

Regarding the news published by some media on December 10 of this year stating that HIDROITUANGO S.A. E.S.P. charged EPM again for the delay in the Ituango project, EPM states:

The above communiqué corresponds to the one sent by Sociedad Hidroituango on December 4, 2018. It refers to “settlement of debt collection penal clause as of December 31, 2018” on the occasion of the alleged breach of milestones 7 and 8 of the BOOMT contract, from which the claimed value is calculated and its periodic update announced.

EPM referred to this communiqué in the publication it made through the Relevant Information mechanism on December 5, 2018, and was replied to on December 7. Therefore, we consider it valid to reiterate specific points of that response, as follows:

*“On repeated occasions EPM has conveyed to HIDROITUANGO S.A. E.S.P. the inappropriateness of the enforcement measures and the payment of the alleged loss of earnings, until it is defined that the cause that gave rise to the contingency in the Ituango Hydroelectric Project does or does not constitute an “Excusable Event”, as stipulated in the BOOMT contract.*

*“In accordance with the foregoing, to date, there is no payment obligation to be borne by EPM, as the responsibility for the occurrence of the events is not determined and, therefore, is not enforceable by Sociedad HIDROITUANGO S.A. E.S.P.*

*“In the event that HIDROITUANGO S.A. E.S.P or the DEPARTMENT OF ANTIOQUIA, as shareholder, initiates any legal action to make effective its claims, they will be addressed in the legal and contractual framework agreed by the parties in the BOOMT contract.*

*“For this reason, EPM considers that there is no economic impact, since the procedures set forth in the contract that would define the viability or otherwise of these concepts and values have not yet been exhausted.”*

*“EPM reiterates its willingness to comply with all obligations listed in the BOOMT agreement, within dialogue and negotiation scenarios, pursuant to all procedures and other clauses stated in the agreement.”*

