratively responsible for the facts and omissions that caused Otálvaro Sánchez's death, and that as a consequence of said declaration, the Co-Defendants be convicted   | 582   |
| Jhon James Montoya Marin and Others      | That the defendant entity be declared administratively responsible for the damages caused to Jhon James Montoya Marín and Others as a result of an electric shock caused by an electric power line  | 590   |
| Leonardo Castaño López                   | That it be declared that Leonardo Castaño López was unfairly dismissed and that he is therefore entitled to the compensation that this situation entails.   | 465   |

|   |   |               |
|---|---|---------------|
| Alba Lucia Luna Garcia and Others       | EDEQ is sued for the damages suffered by the death of the young Víctor Manuel Serrano Luna and the injuries suffered by Laura Victoria Botero occurring on November 22, 2014, at 1:20 pm, when the young people were traveling on a motorcycle, Auteco brand, pulse line 135 LS, 2014 model, license plate ITT 13D, close to the La Alambra neighborhood on road 19A in front of the block A number 3, of the municipality of Armenia, when they stumbled upon a fixed cement block, left on the road, which caused them to collide with a power pole, located incorrectly, on the edge that separates the sidewalk from the road.” | 433           |
| Luis Fernando Cerón Betancur and others | EDEQ is sued for the damages suffered by Luis Fernando Cerón Betancur and his family nucleus on the occasion of the electric shock that he suffered on June 11, 2015 while performing construction work on the second floor of a house located in the Municipality of Montenegro in road 6Nro 20-49, as a result of the shock, he fell from the second floor.   | 330           |
| Alba Irene Muñoz and Others             | EDEQ and the Municipality of Quimbaya are sued for the alleged damages generated by the suspension of the construction of a home located in Urbanization HERNETO VIGOYA, block B, lot 17, which was suspended due to a police protection filed by EDEQ, since construction was in breach of the safety distances established in the RETIE.  | 144           |
| Eduardo Enrique Muñoz Álzate            | INSTELEC AND EDEQ are jointly and severally sued for allegedly terminating the contract of the complainant Eduardo Enrique Muñoz Álzate without authorization from the Ministry of Labor, being in a situation of manifest weakness.  | 70            |
| Francedi Ramírez Valencia               | EDEQ is sued for allegedly having terminated the contract of the applicant Francedi Ramírez without authorization from the Ministry of Labor, this being in a situation of manifest weakness.   | 39            |
| Julian Fernando Martínez Santamaria     | Julian Fernando Martínez Santamaria, former worker of ENECON, presents a claim that it be declared he was terminated without just cause; he also requests that EDEQ be convicted due to the solidarity between the parties.   | 9             |
| <b>EDEQ Total</b>                       |   | <b>79,790</b> |
| Miscellaneous                           | Damages and moral and economic damages, intangible damages, loss of earnings  | 32,371        |
| Municipality of Salamina                | Energy not generated and sold   | 5,543         |
| José Gustavo Morales Guarín             | Injury compensation   | 1,414         |
| Positiva Compañía de Seguros S.A.       | Return of Mathematical Capital Reserve  | 1,076         |

|                   |  |   |               |
|-------------------|--|---|---------------|
|                   | SYPELC Elémetric Technology Supplies and Projects  | Return of discounts made without authorization  | 633           |
| <b>CHEC Total</b> |  |   | <b>41,037</b> |
| <b>ESSA</b>       | TOMON LTDA   | It is requested that the existence of a Strategic Alliance contract between ESSA and the “San Gil Iluminado” Temporary Union be declared  | 8,713         |
|                   | Miscellaneous  | Other   | 12,491        |
|                   | Carlos Gerardo Hernandez Flórez  | Declare the Department of Santander, Municipality of Betulia and Electrificadora de Santander S.A. ESP as administratively responsible jointly or individually as the case may be, of material and moral damages caused to CARLOS GERARDO HERNANDEZ FLOREZ for failure or lack of administration service for the events that occurred on January 7, 2015 that caused the fire in the municipality of Betulia Santander and that affected his property called Finca Vistahermosa | 5,237         |
|                   | APH Electrical Services S.A. Tomon Ltda., Kesman Overseas Limited., Inversiones El Prado | It is requested that the existence of a Strategic Alliance contract between ESSA and the “San Gil Iluminado” Temporary Union be declared  | 5,281         |
|                   | Gersson Enmanuel Duarte Pabon  | That ESSA is declared responsible for the damages caused to gerrsson duarte and his family group (4 people), for damages derived from the inappropriate location of energy networks that caused his eletrocution on july 30, 2,011, as he performed work in the property located on street 10 at road 14 no. 10-37 neighborhood san antonio of piedecuesta.   | 2,729         |
|                   | PROMOTER AGROTROPICAL COLOMBIANA SAS   | Non-compliance is declared with commercial offer No. ON-013-2008 October 3, 2008. 2. ESSA is ordered to pay \$886,313,271.31 for damages.   | 1,180         |
|                   | Gabriel Méndez Jaimes  | ESSA is administratively liable for damages caused to Claimant.   | 986           |
|                   | Blanca Sepúlveda Oviedo  | Moral damage/lost earnings/damage to health   | 921           |
|                   | Esther Rosa Cantillo Lascarro  | Moral damage/damage to life, health damage.   | 759           |
|                   | Nancy Suarez Pinzón  | That between Eudoro Pinzón and the En Obra Ingenieros there was an employment contract as of April 11, 2016 and the passive responsibility of the company ESSA jointly and severally in the work accident suffered by the worker is declared, and thus they are ordered to pay.   | 695           |

|                       |  |  |               |
|-----------------------|--|--|---------------|
|                       | Luis Ernesto Acevedo Silva                                   | The defendants are declared responsible for the claims for the injuries, losses, loss of labor capacity, and other damages for Luis Ernesto Acevedo caused by a fall caused by shock against a light post located in the sidewalk, close to Balcon del Tejar in Bucaramanga on November 21, 2011.  | 564           |
|                       | Carlos Abel Perez Mantilla                                   | Moral damage   | 560           |
|                       | Hermides Pineda Silva  | That ESSA and ILUMINACIÓN YARIGUIES S.A be declared jointly and administratively liable jointly and severally for the damages caused to the plaintiffs due to the death of Robert Andrés Pineda Balaguera in events that occurred on May 23, 2017.   | 557           |
|                       | Luis Carlos Porras Mayorga                                   | Order ENECON and ESSA, jointly and severally, to recognize and pay in favor of LUIS CARLOS PORRAS MAYORGA, for the concept of total and ordinary compensation for material damages corresponding to CONSOLIDATED LOSS OF EARNINGS, generated on the occasion of the occupational accident suffered on 27 June 2012, the sum of \$69,769,500 or the maximum value to be paid by the firm. | 553           |
| <b>ESSA Total</b>     |  |  | <b>41,225</b> |
| <b>Emvarias</b>       | Miscellaneous  | Direct reparations   | 14,605        |
|                       | La Cejita Junta de Acción Comunal (Community Action Council) | Declaratives   | 9,153         |
|                       | JESÚS GREGORIO VALENCIA                                      | Change from public worker to official worker   | 939           |
|                       | Wilson Mario Quintero  | Damage to health / future lost earnings / past lost earnings / subjective moral damage to the indirect victim.   | 582           |
|                       | John Jairo Mesa Isaza  | Employer fault   | 169           |
|                       | Miscellaneous  | Pensional replacement conventional retirement  | 122           |
|                       | Miscellaneous  | Work responsibility for solidarity   | 95            |
|                       | Miscellaneous  | Wage leveling  | 88            |
|                       | Gloria Luz Ospina Gutierrez                                  | Guarantee appeal nullity and reinstatement of the right  | 32            |
| <b>EMVARIAS Total</b> |  |  | <b>25,786</b> |

|      |                                       |  |       |
|------|---------------------------------------|--|-------|
| CENS | Mariana Bautista Ortiz                | That the NACIÓN-CENTRALES ELÉCTRICAS DEL NORTE DE SANTANDER S.A. ESP be declared civilly, administratively, patrimonially and extracontractually responsible for the damages caused to the plaintiffs on the occasion of the death of RAMON ALIPIO ALVAREZ PAEZ (QEPD) that occurred on April 26, 2016, in the village Miraflores, the Puerto Leon sector of the Banco de Arena area, of the Municipality of Zulia, Department of Santander, as a result of an electric shock produced by a high-voltage cord. | 2,264 |
|      | Orlando Emiro Contreras Velasco       | That it be declared that the plaintiffs have the right within their entire pension life, that the pension be readjusted according to the parameters indicated in article 1 of Law 71 of 1988 and not those established in article 14 of Law 100 of 1993, order CENS to pay the claimants retroactively, the amounts left to pay and that are settled when applying the largest increase.   | 2,063 |
|      | Paht Constructions S.A.S.             | That the liquidation be ordered of the Contract CT-2015-000070, concluded between the parties, where CENTRALES ELECTRICAS DEL NORTE DE SANTANDER SA ESP, must readjust the contractual equity in favor of PAHT CONSTRUCCIONES SAS, with the application of the theory of unpredictability.   | 1,578 |
|      | Geomara Carreño                       | For moral damages the sum of 1300 smlmv. Damage to life /material damages /Lost earnings   | 1,362 |
|      | Eleida Carrascal Velásquez            | Obtain recognition and payment by CENS and the Departamento Norte de Santander, in favor of the plaintiff, the value of material damages (consequential damage, loss of earnings and moral or immaterial damage) that was caused by the destruction total of the establishment of commerce named Ferretería y Materiales Diego Alejandro, in facts that occurred on February 5, 2015.  | 1,135 |
|      | Clínica Oftalmológica Peñaranda S.A.S | That CENS be declared directly and civilly responsible in the form of non-contractual liability for material damages for consequential damage due to the destruction of the Excimer Laser equipment for refractive surgery.  | 922   |
|      | Sara Franco Guerrero                  | That CENS S.A E.S.P and ELECTRONING S.A.S be ordered to pay for moral damages. 100 SMLMV to each of the plaintiffs and the direct victim.  | 871   |
|      | Jeison Orlando Ortiz Valenzuela       | Declare CENS and the Municipality of Aguachica - City Hall - Planning Secretariat, jointly and severally administratively responsible for all the damages caused to the plaintiffs for the death of Fabio Alberto Ortiz Valenzuela, in events occurred on March 29, 2014, due to electrocution.  | 821   |



|                                |  |     |
|--------------------------------|--|-----|
| Other labor processes          | Other labor processes (22) with an amount less than \$ 200 million.  | 713 |
| Julio Cesar Peña Villamizar    | Declare CENS SA ESP directly responsible for the death of the minor Gerson Fabian Peña Capacho, which occurred on October 27, 2006 for providing energy services, considered as a risk activity.   | 675 |
| Other administrative processes | Other administrative processes (6) with an amount less than \$ 200 million.  | 666 |
| Carlos Enrique Salamanca Soto  | They request the continuity in the payment of 12% on the pension allowance, to reinstate the discounted contributions from the moment of the compatibility of the pension properly indexed and to the payment of default interest according to article 141 of the law 100 of 1990, plus the costs of the proceedings.  | 555 |
| Emel Leon Ramirez              | Requests salary and pay difference recognition between P1 and P3 professional charge period 19/May/10 to 30/Jun/13; contributions to social security and indemnity. Requests recognition of the invalidity pension of professional origin and the full indemnity.  | 461 |
| Luis Alberto Peña Villamizar   | They request the payment of conventional and legal benefits in the period in which the retirement pension was recognized and August 31, 2009, the recognition of the additional month of June or fourteenth month allowance, moratorium compensation, indexation and default interest.   | 456 |
| Domingo Hernandez Carvajal     | That the Municipality of Salazar and CENS be declared administratively, extra-contractually, patrimonially and jointly and severally liable for material and immaterial damages, arising from the accident suffered by the requester on August 3, 2016 / Moral damage / Health damage / consequential damage / consolidated lost earnings / future lost earnings | 488 |
| Carlos Augusto Rangel Alvarez  | Conventional Benefits  | 378 |
| Diomar Jesús Manzano García    | Declare that CENS and EPM are administratively and patrimonially responsible for the damages caused to Diomar Jesús Manzano García and Marlene Tarazona Bayona, following the failure of the provision of electric power service where a blast was generated that devastated part of the pasture, fences, crops and irrigation hoses, on their property.         | 376 |
| Daniel Orlando Suarez Navas    | Refund 12% health contributions to retirees  | 342 |



