

Medellin, April 26 of 2016

## **EPM and Brazilian promotion bank BNDES--with the intervention of Alstom--signed \$111.4 million credit agreement for equipment for the Ituango hydroelectric project**

- **It is the first National Bank of Economic and Social Development (Banco Nacional de Desenvolvimento Econômico e Social, BNDES) credit operation with a Colombian public company**
- **The credit is intended to partially finance the turbines and generators for the Ituango hydroelectric project**
- **EPM is diversifying its funding sources through this operation and accessing the resources of the Brazilian promotion bank for the first time**

This Tuesday April 26, the credit agreement between the National Bank of Economic and Social Development (BNDES) and EPM for \$111.4 million--an operation that is a key component of the company's financing plan for the Ituango hydroelectric project--was formally signed. The signing of the loan was authorized on April 4 by the Ministry of the Treasury and Public Credit through resolution No. 926.

The loan was granted with a 23.5-year term and a disbursement period through the completion of the project. This transaction constitutes a precedent for future operations between the Colombian public sector companies and BNDES, as it is the first negotiation of indebtedness of its kind in the country.

EPM General Manager Jorge Londono De la Cuesta noted that “for our company, this operation means a diversification of funding sources with an entity promoting development that is a model in Latin America. The operation is the first in Colombia with the public sector and we trust it will open a window to other public entities in the country to access BNDES funding.”

Londono De la Cuesta also highlighted the company's calm when it comes to accessing resources that allow you to finance the investments related to the Ituango hydroelectric

project, one of the most important infrastructure works underway in the nation. “The terms of this operation ratify the trust and strong reputation of EPM in the regional financial sector, amid an economic environment of high volatility in international markets,” EPM General Manager said.

This credit transaction originated in the development of commercial relations with Brazil, which began in 2012 when EPM entered into a contract with Alstom Energias Renováveis Ltda, which was awarded through a Public Call for Tenders for the purchase of electromechanical equipment--turbines and generators for the construction of the Ituango hydroelectric plant. Organizing the operation with BNDES became possible in this context--and because equipment is manufactured and exported from Brazil.

The National Bank of Economic and Social Development (BNDES) is a key development agent in Brazil. Since its founding in 1952, it plays a key role in promoting the expansion of industry and infrastructure in that country.

The Ituango hydroelectric project adds to the productivity and competitiveness of the country and will contribute to the development and quality of life of those living in its area of influence. EPM plans to begin commercial operations the first 300 MW at the end of 2018. The plant will generate a total of 2,400 MW, approximately 17% of the electricity Colombia's demand.

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**Information for journalists**  
**EPM Group's Corporate Communications**

Vice Presidency of Communications and Corporate Relations

Juan José García Villegas | (574) 380 65 62 | 310 823 89 42 | [juan.garcia.villegas@epm.com.co](mailto:juan.garcia.villegas@epm.com.co)

José Ignacio Murillo Arango | (574) 380 44 04 - 300 619 62 85 | [jose.murillo@epm.com.co](mailto:jose.murillo@epm.com.co)