



Medellin, May 5 of 2016

10th Investor Meeting: EPM's General Manager highlights investor confidence and social and financial results achieved by the group in 2015

- **The meeting with investors is part of public dialogue and accountability, a transparency exercise carried out every year by EPM**
- **EPM Group's corporate transparency achieved 88 points, and was ranked 4 in at Merco Reputación and EPM received a score of 78 in the Dow Jones Indicator**
- **In 2015, EPM and CHEC won the CIER Perceived Quality Satisfaction Award in the Gold category. For its part, EDEQ won in the Silver category**
- **EPM Group sales stood at COP 13.9 billion and EBITDA at COP 3.6 billion, maintaining the level of 2014**

“To help improve the quality of life of the community inspires us to work every day to get closer to people, understand their needs, and grow with sustainability and social responsibility,” said EPM's General Manager Jorge Londoño De la Cuesta during the 10th meeting of investors held on Thursday, May 5 in Bogota.

At the meeting, which was attended by EPM bond investors, representatives of the Ministry of Finance and Public Credit, risk rating agencies, Financial Superintendence of Colombia, stockbrokers, and commercial and multilateral banks, Londoño De la Cuesta presented the financial results for 2015, major advances in CSR programs, current infrastructure projects and challenges for the coming years.

EPM's General Manager highlighted the strength of the group, which despite facing several challenges in 2015--with factors external to the company such as low hydrology caused by El Niño, the Tax Reform, and high devaluation of the peso against the dollar--had revenues COP 13.9 billion, an 18% increase over the previous year. EBITDA was COP 3.6 billion, close to the level achieved in 2014, despite the temporary difficulties faced by the Grupo EPM. The diversification strategy shows in the fact that 25% of EBITDA was generated by international investments. In turn, cash at the end of the period added up to COP 1.3 billion.

Meanwhile, EPM--the parent company--achieved COP 6.8 billion in revenue, an increase of 14% compared to 2014, and COP 2.2 billion EBITDA with a 32% margin. The result for the period was COP 1.48 billion with a net margin of 22%. Of the total of this consolidated income, the parent company contributed 48%, international subsidiaries 35%, the national energy subsidiaries 15%, and the remaining 2% for water.



For the first time, Grupo EPM's financial results were prepared and presented under International Financial Reporting Standards (IFRS).

Regarding access and comparability with public utilities, Grupo EPM's national energy companies had a total coverage of 98.8% (4,035,807 installations) and the international one showed 93.16% (1,931,044 installations). As for gas service, penetration in Antioquia reached 69.5% and 77% in the Valley of Aburrá, with a total of 992,358 residential customers connected. In the water service area, Grupo EPM's coverage is 99.6% in the municipalities where it is present, while Emvarias has 841,651 customers for sewer and sets a benchmark in solid waste management.

As part of the effort to bring services to other sectors of the population and under the goals set for 2015, the programs specially created for this purpose showed more than 500,000 people benefiting from the *Habilitación Viviendas* program, more than 110,000 from the *Gas sin Fronteras* program, more than 70,000 from the rural electrification program, 118,000 people welcomed the possibility of prepaid Energy and Water services, and 427,000 people enrolled in the *Somos* loyalty and recognition program, among other initiatives that seek to generate welfare, inclusion and development in the territories in which the organization has a presence.

Infrastructure Projects

EPM's General Manager Jorge Londoño De la Cuesta highlighted the progress in four projects--strategic for the country's future--currently under execution by the group. The Ituango hydroelectric project, the largest engineering work taking place in Colombia, reached 39.7% (it reached 50% of construction in May 2016), which is a milestone for national engineering. The plant, which will generate 2,400 MW, will go into operation in late 2018 with one turbine generating 300 MW.

The Ituango hydroelectric project is an example of how a work can be integrated with the territory to contribute to the quality of life of people. In the 12 municipalities belonging to the area of influence in the North and West of Antioquia, about COP 1.9 billion have been invested, both in environmental and social management plans, as well as in different development lines such as: connectivity, health, education, housing, public services and productive projects, among others.

The Nueva Esperanza project, which will add to the reliability of the electrical system of Bogota and Cundinamarca, reached 71% progress of works and creates 1,386 direct jobs. In turn, the construction of the Bello-Guayabal-Ancon line--a national interest project that seeks to improve the reliability of the electrical system in the Aburrá Valley--line reached 41% of the construction phase and COP 14.029 million were invested in 2015, generating 200 direct jobs.

Construction of Parque Planta Aguas Claras, in the municipality of Bello--which confirms the environmental commitment of EPM with the sanitation of the Medellin River--showed a 58% progress as of December 2015. It generated 6,203 direct jobs and an investment COP 289,885 million in the year (COP 645,721 million invested since its inception). Grupo EPM executed a total



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of COP 3.2 billion in sustainability, operational improvement, expansion and growth projects in the energy, gas and water sectors in 2015.

Londoño De la Cuesta appreciated the trust and recognition of investors in the group. EPM's General Manager highlighted the ratification of Moody's Investors Service "Baa3" investment grade international rating for EPM for the seventh consecutive year and positive outlook for the second year, and EPM's International "BBB+" and national "AAA" credit ratings by Fitch Ratings.

That's how the EPM Group moves forward. A sustainable, financially solid organization with a strong social orientation, it contributes to the realization of dreams, inclusion and development of millions of people living in the territories in which it has a presence.

Links of interest:

2015 Grupo EPM Sustainability Report:

<http://www.sostenibilidadgruoepm.com.co/>

2015 Grupo EPM Financial Results:

http://www.epm.com.co/site/portals/html/archivos_mapa/mapa/index.html

Information for journalists

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