



## **To finance the investment plan and the works of the Ituango hydroelectric project, EPM signed a credit agreement for USD300 million with the Agency Export Development Canada**

- **The credit has a disbursement limit of 12 months and constitutes another step to ensure the financing of the 2017-2019 investment plan, which includes the Ituango hydroelectric project**
  - **It is the first EPM credit operation signing with the Canadian entity**
- **The CEO of EPM, Jorge Londoño de la Cuesta, signaled the importance of this credit by their excellent conditions and by the diversification of the sources of financing of the company**

In order to partially ensure the financial resources that EPM requires for the execution of its general 2017-2019 investment plan, that includes the construction of the Ituango hydroelectric project, the company signed this Thursday 4 of August, a contract of credit bilateral, for USD300 million with it Agency of credit to the Canadian Exportation, Export Development Canada (EDC).

This credit operation was authorized by the Ministry of the Treasury and Public Credit through resolution No. 2255 from last July 25. The signature of the loan was made official today in Medellin by the EDC representative, Gustavo Galvis and by the CEO of EPM, Jorge Londoño De la Cuesta.

During the opening ceremony, Londoño De la Cuesta stated that “the conditions agreed upon in this operation confirm confidence and the solid reputation that EPM has in the international financial arena, the ability of the company to diversify its sources of funding, and support and credibility of financial entities in EPM”. In addition, it stressed the importance that the organization has to consolidate a long term business relationship with a major Canadian institution like EDC.

The loan was granted with a term of five years with single payment of principal at maturity, without the requirement of collateral, payable in advance, and this will be disbursed over a period of 12 months.



## **Growth with Social Responsibility**

The credit with EDC will go towards the financing of investments in existing infrastructure plan, which for the 2017 reaches an amount of COP 3 billion. This plan provides for the implementation of projects in power generation, transmission and distribution, drinking water and wastewater treatment, seeking to contribute to the development of the regions and the quality of public services provided by the company to benefit the living conditions of the community.

Within the next four years, the period of 2017-2019, EPM will execute investments for COP 7.2 billion to develop expansion, modernization and growth projects in the areas of power, gas and water, as well as environmental and social responsibility programs associated with those projects that support the sustainable growth of the organization and of the territories involved.

Of these investments budgeted by EPM between 2017 and 2019, 82% is allocated to power, where is highlights the investment in the Ituango hydroelectric project, the greater project developed in the history of the company. This will allocate 45% of the resources of the loan signed with EDC.

Debt management is done proactively, since the debt of EPM is public debt, which involves approvals from its Board of Directors, both of the National Department of planning and the Ministry of finance and public credit. As long as this process may take, it is necessary to ensure resources for the implementation of future projects, taking advantage of the best options on the market and funding bids for the company, in the midst of financial markets that present volatility associated with multiple global factors.

At the end of the period of disbursement, planned for the next 12 months and according to advance investment plan, the indebtedness of EPM will remain within a conservative range, which supports investment grade having EPM in global financial markets, all framed within the long-term financial plan.

**This newsletter contains forward-looking statements, which we warn they are subject to various risks, uncertainties and circumstances relating to the EPM operations and business environments. These factors could cause the current results to differ materially from any future results expressed or implied in such forward-looking statements. Accordingly, EPM cannot guarantee the results or future events. EPM expressly renounces any obligation to update the forward-looking statements or any other information contained herein.**

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### Information for journalists

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