|                         |   |   |               |
|-------------------------|---|---|---------------|
|                         | Manuel Jesus Navarro  | That CENS SA ESP be declared administratively and extracontractually responsible for the damages caused to the plaintiffs on the occasion of the death by electrocution of the minor KATHERINE DAYANA OLIVOS SANCHEZ.   | 331           |
|                         | Carlos Augusto Ropero Gaona   | That it is declared that CENS has violated the fundamental rights of the actor, due to the dismissal of the company in violation of the due process to which he was subjected since February 7 and 18, 2013, in addition to declaring that the actor must be reinstated to a position of equal or superior level to that which he had been performing since he was dismissed, that is why it is stated that CENS must recognize the plaintiff for what has been claimed and is due in wages lost, contributions to social security, severance and interest, service premium and seniority, vacation, compensation for illegal dismissal, moratorium compensation and costs. | 327           |
|                         | Jorge Leonardo Ballesteros Franco                                     | The lawsuit demands the recognition and payment of compensation for unfair dismissal, severance and interest thereof, vacation and the moratorium compensation referred to in article 99 of Law 50 of 1990, together with the costs of the process.   | 290           |
|                         | SYM Ingeniería Ltda.  | That CENS be declared extra-contractually and administratively responsible for declaring the applicants to be incapable of contracting with the State and as a consequence of the foregoing, economic damages are recognized for loss of opportunity. S&M Ltda. damages for a total value of \$177,622,565  | 232           |
| <b>CENS Total</b>       |   |   | <b>17,306</b> |
| <b>Aguas Nacionales</b> | HHA Consortium Dispute  | Term Disputes, Design Engineering and Finance.  | 348,951       |
|                         | Cice Consortium (Dispute)   | Cost overrun incurred in Construction and financial costs   | 70,899        |
|                         | Wilber Leibin Castillo Borja / Matilde Andrade de Palacios and others | Declare the company's financial responsibility in the event of the death of the plaintiff's wife, allegedly caused by a traffic accident on a rainwater collection grid.  | 2,650         |
|                         | Adrian Heber Murillo Ortiz  | In the claims the Municipality of Quibdó, Aguas del Atrato, Aguas Nacionales E.P.M. S.A. ESP, are declared and ordered administratively responsible without division of quotas for all extra-patrimonial damages of a moral nature, of alteration to the conditions of existence and material conditions in the morality of consequential damage suffered by all plaintiffs, caused by the negligent, reckless and irresponsible conduct that originated decisively from the accident that caused serious damage to ADRIAN HEBER MURILLO ORTIZ, which occurred on May 30, 2014.   | 1,233         |

|                               |  |   |                |
|-------------------------------|--|---|----------------|
|                               | Seguros Comerciales Bolívar S.A.             | Pecuniary recognition for damages caused to one of the Insurer's clients due to a downpour that occurred in March 2006 that caused flooding.  | 614            |
|                               | Compañía Colombiana de Consultores S.A.S.    | It is requested that AGUAS NACIONALES EPM S.A. ESP be declared in breach of contract No. EPM S.A. ESP. 2014-90000-00147 and consequently, to settle it in a court of law, to be declared responsible for the damages suffered by the plaintiff COMPAÑÍA COLOMBIANA DE CONSULTORES S.A.S., and to be ordered to pay.   | 540            |
|                               | Rosalba Valoyes Palomeque                    | That on the basis of Article 90 of the CN, Quibdó township, Aguas Nacionales EPM S.A., ESP and INGECOR S.A.S are declared administratively and jointly liable for all damages caused from injuries to Mrs. Rosalba Valoyes Palomeque.   | 519            |
|                               | Other  | Other   | 371            |
|                               | Maité Valderrama Forero                      | It links Aguas Nacionales EPM by impleader by order of March 2, 2012. Purpose of the Suit: to repair the damage caused by the floods in the Carmen Fontibón district of Bogotá on March 17, 2006.   | 243            |
|                               | Maria Ismenia Roza Run                       | Pecuniary recognition for the damages caused in a downpour that occurred in March 2006, which caused flooding in the Barrio El Carmen de Fontibón.  | 159            |
|                               | Nive Palacios                                | In accordance with Article 90 of the CN, the failure of the state is recognized and compensation for damages caused to the property of the plaintiff  | 90             |
| <b>Aguas Nacionales Total</b> |  |   | <b>426,268</b> |
| <b>Aguas Regionales</b>       | Miscellaneous                                | Direct Reparation with which he requests the Municipality of Apartadó and Regional Waters be declared responsible for the death of the young man Cesar Augusto Jiménez Osorio determined by the injuries suffered in events occurred on June 1, 2016 in the city of Apartadó, consequently, pay the material damages (current and future), moral damages, and health damage caused. | 3,043          |
|                               | Miscellaneous                                | Order the claim to pay the costs of the process. That if the voluntary delivery of the property is not made within the term set by your office, the competent police officer will be commissioned to enforce said order.  | 123            |
| <b>Aguas Regionales Total</b> |  |   | <b>3,166</b>   |
| <b>ENSA</b>                   | Compañías Generadoras                        | Compliance guarantee to provide credit security and fulfillment of the obligations contracted under energy purchase contracts.  | 203,252        |
|                               | Autoridad Nacional de los Servicios Públicos | Compliance bond to guarantee compliance with the obligations contracted in the Concession Contract.   | 51,930         |
|                               | Autoridad Nacional de los Servicios Públicos | For non-compliance with the technical service quality standard  | 24,442         |

|                               |   |   |                |
|-------------------------------|---|---|----------------|
|                               | Empresa de Transmisión Eléctrica S.A.                                     | Letter of credit to guarantee the payment of energy purchase costs in the occasional market.  | 9,386          |
|                               | Empresa de Transmisión Eléctrica S.A.                                     | Bank guarantee to guarantee the payment of one month of billing of the Transmission System.   | 12,044         |
|                               | SEGURITAS, INC.   | Civil lawsuit for damages due to contract cancellation  | 2,077          |
|                               | Ente Operador Regulador de El Salvador                                    | Letter of credit to guarantee the payment of energy purchase costs in the occasional market.  | 1,623          |
|                               | Miscellaneous   | Claim for damages   | 647            |
|                               | Miscellaneous.  | Consumer protection suit for billing claim  | 320            |
| <b>ENSA Total</b>             |   |   | <b>305,722</b> |
| <b>Aguas de Malambo</b>       | (T&A Proyectos Ltda.)   | Problematic additional amounts of work and greater work remains in the execution of the contract No. 22-2012.   | 751            |
|                               | Fabian Bacca Jimenez  | Recognition by Aguas de Malambo of a labor relationship acquired in 2015 and 2016 where he served as a worker of the company Temporal S.A.S. and, consequently, the payment of vacations, bonuses, premiums, severance payments, bonus for signing the contract, and compensation for dismissal without just cause. | 19             |
| <b>Aguas de Malambo Total</b> |   |   | <b>770</b>     |
| <b>EMPRIO</b>                 | Maria Consuelo Giraldo  | To declare the company and Gonzalo Emilio Pérez Montoya responsible for the damages caused by the death of Justo Pastor Herrera Giraldo   | 1,148          |
|                               | Diego Nicolás Botero Puerta   | Compensation for dismissal without just cause to term contract for 21 months  | 213            |
| <b>EMPRIO Total</b>           |   |   | <b>1,361</b>   |
| <b>Aguas de Antofagasta</b>   | C-4568-2016 Constructora e Inmobiliaria CRC Ltda. with Econssa Chile S.A. | Declaratory demand for ownership and withdrawal of infrastructure   | 190            |
|                               | C-4420-2018 Chubb Seguros Chile with Aguas de Antofagasta S.A.            | Claim for compensation of damages for alleged damages caused by flooding and increase of underground water layers.  | 95             |
|                               | O-77-2019 Ramirez with Iteck  | Nullity of dismissal, collection of benefits and compensation for years of services.  | 56             |
|                               | O-604-2019 Gonzalez with Iteck and others                                 | Unjustified, improper or improper dismissal and collection of work benefits.  | 14             |

|  |  |                  |
|--|--|------------------|
| Litigation 12.050 / 73 Summary Investigation, Gobernación Marítima | Summary investigation for sewage spill at the coastal edge of the city of Antofagasta. | 923              |
| <b>Total Aguas de Antofagasta</b>                                  |  | <b>1,278</b>     |
| <b>Total contingent liabilities</b>                                |  | <b>1,611,924</b> |

- Figures in millions of Colombian pesos -

### 14.3.2 Contingent Assets

#### Litigation:

| Business | Third Party                                       | Claim  | Value   |
|----------|---|--|---------|
| EPM      | Municipality of Bello                             | Integral nullity of the complex administrative act contained in the Resolutions 2717 of 2009 and 0531 of 2010. PTAR Bello.   | 116,088 |
|          | Municipality of Bello                             | Reimbursement of monies paid by EPM for the determination and liquidation of goodwill effect, PTAR Bello.  | 112,768 |
|          | La Nación Ministerio de Salud y Protección Social | MINSALUD has the legal and constitutional obligation to recognize and pay the value of the services provided to members in relation to medications and/or procedures, interventions or elements not included in the Plan Obligatorio de Salud (POS) (Mandatory Health Plan).   | 6,977   |
|          | Other Administrative                              | Other lawsuits less than \$855.  | 4,585   |
|          | Energy and Gas Regulation Commission -CREG        | That the nullity of the administrative act issued by CREG be declared, official letter MMECREG-438 dated 02-28-98 by which response to the right of petition presented by EPM is given.  | 3,514   |
|          | Poblado Club Campestre Ejecutivo S.A.             | Liability for damage to the EPM property collector, which collects and transports wastewater from the San Honda stream in the municipality of Envigado.  | 3,309   |
|          | Other Tax   | Several taxes less than \$112,768.   | 2,282   |
|          | Fiduciaria Bogotá S.A. - FIDUBOGOTÁ S.A.          | Impose in favor of EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. -EPM-, with NIT. No. 890904996-1, industrial and commercial company of the State, easement of conduction of energy, on the lot of land or property called LA BOCA DEL PANTANO, with real estate registration No. 50 C-1497258 located in the rural area of the Municipality of Madrid (Cundinamarca) for the 500 Kv transmission lines, of the Nueva Esperanza Transmission project. | 907     |

| Business         | Third Party                           | Claim  | Value          |
|------------------|---------------------------------------|--|----------------|
|                  | Municipality of Envigado              | Declare the annulment of the complex administrative act contained in Resolutions 2656 of August 13, 2007 and 4176 of October 26 of the same year signed by the Secretary of Planning and Mayor of the Municipality of Envigado (Antioquia), corresponding to the sanction imposed on Empresas Públicas de Medellín ESP, for the alleged violation of Municipal Decree 259 of August 14, 2002 | 855            |
| <b>EPM Total</b> |                                       |  | <b>251,285</b> |
| <b>CENS</b>      | Dirección de Impuestos y Aduanas DIAN | The defendant is ORDERED to return the liquid amount of money paid by CENS SA ESP for the concept of the higher income and complementary tax and the penalty for inaccuracy established in resolution No. 007390 dated September 29, 2016, with current and default interests in accordance with the provisions of article 863 of the Tax Statute.   | 3,956          |
|                  | Consorcio CDE Ltda.                   | Obtain payment for the resources owed in favor of CENS   | 1,261          |
|                  | Rubén Darío Sánchez                   | That they take responsibility for the damages caused to CENS in the electrical infrastructure, of which \$20,524,812 correspond to material damages and the remaining amount to labor.   | 119            |
|                  | Other Criminal Proceedings            | Other Criminal Proceedings (36), with an amount less than \$ 10 million.   | 96             |
|                  | Abrego Municipality                   | Cuota shares and pension titles  | 19             |
|                  | Indeterminate Persons                 | Order the payment of the amount of \$15,194,752 for unregistered energy.   | 16             |
|                  | E.S.E. HOSPITAL MENTAL RUDESINDO SOTO | Cuota shares and pension titles  | 16             |
|                  | Iván Leal Vega                        | Pension payments paid in excess  | 15             |

