Press Release

Medellin, September 22, 2014

FITCH RATINGS RAISES THE CREDIT RATING OF EPM'S DEBT IN LOCAL AND FOREIGN CURRENCY TO "BBB+"

- **The rating assigned reflects a continual increase in EPM's credit quality**

- **The rating agency outlines the solid financial performance and adequate debt levels of the company**

The risk rating firm, Fitch Ratings, raised EPM's investment level rating from "BBB" to "BBB+," with a stable outlook, as an issuer of debt in local and foreign currency. The rating applies to international issuances of valid bonds for USD 500 million (maturing in 2019), for $1 billion, 250 thousand million (maturing in 2021), and the most recent for $965,745 million (maturing in 2024).

In addition, it confirmed the "AAA" rating assigned to EPM's payment capacity on a national level and to its plan to issue $3 billion in bonds. The outlook for these ratings is stable.

The rating reflects a good economic period in the countries where EPM operates, together with the continuation of a conservative capital structure, which is in line with the "BBB+" rating.

At the end of last year, Fitch raised the Republic of Colombia's sovereign rating to "BBB" for foreign currency and "BBB+" for local currency. In this regard, the confidence of the rating firm upon assigning EPM a level increase above its previous rating is highlighted, for external debt in both foreign currency and local currency.

Solid indicators and a low risk level

In order to raise EPM's rating, Fitch Ratings took into account its low business risk profile, originating from the diversification of its business dealings as a multi service public company. EPM's strong financial profile, thanks to an "adequate cash flow, low level of leverage and an appropriate coverage of interest and liquidity," was also referenced.

The rating firm also highlighted the following aspects in its report:

- The diversification of EPM's business dealings, which permit it to mitigate regulatory risk and provide the company with predictable and stable cash flows, derived from the rendering of its regulated services.

- The liquidity position of the company, characterized by an adequate profile of maturities and appropriate cash flow levels of approximately USD 453 million as of June, 2014.

- The debt indicators (reported as of June, 2014), a Debt/ EBITDA ratio of 2.6 times (consolidated every 12 months) and an interest coverage ratio of 6.2 times, considered solid and consistent due to low financing costs, in harmony with the rating category.

Conversely, EPM's dividend policy has been moderate and is not considered a credit restriction. On average, EPM has transferred between 45% and 55% of its net income to the City of Medellin as dividends.

The rating firm estimates that EPM's credit metrics will remain consistent with the assigned rating, taking into account its growth strategy up to 2022.

In conclusion, Fitch Ratings highlights that expected future regulatory changes indicate the addition of greater transparency in regions where EPM operates, for which reason it is believed such will have a neutral impact on the company's financial profile.

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