Relevant Information

EPM will clarify to the market on information disclosed by the media, that:

During a visit to the Ituango hydroelectric project on Wednesday, October 3, EPM's CEO, Jorge Londoño De la Cuesta, reported that the capacity to drain water from the powerhouse has been gradually reduced by up to 30%. He clarified that, under similar conditions, there were times when 900 m^3/sec. were drained, and today around 600 m^3/sec are drained. The cause or causes of this loss, which is also called "reduction of hydraulic capacity", cannot be determined today. It is only a mathematical estimate and is considered to pose no risk to people.

Similarly, the CEO also told the journalists that it was possible to penetrate to the powerhouse cavern and enter a small camera, showing proof of good state of the concrete that covers the upper part of the cavern, at the points where the search could be made. Londoño De la Cuesta reiterated that these are hopeful signs for the state in which the powerhouse can be found.

In relation to the estimated net income for the year 2018, we have the following:

EPM has a consolidated net income, as of August 2018, of COP 1.24 billion. As for the year-end estimate, if the macroeconomic scenario, energy demand, spot market prices, proposed savings in costs and expenses in the Group for the current year, among other variables, are presented in accordance with the projections, EPM would be ending the year with a profit of around COP 2 billion, as was considered in the 2018 budget. This projection of results includes the contingency costs of the Ituango project for the current year.

In relation to insurance policies, the Ituango hydroelectric project has: 1. Extracontractual Civil Liability Policy and 2. All Risk Construction and Assembly Policy, including coverage for business interruption due to delay in startup. The first of these has a maximum compensation limit of COP 50 million, and its coverage is aimed at attending to the material and physical damages caused to third parties; in this case, to the population affected by the contingency. The second has a material damage insured value of USD 2.5 billion (approx. COP 7.5 billion) and an insured limit for business interruption of USD 628 million.

For both policies, the maximum liability of the insurance company is subject to the insured value or contracted limits.

The amount of the compensation in the first case shall correspond to the costs of compensating the material or physical damages of the affected persons, and in the second case, to the costs of repair and/or replacement of the infrastructure and/or equipment affected by the contingency, as well as the business interruption derived from such damages up to a maximum period of 12 months, deducted the agreed deductibles.

Medellín, October 4, 2018