| Business          | Third Party   | Claim   | Value        |
|-------------------|---|---|--------------|
|                   | Indeterminate Persons   | That they be ordered to compensate the damages derived from the punishable conduct by manipulation of the measuring equipment, executed by the user at \$11,783,891 pesos in accordance with the pre-liquidation of the energy not billed | 13           |
|                   | Indeterminate Persons   | That they be ordered to compensate the damages derived from the punishable conduct by manipulation of the measuring equipment, executed by the user in accordance with the pre-liquidation of the energy not billed                       | 11           |
| <b>CENS Total</b> |   |   | <b>5,522</b> |
| <b>CHEC</b>       | Superintendencia de Servicios Públicos Domiciliarios (Residential Utility Services Superintendence) | Reimbursement of the highest value paid for the special contribution of the year 2018   | 1,058        |
|                   | Corporación Autónoma Regional de Caldas - CORPOCALDAS   | Compensation for damages, total annulment of resolution 126 of June 27, 2013.   | 555          |
|                   | Miscellaneous   | Retrieve the value of the energy stopped billing  | 351          |
|                   | Autoridad Nacional de Licencias Ambientales - ANLA (National Authority of Environmental Licenses)   | Total nullity is declared of the resolution No. 1064 of September 10, 2014.   | 343          |
|                   | Ingetrans S.A.  | Material damages in execution of a contract   | 62           |
| <b>CHEC Total</b> |   |   | <b>2,370</b> |
| <b>EDEQ</b>       | Superintendencia de Servicios Públicos Domiciliarios (Residential Utility Services Superintendence) | Declare the Nullity of the Resolutions that liquidated the special contribution to the Quindio Energy Company for 2014  | 294          |
| <b>EDEQ Total</b> |   |   | <b>294</b>   |

| Business         | Third Party   | Claim   | Value |
|------------------|---|---|-------|
| Aguas Regionales | Municipality of Chigorodó   | Order the defendant to pay the costs and agencies in law. That the default interest paid at the maximum rate certified by the financial superintendence for consumer loans, caused at the date of the total payment of the obligation, be canceled.   | 931   |
|                  | Municipality of Chigorodó   | Order the defendant to pay the costs and agencies in law. That the default interest paid at the maximum rate certified by the financial superintendence for consumer loans, caused at the date of the total payment of the obligation, be canceled.   | 713   |
|                  | Corpourabá - Corporación para el Desarrollo Sostenible del Urabá                                    | That the nullity of the first settlement of Rate N ° 6509 of the remuneration rate corresponding to the municipality of Apartadó between the period January and December of the year 2014 be declared, since this does not correspond to the reality of the charges poured by users sewerage of company Aguas de Urabá SA E.S.P. in the urban area of the Municipality of Apartadó (Antioquia). | 364   |
|                  | Municipality of Chigorodó   | Issue payment order in favor of Aguas de Urabá S.A. ESP and against MUNICIPALITY OF CHIGORODÓ, legally represented by Doctor DANIEL SEGUNDO ALVAREZ SOSA, in his capacity as mayor, or by those who do his time at the time of notifying the claim, for sewerage and aqueduct subsidies due in the year 2008  | 246   |
|                  | Superintendencia de Servicios Públicos Domiciliarios (Residential Utility Services Superintendence) | Requesting the nullity and restoration of the Law of the Administrative Acts of the collection of the special contribution of the Resolutions SSPD No. 20185340029156 of August 3, 2018 of the Special Contribution corresponding to the year 2018 for the Aqueduct service. File 2018534260102510E   | 70    |
|                  | Superintendencia de Servicios Públicos Domiciliarios  | Requesting the nullity and restoration of the Law of the Administrative Acts of the collection of the special contribution of the Resolutions SSPD No. 20185340029326 of August 3, 2018 of the Special Contribution corresponding to the year 2018 for the Aqueduct service.  | 44    |



| Business                                    | Third Party   | Claim   | Value          |
|---|---|---|----------------|
|   | Comisión de Regulación de Agua Potable y Saneamiento Básico - CRA (Regulatory Commission on Drinking Water and Basic Sewer) | As a plaintiff, you are requesting that the nullity and restoration of the right of the Resolution for the special contribution payment UAE-CRA No. 683 of August 8, 2018, "By which the liquidation of the Special Tax referred to in article 85 of Law 142 of 1994 is made to AGUAS REGIONALES EPM S.A E.S.P."  | 63             |
|   | Superintendencia de Servicios Públicos Domiciliarios Territorial Occidente  | That, as a result of the partial nullity of the administrative acts set forth above, the right of my representative be restored, ordering the SSPD the refund of the sum of money corresponding to the greater value canceled by concept of Contribution Special year 2017 corresponding to Aqueduct and Sewer services.  | 44             |
| <b>Aguas Regionales Total</b>               |   |   | <b>2,475</b>   |
| <b>Emvarias</b>                             | MARTA NELLY QUINTERO R  | Mortgage Executive  | 26             |
| <b>Emvarias Total</b>                       |   |   | <b>26</b>      |
| <b>Aguas de Malambo</b>                     | Municipality of Malambo   | A payment order is issued against the Municipality of Malambo - Atlántico and in favor of Aguas de Malambo S.A. ESP. for the following sums of money: / For the sum of One Billion Four Hundred Forty Six Million Two Hundred Seventeen Thousand Eight Hundred Six Pesos and Ninety Cents (\$ 1,446,217,806.90) for capital represented on promissory note 01 of 2011 provided. | 1,749          |
|   | Superintendencia de Servicios Públicos Domiciliarios (Residential Utility Services Superintendence)                         | Return of the greater value paid by AGUAS DE MALAMBO S.A. E.S.P., for the special contribution corresponding of the year 2015, for the sewerage service, which amounts to the sum of FOUR MILLION THREE HUNDRED SEVENTY NINE THOUSAND NINE HUNDRED THIRTY-EIGHT PESOS M.L. (\$4,379,938).   | 5              |
| <b>Aguas de Malambo Total</b>               |   |   | <b>1,754</b>   |
| <b>ESSA</b>                                 | Seguros del Estado  | Guarantee constituted and granted in order to cover litigation against the Municipality of Bucaramanga  | 131            |
| <b>ESSA Total</b>                           |   |   | <b>131</b>     |
| <b>Total Contingent Assets - Litigation</b> |   |   | <b>263,856</b> |

- Figures in millions of Colombian pesos -



## Note 15. Income

The breakdown of Income from Ordinary Activities is the following:

| Income from ordinary activities                   | September 30,<br>2019 | September 30,<br>2018 | For the three<br>months ended<br>September 30,<br>2019 | For the three<br>months ended<br>September 30,<br>2018 |
|---|-----------------------|-----------------------|--|--|
| <b>Sale of goods</b>                              | <b>13,386</b>         | <b>33,113</b>         | <b>5,013</b>   | <b>16,239</b>  |
| <b>Rendering of Services</b>                      |                       |                       |  |  |
| Electricity Generation Service <sup>(1)</sup>     | 3,017,424             | 2,768,433             | 1,001,473  | 921,450  |
| Electricity Transmission Service                  | 212,203               | 190,798               | 72,500   | 63,167   |
| Electricity Distribution Service <sup>(2)</sup>   | 8,808,333             | 7,615,514             | 3,023,197  | 2,691,820  |
| Electricity Inter-Segment Elimination             | (1,217,782)           | (973,257)             | (412,297)  | (349,243)  |
| Water   | 882,655               | 797,604               | 310,031  | 271,970  |
| Natural Gas                                       | 628,716               | 621,557               | 224,730  | 225,532  |
| Sewage  | 516,804               | 439,485               | 174,420  | 154,551  |
| Waste management                                  | 179,652               | 164,822               | 60,697   | 56,138   |
| Other services                                    | 153,791               | 108,986               | 58,162   | 37,460   |
| Construction Contracts                            | 32,798                | 69,991                | 4,635  | 26,490   |
| Insurance and Reinsurance Services <sup>(3)</sup> | 9,941                 | 7,043                 | 4,915  | 2,867  |
| IT Services                                       | 298                   | 421                   | 142  | 166  |
| Returns   | (204,687)             | (177,374)             | (70,143)   | (99,810)   |
| <b>Total Rendering of Services</b>                | <b>13,020,146</b>     | <b>11,634,023</b>     | <b>4,452,462</b>                                       | <b>4,002,558</b>                                       |
| Leases  | 82,399                | 60,367                | 30,333   | 21,209   |
| Gain Sale of Assets                               | 833                   | 2,736                 | 292  | 465  |
| <b>Total Income</b>                               | <b>13,116,764</b>     | <b>11,730,239</b>     | <b>4,488,100</b>                                       | <b>4,040,471</b>                                       |

Amounts expressed in millions of Colombian pesos -

- (1) The increase in revenue from the generation service originates primarily in the EPM Parent Company, ESSA and CHEC due to the higher price of energy in the market and increased amounts sold.
- (2) Distribution revenue were increased by marketing essentially originating in the EPM Parent Company, CENS, CHEC, ESSA, ENSA, EEGSA, COMEGSA and DELSUR, and the currency devaluation that generates an effect on revenues contributed by foreign subsidiaries.
- (3) Correspond to revenue from commissions assigned and net premium accrued from the subsidiary Maxseguros

The group does not have any pledge on ordinary revenue, contingencies that have not been recognized affecting revenue or firm commitments with customers for the rendering of future services of which losses are estimated.

### Construction Contracts

The Group recognized revenue from Construction Contracts of Assets within the scope of IFRS 15 - Revenue from Contracts with Customers as of September 30, 2019, for \$32,798 (2018: \$69,991).

The method used to determine the degree of progress of previous construction contracts is the proportion of the contract costs incurred in the work already performed to date, in relation to the total estimated costs for the contract.

## Note 16. Other Income

The breakdown of Other Revenue is as follows:

| Other income  | September<br>30, 2019 | September<br>30, 2018 | For the three<br>months ended<br>September<br>30, 2019 | For the three<br>months ended<br>September<br>30, 2018 |
|---|-----------------------|-----------------------|--|--|
| Recoveries  | 73,852                | 81,928                | 1,088  | 26,543   |
| Other ordinary income                                 | 39,565                | 43,839                | 18,569   | 17,431   |
| Indemnities <sup>(1)</sup>                            | 27,931                | 74,446                | 6,602  | 17,226   |
| Commissions   | 24,929                | 24,395                | 8,527  | 7,545  |
| Achievements  | 5,263                 | 5,590                 | 1,314  | 1,594  |
| Margin in the commercialization of goods and services | 2,082                 | 1,547                 | 704  | 497  |
| Fees  | 1,060                 | 1,571                 | (803)  | 1,485  |
| Leftovers   | 862                   | 168                   | 138  | 67   |
| Government grants                                     | 752                   | 1,840                 | 264  | 237  |
| Contracts for the management of public services       | 67                    | 67                    | 22   | 22   |
| Leases of Investment Property                         | 7                     | 2                     | 6  | -  |
| Photocopies   | 3                     | 4                     | 1  | 4  |
| Sale of sheets  | - 1,263               | 2,559                 | 266  | 1,739  |
| <b>Total</b>  | <b>175,110</b>        | <b>237,956</b>        | <b>36,698</b>  | <b>74,390</b>  |

*Amounts expressed in millions of Colombian pesos -*

- (1) Includes as of September 30, 2019 \$19,279 (September 30, 2018: \$67,966) for the indemnities received at EPM Parent Company for the incident at the Playas Hydroelectric Power Plant occurred in 2017.

