



EPM Board of Directors has approved a COP 14.2 billion budget for 2018

- **With investments that will improve people's quality of life, the parent company will make investments of COP 6.4 billion in the next four years**
- **The total investment from the EPM Group will rise to COP 11 billion between 2018 and 2021, as a commitment to the development and well-being of the community**
 - **In 2018 the Ituango and Aguas Claras projects will come online**
- **The company will provide resources for COP 1.3 billion to the Municipality of Medellin, to be used mainly for social investment**

In 2018 the EPM Group will carry out large infrastructure projects and investments, which aim to contribute to the development of the country, generate employment and improve people's well-being. To this end, the company's board of directors approved on Wednesday December 13th a budget of COP 14.2 billion for next year.

In 2018 the first power generation unit of the Ituango Hydroelectric Plant will enter into commercial operation, with a capacity of 300 MW. When all eight power generation units are running together they will produce 2,400 MW.

It will be an important year for the protection of the environment and water quality of the Aburra-Medellin River, as the EPM Aguas Claras Park Water Treatment Plant will begin working, reducing the organic load of waste water that the affluent receives.

Grupo EPM as a collective (the parent company and its subsidiaries) will make investments of COP 11 billion over the next four years. From these resources, 75% will be invested in Colombia, as a commitment by the company to the development of Medellin, Antioquia and the country.

Among 2018 investments, the following stand out:

Power Generation: investment of COP 2.7 billion is expected. From this, COP 1.5 billion will be spent on the completion of works and implementation of the Ituango Hydroelectric Plant. Furthermore, the normalization of the Playas Plant will be brought forward, the Dolores Mini-Center will be reinstated, and the infrastructure of the Guatapé, Porce II, Guadalupe IV and Troneras hydroelectric plants will be optimized.



Power Transmission and Distribution: an estimated COP 1.2 billion investment focusing on the expansion and replacement of the electrical system and public lighting; expansion of the distribution networks, rural electrification and waste reduction.

Gas: COP 58.392 billion will be provided for the growth and expansion of the natural gas distribution systems in Antioquia. This will allow new homes to access the service, benefiting the families' economy.

Water: COP 2.3 billion has been assigned for investment in infrastructure projects and for modernization and replacement of the network, in order to expand coverage and maintain the continuity and quality of drinking water provision and waste water services, including investment in the Municipality of Rionegro.

Financing the 2018 budget

55% of the COP 14.2 billion budget (COP 7.74 billion) will be financed by current revenue, 27% (COP 3.8 billion) will come from credit resources and the rest from other sources and the initial cash balance. The EPM Group plans to get COP 335 thousand million from national and international subsidiaries, equivalent to 6% of total capital resources.

The 2018 budget will be distributed as follows:

- ✓ **Costs of commercialization and production:** COP 5.0 billion (35%).
- ✓ **Functioning costs:** COP 2.7 billion (19%), which includes COP 1.3 billion of resources for the Municipality of Medellin.
- ✓ **Investments:** COP 3.8 billion (27%).
- ✓ **Debt Service:** COP 2.4 billion (17%).
- ✓ **Final cash balance:** COP 0.3 billion (2%).

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