## Note 17. Costs of goods sold and services rendered

The breakdown of Costs of Services Rendered is the following:

| Costs for service provision                                | September 30,<br>2019 | September 30,<br>2018 | For the three<br>months ended<br>September 30,<br>2019 | For the three<br>months ended<br>September 30,<br>2018 |
|--|-----------------------|-----------------------|--|--|
| Power purchases in block <sup>(1)</sup>                    | 3,128,574             | 1,598,729             | 1,130,862  | 593,738  |
| Purchases in stock exchange                                | 1,383,881             | 2,436,845             | 430,460  | 821,150  |
| Use of networks, lines and pipelines <sup>(2)</sup>        | 967,880               | 853,942               | 316,508  | 297,764  |
| Payroll expenses   | 617,203               | 591,027               | 199,219  | 190,205  |
| Depreciations  | 608,821               | 564,666               | 220,676  | 188,917  |
| Orders and contracts for other services                    | 462,403               | 471,426               | 157,577  | 169,365  |
| Orders and contracts of maintenance and repairs            | 264,659               | 206,229               | 96,059   | 68,776   |
| Sales costs and natural gas distribution                   | 251,799               | 253,555               | 91,622   | 90,505   |
| Materials and other operating costs                        | 121,649               | 131,362               | 43,804   | 51,913   |
| Licenses, contributions and royalties                      | 114,325               | 101,668               | 36,516   | 34,868   |
| Amortization   | 112,591               | 105,249               | 37,916   | 33,088   |
| Insurance  | 85,771                | 71,710                | 33,512   | 23,801   |
| Consumption of direct inputs                               | 82,091                | 56,156                | 28,806   | 18,961   |
| General  | 71,072                | 68,875                | 26,936   | 25,921   |
| Taxes and rates  | 63,380                | 53,252                | 16,665   | 17,332   |
| Fees   | 57,924                | 62,464                | 21,349   | 21,159   |
| Amortization of right of use assets <sup>(3)</sup>         | 26,492                | -                     | 9,625  | -  |
| Commercial and financial management of the service         | 23,173                | 21,118                | 7,208  | 6,898  |
| Other  | 23,174                | 24,451                | 8,971  | 8,644  |
| Public services  | 18,351                | 16,289                | 6,098  | 6,006  |
| Leases   | 15,698                | 43,019                | 6,792  | 14,762   |
| Commercialized goods                                       | 13,017                | 12,903                | 4,870  | 5,436  |
| Costs associated with transactions in the wholesale market | 8,034                 | 6,940                 | 2,961  | 2,354  |
| Exhaustion   | 7,510                 | 6,938                 | 2,189  | 1,685  |
| Connection cost  | 6,065                 | 13,389                | 2,398  | 4,383  |
| Liquefied natural gas                                      | 3,948                 | 1,317                 | 1,241  | 1,316  |
| Loss cost in aqueduct service provision                    | 173                   | 875                   | 125  | 222  |
| Impairment of property, plant and equipment                | -                     | 127                   | -  | 5  |
| For insurance and reinsurance                              | -                     | 7                     | -  | -  |
| Gas compression  | -                     | 851                   | -  | 148  |
| Value reduction inventories                                | - 555                 | 87                    | - 4  | - 81   |
| <b>Total</b>   | <b>8,539,103</b>      | <b>7,775,466</b>      | <b>2,940,961</b>                                       | <b>2,699,241</b>                                       |

Amounts expressed in millions of Colombian pesos -

- (1) Increase related to higher energy purchases at higher prices, mainly in foreign subsidiaries such as: EEGSA, DELSUR, COMEGSA, HET and ENSA, including the effect of currency devaluation that increases this cost with respect to the previous period.
- (2) Increase mainly explained in EPM Parent Company due to the greater provision of services in the Electricity and Gas Distribution segments.
- (3) Corresponds to financial lease contracts with the implementation of IFRS 16 - leases, as of January 2019.

## Note 18. Administrative Expenses and Impairment loss on accounts receivable

### 18.1 Administrative Expenses

The breakdown of Administrative Expenses is the following:

| Administration expenses                                 | September 30,<br>2019 | September 30,<br>2018 | For the three<br>months ended<br>September 30,<br>2019 | For the three<br>months ended<br>September 30,<br>2018 |
|---|-----------------------|-----------------------|--|--|
| <b>Personnel expenses</b>                               |                       |                       |  |  |
| Wages and salaries                                      | 338,139               | 299,066               | 114,611  | 90,072   |
| Social security expenses                                | 84,896                | 73,024                | 28,584   | 23,730   |
| Pension expenditure                                     | 34,073                | 33,596                | 11,315   | 11,322   |
| Employee interest rate benefits                         | 9,194                 | 6,092                 | 2,144  | 2,118  |
| Other post-employment benefit plans other than pensions | 4,009                 | 3,970                 | 1,377  | 1,245  |
| Other long-term benefits                                | 3,001                 | 2,729                 | 999  | 897  |
| Termination benefits                                    | -2,298                | 2,796                 | -7,293   | 1,045  |
| <b>Total personnel expenses</b>                         | <b>471,014</b>        | <b>421,273</b>        | <b>151,737</b>   | <b>130,429</b>   |
| <b>General expenses</b>                                 |                       |                       |  |  |
| Taxes, contributions and fees                           | 139,244               | 120,183               | 41,490   | 34,205   |
| Commissions, fees and services                          | 84,634                | 77,342                | 35,153   | 23,287   |
| Depreciation of property, plant and equipment           | 53,390                | 40,894                | 17,503   | 13,853   |
| Maintenance   | 44,110                | 40,251                | 15,894   | 14,373   |
| Dismantling, retirement and rehabilitation provision    | 33,418                | (26)                  | 30,924   | (316)  |
| Provision for contingencies                             | 28,839                | 96,971                | 14,658   | 24,413   |
| Intangibles   | 28,808                | 22,839                | 11,359   | 8,691  |
| Other miscellaneous provisions <sup>(1)</sup>           | 27,857                | 135,605               | 14,981   | 5,927  |
| Amortization of intangibles                             | 26,315                | 16,312                | 9,187  | 5,534  |
| Amortization of right of use assets                     | 21,870                | -                     | 8,579  | -  |
| Other general expenses                                  | 18,769                | 11,954                | 3,852  | 4,945  |
| General Insurance                                       | 13,838                | 11,101                | 5,133  | 4,138  |
| Vigilance and security                                  | 13,796                | 13,353                | 4,599  | 4,138  |
| Publicity and advertising                               | 11,935                | 9,856                 | 5,049  | 3,494  |
| Warranties provision                                    | 10,403                | -                     | 9,297  | -  |
| Studies and projects                                    | 8,818                 | 10,117                | 4,153  | 4,286  |
| Toilet, cafeteria, restaurant and laundry services      | 8,155                 | 7,900                 | 2,863  | 2,533  |
| Public services   | 7,127                 | 8,411                 | 2,426  | 2,295  |
| Licenses and safe-conducts                              | 6,894                 | 6,084                 | 415  | 758  |
| Promotion and dissemination                             | 6,413                 | 7,073                 | 3,027  | 2,345  |
| Communications and transportation                       | 6,321                 | 6,950                 | 2,328  | 2,524  |
| Christmas lighting                                      | 6,135                 | 6,390                 | 3,091  | 2,064  |
| Legal expenses  | 4,536                 | 2,782                 | 2,022  | 975  |
| Learning contracts                                      | 3,713                 | 3,801                 | 1,308  | 1,271  |
| Printed, publications, subscriptions and affiliations   | 2,573                 | 2,613                 | 901  | 639  |
| Materials and supplies                                  | 2,389                 | 2,705                 | 1,101  | 823  |
| Fuels and lubricants                                    | 1,876                 | 1,453                 | 710  | 547  |
| Information processing                                  | 1,844                 | 1,767                 | 694  | 457  |
| Other <sup>(2)</sup>                                    | 1,557                 | 18,465                | (601)  | 6,558  |
| <b>Total general expenses</b>                           | <b>625,577</b>        | <b>683,146</b>        | <b>252,096</b>   | <b>174,757</b>   |
| <b>Total</b>  | <b>1,096,591</b>      | <b>1,104,419</b>      | <b>403,833</b>   | <b>305,186</b>   |

Amounts expressed in millions of Colombian pesos -

- (1) Decreased due to largest provisions recognized in EPM Parent Company for the contingency attention of the Ituango project were recorded in June 2018.
- (2) It includes expenses for fuel and lubricant, information processing, per diem and travel expenses toiletries, laundry and cafeteria, photocopies, administration contracts, licenses and safeguards, repairs, event organization, industrial safety, industrial safety equipment, onerous contracts provision, designs and studies, court costs, central consultation of risk, public relations, warehousing, leases, videos, loss of construction contracts, organization and commissioning expenses, quality control expenses.

## 18.2 Impairment loss on accounts receivable

As of September 30, 2019 and 2018, the impairment loss on accounts receivable is:

| Impairment loss on accounts receivable              | September 30, 2019 | September 30, 2018 | For the three months ended September 30, 2019 | For the three months ended September 30, 2018 |
|---|--------------------|--------------------|---|---|
| Recovering impairment on accounts receivable        | 58,602             | 40,665             | 14,344  | 5,326   |
| Impairment loss on accounts receivable              | (99,673)           | (66,388)           | (27,804)                                      | (22,351)                                      |
| <b>Total Impairment loss on accounts receivable</b> | <b>(41,071)</b>    | <b>(25,723)</b>    | <b>(13,460)</b>                               | <b>(17,025)</b>                               |

Amounts expressed in millions of Colombian pesos -

## Note 19. Other Expenses

The breakdown of Other Expenses is as follows:

| Other expenses  | September 30, 2019 | September 30, 2018 | For the three months ended September 30, 2019 | For the three months ended September 30, 2018 |
|---|--------------------|--------------------|---|---|
| Loss on asset retirement <sup>(1)</sup>                       | 129,648            | 6,580              | 11,432  | 2,762   |
| Other ordinary expenses <sup>(2)</sup>                        | 22,509             | 59,225             | 5,862   | 4,358   |
| Contributions in non-corporate entities                       | 11,159             | 14,678             | 3,466   | 3,743   |
| Taxes assumed   | 2,195              | -                  | 2,158   | -   |
| Arbitral awards and extrajudicial conciliation <sup>(3)</sup> | 977                | 14,039             | 310   | 685   |
| <b>Total</b>  | <b>166,488</b>     | <b>94,522</b>      | <b>23,228</b>                                 | <b>11,548</b>                                 |

Amounts expressed in millions of Colombian pesos -

- (1) Includes \$106,465 recognized in EPM Parent Company by the partial reduction of assets affected by the contingency of the Ituango project.
- (2) It includes expenses for donations, judgments, loss on sale of assets, and others. In addition, the decrease presented is mainly due to the fact that in EPM Parent Company in September 2018, \$46,061 had been recognized for the attention of the community affected by the Ituango project contingency.

- (3) It decreased because as of September 30, 2018, EPM Parent Company had recognized arbitration awards with Rio Piedras for \$10,316.

## Note 20. Financial Income and Expenses

### 20.1 Financial Income

The breakdown of Financial income is as follows:

| Financial income   | September 30,<br>2019 | September 30,<br>2018 | For the three<br>months ended<br>September 30,<br>2019 | For the three<br>months ended<br>September 30,<br>2018 |
|--|-----------------------|-----------------------|--|--|
| <b>Interest income:</b>  |                       |                       |  |  |
| Interest of debtors and arrears  | 132,594               | 126,064               | 41,778   | 42,090   |
| Bank deposits  | 30,164                | 23,714                | 8,251  | 10,512   |
| Interest income from financial assets at amortized cost                            | 29                    | 20                    | 9  | (22)   |
| Profit for valuation benefit of financial instruments at fair value <sup>(1)</sup> | 75,788                | 37,035                | 33,892   | 25,032   |
| Profit from trust rights   | 30,795                | 18,372                | 11,645   | 5,891  |
| Other financial income   | 4,485                 | 7,874                 | 924  | 1,685  |
| Profit for valuation of financial instruments at amortized cost                    | 223                   | 16                    | 148  | 7  |
| Monetary readjustment performance  | 7                     | 9                     | 2  | 4  |
| <b>Total financial income</b>  | <b>274,085</b>        | <b>213,104</b>        | <b>96,649</b>  | <b>85,199</b>  |

Amounts expressed in millions of Colombian pesos -

- <sup>(1)</sup> Includes \$69,961 of EPM Parent Company that corresponds to the valuation of the portfolio of temporary investments. The change from the previous period is explained by the increase in the amount invested in that portfolio.

### 20.2 Financial Expenses

The breakdown of Financial expenses is as follows:

| Financial expenses  | September 30,<br>2019 | September 30,<br>2018 | For the three<br>months ended<br>September 30,<br>2019 | For the three<br>months ended<br>September 30,<br>2018 |
|---|-----------------------|-----------------------|--|--|
| <b>Interest expense:</b>  |                       |                       |  |  |
| Interest on obligations under financial leasing <sup>(1)</sup>  | 50,024                | 28,320                | 16,833   | 9,434  |
| Other interest expense  | 26,222                | 12,781                | 9,876  | (18,384)   |
| <b>Total interests</b>  | <b>76,246</b>         | <b>41,101</b>         | <b>26,709</b>  | <b>(8,950)</b>   |
| Total interest expense on financial liabilities that are not measured at fair value through profit or loss <sup>(2)</sup> | 813,483               | 643,292               | 284,519  | 246,250  |
| <b>Other financial costs:</b>   |                       |                       |  |  |
| Commissions   | 5,853                 | 6,842                 | 2,766  | 2,738  |
| Other financial expenses  | 105,372               | 81,335                | 53,352   | 27,162   |
| <b>Total financial expenses</b>   | <b>1,000,954</b>      | <b>772,570</b>        | <b>367,346</b>   | <b>267,200</b>   |

Amounts expressed in millions of Colombian pesos -

- (1) Increase primarily related to the implementation of IFRS 16 - leases, as of January 2019.  
(2) Increase related to the new loans received in the period.

## Note 21. Net foreign exchange difference

The effect of transactions in foreign currency was as follows:

| Difference, net                                 | September 30,<br>2019 | September 30,<br>2018 | For the three<br>months ended<br>September 30,<br>2019 | For the three<br>months ended<br>September 30,<br>2018 |
|---|-----------------------|-----------------------|--|--|
| <b>Income for difference in exchange</b>        |                       |                       |  |  |
| <u>Own position</u>                             |                       |                       |  |  |
| For goods and services and others               | 11,635                | 4,948                 | (142,227)  | (3,604)  |
| By liquidity                                    | 73,641                | 18,027                | 71,773   | 5,724  |
| Accounts receivable                             | 134,801               | 97,445                | 52,566   | (3,960)  |
| Other adjustments for difference in exchange    | 37,228                | 12,842                | 9,909  | 3,098  |
| <u>Financial services</u>                       |                       |                       |  |  |
| Gross income                                    | 270,729               | 88,494                | 177,412  | (20,933)   |
| <b>Total income for difference in exchange</b>  | <b>528,034</b>        | <b>221,756</b>        | <b>169,433</b>   | <b>(19,675)</b>  |
| <b>Expense for exchange difference</b>          |                       |                       |  |  |
| <u>Own position</u>                             |                       |                       |  |  |
| For goods and services and others               | 11,362                | 2,303                 | 10,009   | 458  |
| By liquidity                                    | 29,199                | 6,730                 | (140,414)  | 3,345  |
| Accounts receivable                             | 9,479                 | 147,723               | 1,884  | (13,987)   |
| Other adjustments for difference in exchange    | 61,289                | 55,280                | 29,415   | 26,807   |
| <u>Financial services</u>                       |                       |                       |  |  |
| Gross expenditure                               | 724,804               | 84,182                | 693,130  | 3,275  |
| <b>Total expense for difference in exchange</b> | <b>836,133</b>        | <b>296,218</b>        | <b>594,024</b>   | <b>19,898</b>  |
| <b>Difference, net</b>                          | <b>(308,099)</b>      | <b>(74,462)</b>       | <b>(424,591)</b>                                       | <b>(39,573)</b>  |

Amounts expressed in millions of dollars -

Rates used for the exchanging foreign currency in the Consolidated Financial Statements are:

| Currency             | Currency type | Direct USD conversion at September 30 |        | Closing exchange rate as of September 30 |          | Average exchange rate as of September 30 |          |
|----------------------|---------------|---------------------------------------|--------|--|----------|--|----------|
|                      |               | 2019                                  | 2018   | 2019                                     | 2018     | 2019                                     | 2018     |
| United States dollar | USD           | -                                     | -      | 3,462.01                                 | 2,972.18 | 3,399.46                                 | 3,033.77 |
| Quetzal              | GTQ           | 7.74                                  | 7.70   | 447.55                                   | 385.89   | 441.15                                   | 396.35   |
| Mexican peso         | MXP           | 19.74                                 | 18.70  | 175.34                                   | 158.95   | 173.70                                   | 159.70   |
| Chilean peso         | CLP           | 728.20                                | 659.60 | 4.75                                     | 4.51     | 4.74                                     | 4.47     |

## Note 22. Income tax

The detail of the income tax expense is as follows:

| Income Tax   | September - 2019 | September - 2018 |
|--|------------------|------------------|
| Profit of the period before taxes from continuing activities | 2,394,874        | 2,414,071        |
| Current income tax   | 589,142          | 697,631          |
| Deferred income tax  | - 55,210         | 82,797           |
| Total Income tax   | 533,932          | 780,428          |
| Effective Rate   | 22.29%           | 32.33%           |

*Amounts expressed in millions of Colombian pesos -*

The variation in the provision of current income tax and in the respective effective rate at the date of the periods reported, is justified, basically in force by the surcharge of income tax in Colombia, which was applicable until the taxable year 2018; Another aspect that affects the variation of the rate is the increase in non-deductible expenses due to the loss of property, plant and equipment and some provisions, mainly in EPM Parent Company.

In terms of deferred tax, the heading generating the largest liability deferred tax is property, plant and equipment, therefore, by applying to the cut-off date of the reported period, the new tax rates on the temporary difference of each asset (depreciation), the decrease in spend based on the revenue rate decrement approved for 2019 and subsequent periods. Other temporary differences that contribute to the variation of the deferred tax are the reciprocal operations between subsidiaries; the most relevant for the financial lease contract of the Aguas Claras treatment plant signed between EPM Parent Company and Aguas Nacionales; unrealized profits from the sale of fixed and intangible assets; measurement at amortized cost of loans; valuation of investments classified as financial instruments; and valuation of investments in associates and joint ventures by the equity method. Finally, the deferred tax is also significantly impacted by the devaluation of the peso against the dollar, which between September 2019 and September 2018 registered a variation of 16.48%, a circumstance that has direct impact on the calculation of the deferred tax provided by the subsidiaries abroad and reciprocal operations referred to above.



## Note 23. Related Party Disclosures

EPM, Parent Company of the EPM Group, is an industrial and commercial company of the State, decentralized from the municipal order, which sole owner is the Municipality of Medellín. Its capital is not divided into shares.

Subsidiaries, Associates, Joint Ventures, are considered as related parties of the Group, including Subsidiaries of Associates and Joint Ventures, Key Management Personnel, as well as the entities on which Key Management Personnel may exercise control or joint control and the Post-Employment Benefit Plans for Employee Welfare.

Balances and transactions between the companies of the EPM Group have been eliminated in the consolidation process and are not disclosed in this note. The total value of the transactions performed by the Group with its Related Parties during the corresponding period is presented below:

| Transactions and Balances with Related Parties                      | Revenue <sup>(1)</sup> | Costs/ Expenses <sup>(2)</sup> | Amounts Receivable <sup>(3)</sup> | Amounts Payable <sup>(4)</sup> | Guarantees Received <sup>(5)</sup> |
|---|------------------------|--------------------------------|-----------------------------------|--------------------------------|------------------------------------|
| <b>Associates:</b>  |                        |                                |                                   |                                |                                    |
| September 2019  | 54,934                 | 25,170                         | 6,151                             | 5,780                          | -                                  |
| December 2018   | 146,319                | 34,656                         | 45,000                            | 12,459                         | -                                  |
| <b>Key Management Personnel from the Company or its Controller:</b> |                        |                                |                                   |                                |                                    |
| September 2019  | 2                      | 149,138                        | 733                               | 3,033                          | 964                                |
| December 2018   | 189                    | 18,936                         | 1,038                             | 1,304                          | 964                                |
| <b>Other Related Parties:</b>                                       |                        |                                |                                   |                                |                                    |
| September 2019  | 35,830                 | 76,984                         | 28,361                            | 7,484                          | -                                  |
| December 2018   | 23,231                 | 67,728                         | 9,826                             | 214,522                        | -                                  |

*Figures stated in millions of Colombian pesos*

<sup>(1)</sup> The detail of the revenue `s Group related parties is as follows:

|                          | Revenue                    | September 2019 | December 2018 |
|--------------------------|----------------------------|----------------|---------------|
| Associates of the Group  | Sale of goods and services | 39,082         | 103,098       |
|                          | Other                      | 15,851         | 43,221        |
| Key Management Personnel | Sale of goods and services | 2              | 6             |
|                          | Other                      | -              | 183           |
| Other Related Parties    | Sale of goods and services | 25,441         | 22,465        |
|                          | Interest                   | -              | 351           |
|                          | Fees                       | 2,783          | 23            |
|                          | Other                      | 7,606          | 392           |

*Figures stated in millions of Colombian pesos*

(2) The detail of the costs and expenses incurred by the Group with its related parties is as follows:

|                          | Costs and expenses                | September 2019 | December 2018 |
|--------------------------|-----------------------------------|----------------|---------------|
| Associates of the Group  | Adquisition of costs and expenses | 24,551         | 30,931        |
|                          | Interest                          | -              | -             |
|                          | Fees                              | -              | 3,725         |
|                          | Other                             | 134            | -             |
| Key Management Personnel | Adquisition of costs and expenses | 1,635          | 16,957        |
|                          | Other                             | 147,448        | 1,979         |
| Other Related Parties    | Adquisition of costs and expenses | 38,105         | 42,553        |
|                          | Interest                          | -              | 2             |
|                          | Fees                              | 6,076          | 907           |
|                          | Other                             | 32,801         | 24,266        |

*Figures stated in millions of Colombian pesos*

(3) The Group has Accounts Receivable with its related parties derived from the Sale of Power, Provision of Public Utilities, Sale of Services associated with information and communication technologies, information services, among others. The EPM Group carries out the rating of the portfolio under criteria that allow prioritizing the management of its recovery through the dependencies in charge of the latter or collection entities. The collection applies according to the billing cycle with respect to Residential Public Utilities.

(4) The payment policy, for most cases, is of 30 days date of filing for the invoice.

(5) Guarantees received correspond to mortgage guarantees on housing loans granted to key personnel of the management.

Transactions between the Group and its related parties are carried out under conditions equivalent to those that exist in transactions between independent parties, in terms of their purpose and conditions.

#### Transactions and Balances with Related Government Entities

The total financial surplus paid to the Municipality of Medellín as of September 2019 was \$1,053,446 (2018: \$1,503,504).

## Note 24. Capital Management

Capital of the Group includes indebtedness through the Capital Market, Commercial Banks, Development Banks, Development Agencies and Multilateral Banks, at a national and international level.

The Group manages its capital in order to plan, manage and assess the attainment of financial resources in the national and international financial markets, for strategic investments, and investment projects, through different options that optimize costs, that guarantee the stability of adequate financial indicators and adequate credit rating, and minimize financial risk. For this, the following capital management policies and processes have been defined:

**Financial Management:** corresponds to the performance of all long-term credit operations, in order to guarantee the timely availability of the resources required for the normal operation of the company and to materialize the investment and growth decisions, striving to optimizing financing costs.

The Group has not made any changes to its Capital Management objectives, policies and processes during the period ended as of cut-off date, nor has it been subject to external capital requirements.

In order to face the changes in the economic conditions, the Group implements proactive management mechanisms for their financing, enabling as far as it is feasible, different financing alternatives, so that at the time performance of any long-term credit operation is required, there will be access to the source that each time has availability of competitive market conditions at the required time.

Following are presented the values that the Group manages as capital:

| Capital management                | Septiembre<br>2019 | Septiembre<br>2018 |
|-----------------------------------|--------------------|--------------------|
| <b>Bonds and loans</b>            |                    |                    |
| Commercial banking loans          | 6,085,422          | 5,527,198          |
| Multilateral banking loans        | 3,819,651          | 2,313,887          |
| Development banking loans         | 1,056,760          | 1,767,702          |
| Bonds and securities issued       | 1,091,790          | 1,253,088          |
| Other bonds and securities issued | 10,001,776         | 8,133,186          |
| Other loans                       | 10,067             | 115,350            |
| <b>Total debt</b>                 | <b>22,065,466</b>  | <b>19,110,411</b>  |
| <b>Total capital</b>              | <b>22,065,466</b>  | <b>19,110,411</b>  |

*Amounts expressed in millions of Colombian pesos-*

## Note 25. Measurement of fair value on a recurring and non-recurring basis

The methodology established in IFRS 13 Fair Value Measurement specifies a Hierarchy in the assessment techniques based on whether the variables used in the determination of the fair value are observable or not. The Group determines the fair value on a recurring and non-recurring basis, as well as for disclosure purposes:

- Based upon prices quoted in active or passive markets identical to those the Group can access on the measurement date (level 1).
- Based upon assessment techniques commonly used by market participants that use variables different from prices quoted which are observable for the asset or liability, directly or indirectly (level 2).
- Based upon internal assessment techniques of cash flow discounts or other assessment models, using variables estimated by the company that are non-observable for the asset or liability, in the absence of variables observed in the market (level 3).

**Assessment techniques and variables used in the company for measurement of fair value for recognition and disclosure:**

**Cash and cash equivalents:** include Fixed-Income Instruments and Fiduciary Mandates. The latter reflects the balance of the Mutual Funds held by the EPM Group. These funds have daily liquidity, are used as a savings and investment mechanism and are managed by trust companies. Through these funds, resources

are invested in cash, TES bonds and money market instruments, which are restated at fair value. The EPM Group uses the Market Approach as the valuation technique for this item, these items are classified in level 1 of the fair value hierarchy.

**Investments at fair value through profit and loss and through OCI:** includes investments made to optimize the liquidity surpluses, i.e., all those resources that are not immediately allocated to the performance of the activities that constitute the corporate object of the companies. The EPM Group uses the valuation of assets at market price as assessment technique, so these items are classified in level 1 of the fair value hierarchy. For equity investments, the following methods are used: Discounted Cash Flow and the market price for those listed on the Colombian Stock Exchange.

**Derivative instruments - Swaps:** The Group uses derivative financial instruments, such forwards, futures, swaps and options to hedge financial risks, mainly Interest rate risk, Exchange risk and commodities prices. Such derivative financial instruments are recognized initially at their fair value as of the date when the derivatives agreement is executed and are later reassessed at their fair value. The Group uses as assessment technique for the swaps the discounted cash flow, with an income approach. The variables used are: interest rate swap curve for rates denominated in US dollars, to discount cash flow in US dollars; and external interest rate swap curve rates denominated in Colombian pesos, to discount cash flows in pesos. These items are classified in level 2 of the fair value hierarchy.

**Accounts Receivable - Business Combination:** originated in Business Combination by acquisition of the subsidiary Empresas Públicas de Rionegro, the discount of the payment flows is considered applying the discount rates of the average CDT 360 days. This item is classified in level 2 of the Fair Value Hierarchy.

**Contingent Collaterals:** originated in Business Combinations by acquisitions of the subsidiaries Espiritu Santo Energy S. de R.L. and subsidiary Empresas Varias de Medellín S.A E.S.P. (EMVARIAS), the discount of the payment flows is considered by applying the discount rates: LIBOR Rate and TES Rate, respectively. These items are classified in level 2 of the Fair Value Hierarchy. (See Note 14. Provisions, Contingent Liabilities and Contingent Assets).

**Investment Property:** properties (land or buildings, considered in whole or in part, or both) held (by the Group on their own behalf or by a finance lease) to obtain income, capital gains or both, instead of:

- Its use in the production or supply of goods or services, or for administrative purposes; or
- Its sale in the ordinary course of operations.

The Group uses two valuation techniques for these items. Within the market approach, the Comparative or Market Method is used, which consists of deducting the price by comparing transactions, supply and demand and appraisals of similar or comparable properties, previous adjustments of time, conformation and location. Items valued with this technique are classified in level 2 of the fair value hierarchy. Within the Cost Approach, the Residual Method that applies only to buildings is used and is based on the determination of the Updated Construction Cost, less the depreciation for age or condition. These items are classified in level 2 of the Fair Value Hierarchy.

The following table shows for each of the Fair Value Hierarchy levels, the assets and liabilities of the Group, measured at fair value on a recurring basis to the cut-off date:

| Measurement of fair value on a recurring basis as of<br>September 2019 | Level 1          | Level 2       | Level 3         | Total            |
|--|------------------|---------------|-----------------|------------------|
| <b>Assets</b>  |                  |               |                 |                  |
| <b>Negotiable or designated at fair value</b>                          |                  |               |                 |                  |
| Cash and cash equivalents - Fiduciary assignments (See note 11)        | 549,231          | -             | -               | 549,231          |
|  | <b>549,231</b>   | <b>-</b>      | <b>-</b>        | <b>549,231</b>   |
| <b>Other investments at a fair value</b>                               |                  |               |                 |                  |
| Fixed income securities  | 1,210,962        | -             | -               | 1,210,962        |
| Variable income securities   | 144,768          | -             | -               | 144,768          |
| Pledged investments or delivered in guarantees                         | 5,876            | -             | -               | 5,876            |
|  | <b>1,361,606</b> | <b>-</b>      | <b>-</b>        | <b>1,361,606</b> |
| <b>Other equity investments (See note 10)</b>                          |                  |               |                 |                  |
| Variable income securities   | 1,782,649        | -             | 7,988           | 1,790,637        |
|  | <b>1,782,649</b> | <b>-</b>      | <b>7,988</b>    | <b>1,790,637</b> |
| <b>Fiduciary rights (See note 10)</b>                                  |                  |               |                 |                  |
| Fiduciary in administration  | 437,864          | -             | -               | 437,864          |
|  | <b>437,864</b>   | <b>-</b>      | <b>-</b>        | <b>437,864</b>   |
| <b>Derivatives (See note 10)</b>                                       |                  |               |                 |                  |
| Swaps  | -                | 68,642        | -               | 68,642           |
|  | <b>-</b>         | <b>68,642</b> | <b>-</b>        | <b>68,642</b>    |
| <b>Investment properties</b>   |                  |               |                 |                  |
| Urban and rural land   | -                | -             | 84,199          | 84,199           |
| Buildings and houses   | -                | -             | 8,035           | 8,035            |
|  | <b>-</b>         | <b>-</b>      | <b>92,234</b>   | <b>92,234</b>    |
| <b>Liabilities</b>   |                  |               |                 |                  |
| <b>Contingent compensation</b>   |                  |               |                 |                  |
| Provision- Business combination (See note 14)                          | -                | -             | 143,634         | 143,634          |
|  | <b>-</b>         | <b>-</b>      | <b>143,634</b>  | <b>143,634</b>   |
| <b>Total</b>   | <b>4,131,350</b> | <b>68,642</b> | <b>(43,412)</b> | <b>4,156,580</b> |
|  | <b>99.39%</b>    | <b>1.65%</b>  | <b>-1.04%</b>   |                  |

Amounts expressed in millions of Colombian pesos -

| Fair Value Measurement on a Recurring Basis as of<br>December 2018 | Level 1          | Level 2        | Level 3         | Total            |
|--|------------------|----------------|-----------------|------------------|
| <b>Assets</b>  |                  |                |                 |                  |
| <b>Negotiable or Designated at Fair Value</b>                      |                  |                |                 |                  |
| Cash and Cash Equivalents - Fiduciary Mandates (See note 11)       | 445,080          | -              | -               | 445,080          |
|  | <b>445,080</b>   | <b>-</b>       | <b>-</b>        | <b>445,080</b>   |
| <b>Other Investments at Fair Value</b>                             |                  |                |                 |                  |
| Fixed Income Securities  | 1,178,685        | -              | -               | 1,178,685        |
| Variable Income Securities   | 93,608           | -              | -               | 93,608           |
| Investments Pledged as Collateral                                  | 5,647            | -              | -               | 5,647            |
|  | <b>1,277,940</b> | <b>-</b>       | <b>-</b>        | <b>1,277,940</b> |
| <b>Other Equity Investments (See Note 10)</b>                      |                  |                |                 |                  |
| Variable Income Securities   | 1,574,358        | -              | 54,515          | 1,628,873        |
|  | <b>1,574,358</b> | <b>-</b>       | <b>54,515</b>   | <b>1,628,873</b> |
| <b>Fiduciary Rights</b>  |                  |                |                 |                  |
| Fiduciary for Management   | 438,997          | -              | -               | 438,997          |
|  | <b>438,997</b>   | <b>-</b>       | <b>-</b>        | <b>438,997</b>   |
| <b>Derivatives</b>   |                  |                |                 |                  |
| Swaps  | -                | 192,465        | -               | 192,465          |
|  | <b>-</b>         | <b>192,465</b> | <b>-</b>        | <b>192,465</b>   |
| <b>Investment Property</b>   |                  |                |                 |                  |
| Urban and Rural Land   | -                | -              | 70,301          | 70,301           |
| Buildings ad Houses  | -                | -              | 21,080          | 21,080           |
|  | <b>-</b>         | <b>-</b>       | <b>91,381</b>   | <b>91,381</b>    |
| <b>Liabilities</b>   |                  |                |                 |                  |
| <b>Contingent Consideration</b>                                    |                  |                |                 |                  |
| Provision - Business Combination (See Note.13)                     | -                | -              | 169,392         | 169,392          |
|  | <b>-</b>         | <b>-</b>       | <b>169,392</b>  | <b>169,392</b>   |
| <b>Total</b>   | <b>3,736,375</b> | <b>192,465</b> | <b>(23,496)</b> | <b>3,905,344</b> |
|  | <b>95,67%</b>    | <b>4.93%</b>   | <b>-0.60%</b>   |                  |

Figures stated in millions of Colombian pesos

The following tables present a reconciliation of the assets and liabilities of the Group measured at fair value on a recurrent basis with unobservable variables (classified in level 3 of the fair value hierarchy) at September 30, 2019 and December 31, 2018:

| Changes in Level 3 of the Fair Value Hierarchy as of September 2019 | Initial Balance | Changes Recognized in Profit | Changes Recognized in Other Comprehensive Income <sup>1</sup> | Final Balance  |
|---|-----------------|------------------------------|---|----------------|
| <b>Assets</b>   |                 |                              |   |                |
| <b>Other Equity Investments (See Note. 10)</b>                      |                 |                              |   |                |
| Variable Income Securities  | 54,515          | -                            | (46,527)  | 7,988          |
|   | <b>54,515</b>   | <b>-</b>                     | <b>(46,527)</b>   | <b>7,988</b>   |
| <b>Investment Property</b>  |                 |                              |   |                |
| Urban and Rural Land  | 70,301          | -                            | 13,898  | 84,199         |
| Buildings and Houses  | 21,080          | -                            | (13,045)  | 8,035          |
|   | <b>91,381</b>   | <b>-</b>                     | <b>853</b>  | <b>92,234</b>  |
| <b>Contingent Consideration</b>                                     |                 |                              |   |                |
| Provision - Business Combination (See Note.14)                      | 169,392         | (25,758)                     | -   | 143,634        |
|   | <b>169,392</b>  | <b>(25,758)</b>              | <b>-</b>  | <b>143,634</b> |

Figures stated in millions of Colombian pesos

| Changes in Level 3 of the Fair Value Hierarchy as of December 2018 | Initial Balance | Changes Recognized in Profit | Changes Recognized in Other Comprehensive Income <sup>1</sup> | Final Balance  |
|--|-----------------|------------------------------|---|----------------|
| <b>Assets</b>  |                 |                              |   |                |
| <b>Other Equity Investments (See Note. 14)</b>                     |                 |                              |   |                |
| Variable Income Securities   | 36,782          | -                            | 17,733  | 54,515         |
|  | <b>36,782</b>   | <b>-</b>                     | <b>17,733</b>   | <b>54,515</b>  |
| <b>Investment Property</b>   |                 |                              |   |                |
| Urban and Rural Land   | 108,705         | -                            | (38,404)  | 70,301         |
| Buildings and Houses   | 18,035          | -                            | 3,045   | 21,080         |
|  | <b>126,740</b>  | <b>-</b>                     | <b>(35,359)</b>   | <b>91,381</b>  |
| <b>Contingent Consideration</b>                                    |                 |                              |   |                |
| Provision - Business Combination (See Note.13)                     | 144,453         | 24,939                       | -   | 169,392        |
|  | <b>144,453</b>  | <b>24,939</b>                | <b>-</b>  | <b>169,392</b> |

Figures stated in millions of Colombian pesos

- (1) Includes \$-46,527 (2018 \$17,733) presented in the item Exchange Differences for foreign business conversión and valuation of equity instruments recognized in Other Comprehensive Income.

Recorded Value and the Estimated Fair Value of assets and liabilities of the Group that are not recognized at fair value in the consolidated statement of financial position, but require their disclosure at fair value, as of September 30, 2019 and December 31, 2018 is as follows:

| September 2019                    | Recorded Value      | Level 2             | Total               |
|-----------------------------------|---------------------|---------------------|---------------------|
| <b>Assets</b>                     |                     |                     |                     |
| Public Utilities                  | 3,360,596           | 3,360,596           | 3,360,596           |
| Employees                         | 157,061             | 157,061             | 157,061             |
| Construction Contracts            | 1,168               | 1,168               | 1,168               |
| Economic Associates               | (9)                 | (9)                 | (9)                 |
| Other Accounts Receivable         | 1,239,431           | 1,239,431           | 1,239,431           |
| <b>Total Assets</b>               | <b>4,758,247</b>    | <b>4,758,247</b>    | <b>4,758,247</b>    |
| <b>Liabilities</b>                |                     |                     |                     |
| Development Bank Loans            | 1,056,760           | 1,056,760           | 1,056,760           |
| Other Issued Bonds and Securities | 10,001,776          | 10,001,776          | 10,001,776          |
| Multilateral Bank Loans           | 3,819,651           | 3,819,651           | 3,819,651           |
| Commercial Bank Loans             | 6,085,422           | 6,085,422           | 6,085,422           |
| Issued Bonds and Securities       | 1,091,790           | 1,091,790           | 1,091,790           |
| Other Loans                       | 10,066              | 10,066              | 10,066              |
| <b>Total Liabilities</b>          | <b>22,065,465</b>   | <b>22,065,465</b>   | <b>22,065,465</b>   |
| <b>Total</b>                      | <b>(17,307,218)</b> | <b>(17,307,218)</b> | <b>(17,307,218)</b> |

100%

Figures stated in millions of Colombian pesos

| December 2018                     | Recorded Value      | Level 2             | Total               |
|-----------------------------------|---------------------|---------------------|---------------------|
| <b>Assets</b>                     |                     |                     |                     |
| Public Utilities                  | 2,887,714           | 2,887,714           | 2,887,714           |
| Employees                         | 157,980             | 157,980             | 157,980             |
| Construction Contracts            | 1,689               | 1,689               | 1,689               |
| Other Accounts Receivable         | 1,166,834           | 1,166,834           | 1,166,834           |
| <b>Total Assets</b>               | <b>4,214,217</b>    | <b>4,214,217</b>    | <b>4,214,217</b>    |
| <b>Liabilities</b>                |                     |                     |                     |
| Development Bank Loans            | 1,996,764           | 1,996,764           | 1,996,764           |
| Other Issued Bonds and Securities | 8,206,867           | 8,206,867           | 8,206,867           |
| Multilateral Bank Loans           | 3,865,275           | 3,865,275           | 3,865,275           |
| Commercial Bank Loans             | 5,720,503           | 5,720,503           | 5,720,503           |
| Issued Bonds and Securities       | 1,034,287           | 1,034,287           | 1,034,287           |
| Other Loans                       | 11,105              | 11,105              | 11,105              |
| <b>Total Liabilities</b>          | <b>20,834,801</b>   | <b>20,834,801</b>   | <b>20,834,801</b>   |
| <b>Total</b>                      | <b>(16,620,584)</b> | <b>(16,620,584)</b> | <b>(16,620,584)</b> |

100%

Figures stated in millions of Colombian pesos



## Note 26. Operating Segments

### 26.1 Information by Segments

For management purposes, the Group is organized into segments based on its products and services, and has the following eight operating segments on which information is presented:

- Electricity Generation Segment, whose activity consists in the Generation of Electric Power and commercialization of Large Electric Power Blocks, from the acquisition or development of a portfolio of Power Proposals for the market.
- Electricity Distribution Segment, whose activity consists in transporting electric power through a set of lines and substations, with their associated equipment, which operate at voltages below 220 KV, the commercialization of energy to the end user of the regulated market and the development of related and complementary activities. It includes the Regional Transmission System (STR), the Local Distribution System (SDL), the Public Lighting Utility and the provision of associated services.
- Electricity Transmission Segment, whose activity consists in the transportation of energy in the National Transmission System (STN), consisting of the set of lines, with their corresponding connection equipment, operating at voltages equal to or greater than 220 KV. The National Transmitter (TN) is the legal entity that operates and transports electricity in the STN or has established a company whose purpose is the undertaking of such activity.
- Segment of Distribution and Commercialization of Natural Gas, whose activity consists of the gas conduction from the city gate to the final user, through medium-pressure and low-pressure pipes. It includes the sale of gas by different systems, among them distribution by network, vehicular natural gas, compressed natural gas and service stations.
- Water Supply Segment, whose activity consists of conceptualizing, structuring, developing and operating systems to provide water. It includes carrying out the commercial management of the portfolio of services related to water supply for different uses, in addition to the use of the productive chain, specifically in the production of energy, and the supply of raw water.
- Wastewater Management Segment, includes the activities of conceptualizing, structuring, developing and operating wastewater and solid waste management systems.
- Solid Waste Management Segment, includes carrying out the commercial management related to these services and the use of biosolids and other byproducts of wastewater treatment and solid waste management.
- Others Segment, which corresponds to the other activities that are not included in the segments mentioned above. Includes: Entidad Adaptada de Salud (EAS) and Medical and Dental Services Unit, billing and collection services for third parties, income received from investment properties (leases), social financing, EATIC Laboratory tests, provision of the specialized transport service and services associated with information and communication technologies, information services and related activities.

EPM Group has not grouped operating segments to form these eight reportable segments; however, it carries out the activity of energy commercialization, which consists in the purchase of electricity in the wholesale market and its sale to other market agents or to regulated or non-regulated end users. Therefore, the Group includes its financial information in the corresponding segments of this activity.

The Management supervises results of the operating segments separately in order to make decisions about the allocation of resources and evaluate their performance. Said segment performance is evaluated on the basis of the gain or loss from operations before taxes and discontinued operations and is measured uniformly with the losses or Profits from operations of the Consolidated Financial Statements.

Transfer prices between operating segments are agreed as between independent parties in a manner similar to that agreed with third parties.

| September 2019  | Power Generation  | Power Transmission | Power Distribution | Natural Gas      | Water Supply     | Wastewater Management | Solid Waste Management | Others            | Total segments     | Inter-Segments Eliminations | Consolidated       |
|---|-------------------|--------------------|--------------------|------------------|------------------|-----------------------|------------------------|-------------------|--------------------|-----------------------------|--------------------|
| Revenue Outer Customers   | 2,055,315         | 158,895            | 8,720,314          | 632,866          | 883,840          | 569,500               | 180,854                | 90,290            | 13,291,874         | -                           | 13,291,874         |
| Inter-Segment Revenue   | 874,488           | 55,756             | 346,917            | 8,341            | 26,977           | 42,926                | 613                    | 48,234            | 1,404,252          | (1,404,252)                 | -                  |
| <b>Total Revenue, Net</b>   | <b>2,929,803</b>  | <b>214,651</b>     | <b>9,067,231</b>   | <b>641,207</b>   | <b>910,817</b>   | <b>612,426</b>        | <b>181,467</b>         | <b>138,524</b>    | <b>14,696,126</b>  | <b>(1,404,252)</b>          | <b>13,291,874</b>  |
| Costs and Expenses without Depreciation, Amortization, Provisions and Impairment of Property, Plant & Equipment and Intangibles | (1,386,542)       | (53,754)           | (6,979,485)        | (564,607)        | (444,966)        | (287,162)             | (125,086)              | (169,380)         | (10,010,982)       | 1,332,941                   | (8,678,041)        |
| Depreciation, Amortization, Provisions and Impairment of Property, Plant & Equipment and Intangibles                            | (228,555)         | (33,907)           | (435,407)          | (15,379)         | (135,268)        | (74,046)              | (26,387)               | (20,635)          | (969,584)          | 11,931                      | (957,653)          |
| Accounts Receivable Impairment  | 6,646             | 1,393              | (27,550)           | 426              | (9,809)          | (5,654)               | (747)                  | (6,159)           | (41,454)           | 383                         | (41,071)           |
| Other Expenses  | (136,327)         | (478)              | (17,532)           | (1,010)          | (4,860)          | (4,569)               | (2,132)                | (412)             | (167,320)          | 832                         | (166,488)          |
| Profit for Interests and Gains  | 46,426            | 1,034              | 116,405            | 31,567           | 32,393           | 71,412                | 4,988                  | 61,538            | 365,763            | (172,204)                   | 193,559            |
| Financial Income (Different from Interests and Gains)   | 28,711            | 1,886              | 21,919             | 8,441            | 5,245            | 7,898                 | 2,164                  | 6,962             | 83,226             | (2,700)                     | 80,526             |
| <b>Total Financial Income</b>   | <b>75,137</b>     | <b>2,920</b>       | <b>138,324</b>     | <b>40,008</b>    | <b>37,638</b>    | <b>79,310</b>         | <b>7,152</b>           | <b>68,500</b>     | <b>448,989</b>     | <b>(174,904)</b>            | <b>274,085</b>     |
| Expenses for interests  | (273,341)         | (40,044)           | (261,946)          | (39,038)         | (66,558)         | (120,294)             | (4,471)                | (242,922)         | (1,048,614)        | 158,887                     | (889,727)          |
| Financial Expenses (Different from interests)   | (35,686)          | (2,067)            | (23,871)           | (2,837)          | (27,165)         | (5,098)               | (6,656)                | (6,142)           | (109,522)          | (1,705)                     | (111,227)          |
| <b>Total Financial Expenses</b>   | <b>(309,027)</b>  | <b>(42,111)</b>    | <b>(285,817)</b>   | <b>(41,875)</b>  | <b>(93,723)</b>  | <b>(125,392)</b>      | <b>(11,127)</b>        | <b>(249,064)</b>  | <b>(1,158,136)</b> | <b>157,182</b>              | <b>(1,000,954)</b> |
| Net Exchange Difference   | (256,928)         | (10,380)           | (51,562)           | (5,866)          | (3,899)          | (10,268)              | -                      | 30,804            | (308,099)          | -                           | (308,099)          |
| Equity Method for Participation in Profits of Associates and Joint Ventures   | -                 | -                  | -                  | -                | -                | -                     | -                      | (25,815)          | (25,815)           | (2,584)                     | (28,399)           |
| Effect due to Participation in Equity Investment  | -                 | -                  | 1,830              | -                | -                | -                     | -                      | 9,127             | 10,957             | (1,337)                     | 9,620              |
| <b>Earnings for the Period Before Taxes</b>   | <b>694,207</b>    | <b>78,334</b>      | <b>1,410,032</b>   | <b>52,904</b>    | <b>255,930</b>   | <b>184,645</b>        | <b>23,140</b>          | <b>(224,510)</b>  | <b>2,474,682</b>   | <b>(79,808)</b>             | <b>2,394,874</b>   |
| Income Tax  | (164,350)         | (15,235)           | (434,025)          | (15,100)         | (44,955)         | 8,953                 | 1,433                  | 65,647            | (597,632)          | 63,700                      | (533,932)          |
| Discontinued operations, net of income tax  | (4,833)           | 1,011              | -                  | -                | -                | -                     | -                      | -                 | (3,822)            | 17,625                      | 13,803             |
| Net Movement of Regulatory Accounts related to Profit for the period  | -                 | -                  | (60,131)           | -                | -                | -                     | -                      | -                 | (60,131)           | -                           | (60,131)           |
| <b>Net Profit for the Period</b>  | <b>525,024</b>    | <b>64,110</b>      | <b>915,876</b>     | <b>37,804</b>    | <b>210,975</b>   | <b>193,598</b>        | <b>24,573</b>          | <b>(158,863)</b>  | <b>1,813,097</b>   | <b>1,517</b>                | <b>1,814,614</b>   |
| Total Assets without Investments in Associates and Joint Ventures and Debit Balances of Deferred Regulatory Accounts            | 21,594,268        | 2,090,240          | 15,818,381         | 1,282,448        | 6,431,227        | 5,433,150             | 423,331                | 11,837,555        | 64,910,600         | (10,966,400)                | 53,944,200         |
| Investments in Associates and Joint Ventures accounted for using the Equity Method  | -                 | -                  | -                  | -                | -                | -                     | -                      | 1,715,068         | 1,715,068          | -                           | 1,715,068          |
| Debit Balances of Deferred Regulatory Accounts  | -                 | -                  | 28,024             | -                | -                | -                     | -                      | -                 | 28,024             | -                           | 28,024             |
| <b>Total Assets and Debit Balances from Deferred Regulatory Accounts</b>  | <b>21,594,268</b> | <b>2,090,240</b>   | <b>15,846,405</b>  | <b>1,282,448</b> | <b>6,431,227</b> | <b>5,433,150</b>      | <b>423,331</b>         | <b>13,552,623</b> | <b>66,653,692</b>  | <b>(10,966,400)</b>         | <b>55,687,292</b>  |
| Total Liability   | 13,141,769        | 1,260,707          | 9,864,994          | 834,211          | 3,063,607        | 2,402,979             | 356,032                | 5,085,423         | 36,009,722         | (3,466,313)                 | 32,543,409         |
| Deferred Liabilities related to Balances of Regulatory Accounts   | -                 | -                  | 8,407              | -                | -                | -                     | -                      | -                 | 8,407              | -                           | 8,407              |
| <b>Total Liabilities and Credit Balances of Deferred Regulatory Accounts</b>  | <b>13,141,769</b> | <b>1,260,707</b>   | <b>9,873,401</b>   | <b>834,211</b>   | <b>3,063,607</b> | <b>2,402,979</b>      | <b>356,032</b>         | <b>5,085,423</b>  | <b>36,018,129</b>  | <b>(3,466,313)</b>          | <b>32,551,816</b>  |
| Additions of Non-current Assets   | 1,041,855         | 123,160            | 657,807            | 12,083           | 417,082          | 210,394               | 8,423                  | 33,557            | 2,504,361          | -                           | 2,504,361          |

Figures stated in millions of Colombian pesos

| 2018  | Power Generation  | Power Transmission | Power Distribution | Natural Gas      | Water Supply     | Wastewater Management | Solid Waste Management | Others            | Total segments    | Inter-Segments Eliminations | Consolidated      |
|---|-------------------|--------------------|--------------------|------------------|------------------|-----------------------|------------------------|-------------------|-------------------|-----------------------------|-------------------|
| Revenue Outer Customers   | 2,040,639         | 145,273            | 7,580,949          | 639,118          | 818,332          | 500,554               | 167,150                | 76,180            | 11,968,195        | -                           | 11,968,195        |
| Inter-Segment Revenue   | 701,100           | 47,895             | 294,302            | 5,698            | 15,977           | 52,447                | 359                    | 41,398            | 1,159,176         | (1,159,176)                 | -                 |
| <b>Total Revenue, Net</b>   | <b>2,741,739</b>  | <b>193,168</b>     | <b>7,875,251</b>   | <b>644,816</b>   | <b>834,309</b>   | <b>553,001</b>        | <b>167,509</b>         | <b>117,578</b>    | <b>13,127,371</b> | <b>(1,159,176)</b>          | <b>11,968,195</b> |
| Costs and Expenses without Depreciation, Amortization, Provisions and Impairment of Property, Plant & Equipment and Intangibles | (1,356,561)       | (54,107)           | (6,138,293)        | (535,462)        | (402,190)        | (228,967)             | (132,904)              | (149,968)         | (8,998,452)       | 1,086,443                   | (7,912,009)       |
| Depreciation, Amortization, Provisions and Impairment of Property, Plant & Equipment and Intangibles                            | (368,772)         | (31,259)           | (370,912)          | (13,204)         | (129,648)        | (35,480)              | (10,262)               | (14,203)          | (973,740)         | 5,864                       | (967,876)         |
| Accounts Receivable Impairment  | 4,687             | 369                | (16,381)           | (6,215)          | (3,955)          | (207)                 | (223)                  | (3,798)           | (25,723)          | -                           | (25,723)          |
| Other Expenses  | (65,473)          | (4,234)            | (16,489)           | (370)            | (4,889)          | (2,156)               | (1,608)                | 12                | (95,207)          | 685                         | (94,522)          |
| Profit for Interests and Gains  | 26,166            | 869                | 110,280            | 29,645           | 20,382           | 87,104                | 4,868                  | 48,965            | 328,279           | (160,120)                   | 168,159           |
| Financial Income (Different from Interests and Gains)   | 6,685             | 390                | 8,417              | 1,392            | 3,860            | 5,082                 | 1,588                  | 20,284            | 47,698            | (2,753)                     | 44,945            |
| <b>Total Financial Income</b>   | <b>32,851</b>     | <b>1,259</b>       | <b>118,697</b>     | <b>31,037</b>    | <b>24,242</b>    | <b>92,186</b>         | <b>6,456</b>           | <b>69,249</b>     | <b>375,977</b>    | <b>(162,873)</b>            | <b>213,104</b>    |
| Expenses for interests  | (204,183)         | (40,064)           | (209,388)          | (36,790)         | (69,500)         | (118,093)             | (4)                    | (172,254)         | (850,276)         | 165,884                     | (684,392)         |
| Financial Expenses (Different from interests)   | (18,322)          | (954)              | (27,741)           | (1,412)          | (10,750)         | (5,059)               | (7,405)                | (14,993)          | (86,636)          | (1,542)                     | (88,178)          |
| <b>Total Financial Expenses</b>   | <b>(222,505)</b>  | <b>(41,018)</b>    | <b>(237,129)</b>   | <b>(38,202)</b>  | <b>(80,250)</b>  | <b>(123,152)</b>      | <b>(7,409)</b>         | <b>(187,247)</b>  | <b>(936,912)</b>  | <b>164,342</b>              | <b>(772,570)</b>  |
| Net Exchange Difference   | 15,274            | (11,246)           | (670)              | 2,803            | 97               | 1,642                 | -                      | (82,362)          | (74,462)          | -                           | (74,462)          |
| Equity Method for Participation in Profits of Associates and Joint Ventures   | -                 | -                  | -                  | -                | -                | -                     | -                      | 11,606            | 11,606            | -                           | 11,606            |
| Effect due to Participation in Equity Investment  | -                 | -                  | 1,289              | -                | -                | -                     | -                      | 66,822            | 68,111            | (1,255)                     | 66,856            |
| <b>Earnings for the Period Before Taxes</b>   | <b>781,240</b>    | <b>52,932</b>      | <b>1,215,363</b>   | <b>85,203</b>    | <b>237,716</b>   | <b>256,867</b>        | <b>21,559</b>          | <b>(172,311)</b>  | <b>2,478,569</b>  | <b>(65,970)</b>             | <b>2,412,599</b>  |
| Income Tax  | (178,660)         | (15,576)           | (375,886)          | (24,401)         | (94,238)         | (97,461)              | (4,897)                | (8,268)           | (799,387)         | 18,958                      | (780,429)         |
| Discontinued operations, net of income tax  | (1,423)           | 63                 | -                  | -                | -                | -                     | -                      | -                 | (1,360)           | -                           | (1,360)           |
| Net Movement of Regulatory Accounts related to Profit for the period  | -                 | -                  | 28,867             | -                | -                | -                     | -                      | -                 | 28,867            | -                           | 28,867            |
| <b>Net Profit for the Period</b>  | <b>601,157</b>    | <b>37,419</b>      | <b>868,344</b>     | <b>60,802</b>    | <b>143,478</b>   | <b>159,406</b>        | <b>16,662</b>          | <b>(180,579)</b>  | <b>1,706,689</b>  | <b>(47,012)</b>             | <b>1,659,677</b>  |
| Total Assets without Investments in Associates and Joint Ventures and Debit Balances of Deferred Regulatory Accounts            | 21,063,269        | 2,133,221          | 14,608,450         | 1,139,092        | 6,101,078        | 5,204,786             | 322,928                | 11,121,931        | 61,694,755        | (11,063,909)                | 50,630,846        |
| Investments in Associates and Joint Ventures accounted for using the Equity Method  | -                 | -                  | -                  | -                | -                | -                     | -                      | 1,746,569         | 1,746,569         | -                           | 1,746,569         |
| Debit Balances of Deferred Regulatory Accounts  | -                 | -                  | 111,868            | -                | -                | -                     | -                      | -                 | 111,868           | -                           | 111,868           |
| <b>Total Assets and Debit Balances from Deferred Regulatory Accounts</b>  | <b>21,063,269</b> | <b>2,133,221</b>   | <b>14,720,318</b>  | <b>1,139,092</b> | <b>6,101,078</b> | <b>5,204,786</b>      | <b>322,928</b>         | <b>12,868,500</b> | <b>63,553,192</b> | <b>(11,063,909)</b>         | <b>52,489,283</b> |
| Total Liability   | 12,767,880        | 1,350,728          | 9,143,632          | 702,839          | 2,907,281        | 2,445,644             | 247,294                | 4,808,783         | 34,374,081        | (3,954,576)                 | 30,419,505        |
| Deferred Liabilities related to Balances of Regulatory Accounts   | -                 | -                  | 33,560             | -                | -                | -                     | -                      | -                 | 33,560            | -                           | 33,560            |
| <b>Total Liabilities and Credit Balances of Deferred Regulatory Accounts</b>  | <b>12,767,880</b> | <b>1,350,728</b>   | <b>9,177,192</b>   | <b>702,839</b>   | <b>2,907,281</b> | <b>2,445,644</b>      | <b>247,294</b>         | <b>4,808,783</b>  | <b>34,407,641</b> | <b>(3,954,576)</b>          | <b>30,453,065</b> |
| Additions of Non-current Assets   | 2,029,298         | 189,929            | 1,045,663          | 19,873           | 340,390          | 424,629               | 25,319                 | 123,348           | 4,198,449         | -                           | 4,198,449         |

Figures stated in millions of Colombian pesos

## 26.2 Information by Geographic Area

### Income from external Customers

| Country                                    | September 30,<br>2019 | September 30,<br>2018 |
|--|-----------------------|-----------------------|
| Colombia (country of domicile of EPM)      | 8,361,654             | 7,903,786             |
| Guatemala                                  | 1,776,621             | 1,440,816             |
| Panama                                     | 1,849,912             | 1,491,767             |
| El Salvador                                | 786,656               | 639,685               |
| Chile                                      | 397,967               | 404,256               |
| Mexico                                     | 111,305               | 122,563               |
| Ecuador                                    | 371                   | 33                    |
| Bermuda                                    | 9,941                 | 6,455                 |
| International intersegment elimination     | (2,553)               | (3,088)               |
| <b>Total countries other than Colombia</b> | <b>4,930,220</b>      | <b>4,102,487</b>      |
| <b>Total consolidated income</b>           | <b>13,291,874</b>     | <b>12,006,273</b>     |

*Amounts expressed in millions of Colombian pesos -*

Income information is based on the customer's location.

There is no single client in the Group that generates more than 10% of its income from ordinary activities.

### Non-Current Assets

| Country                                    | September 30,<br>2019 | December 31,<br>2018 |
|--|-----------------------|----------------------|
| Colombia (country of domicile of EPM)      | 32,693,064            | 31,381,539           |
| Chile                                      | 3,357,944             | 3,574,900            |
| Panama                                     | 2,464,811             | 2,292,551            |
| Guatemala                                  | 2,444,165             | 2,218,423            |
| El Salvador                                | 363,127               | 347,581              |
| Mexico                                     | 13,033                | 20,975               |
| <b>Total countries other than Colombia</b> | <b>8,643,080</b>      | <b>8,454,430</b>     |
| <b>Total non-current assets</b>            | <b>41,336,144</b>     | <b>39,835,969</b>    |

*Amounts expressed in millions of Colombian pesos -*

For these purposes, non-current assets include Property, Plant and Equipment, Intangible Assets and Investment Property including assets for the acquisition of subsidiaries and goodwill.

## Note 27. Events after the Reporting Period

After the consolidated financial statement presentation date, and before the date they are authorized to be published, no significant events involving adjustments to the figures were presented.