



1st Annual Itaú BBA LatAm Fixed Income Conference  
New York, NY, March 11-12 , 2013

# Disclaimer

*This document was prepared by EPM for the purpose of providing interested parties with the company's financial information.*

*This document may include strategy discussions as well as prospective declarations regarding the probable progress of EPM's business areas. They include information relating to the company's estimations or expectations concerning its future and operating results. Potential investors and the market in general must recognize that the information contained herein does not represent any guarantee of performance, risks and uncertainties that may occur or come to fruition. Real results may vary or differ from those anticipated in this document, due to a number of factors that are beyond the control of the company. Neither EPM, nor its advisers, officials, employees, directors or agents, or any representative will assume any responsibility regarding the performance of the real events of the company, should it differ from that which is provided. Conversely, EPM's advisers, employees, directors or agents do not have any obligation to update, correct, modify or adjust this presentation of information with respect to events that occur following this communication.*

*This presentation is for the purposes of debate only and must be referenced by solely considering the verbal information provided by EPM, otherwise it will be rendered incomplete. Neither this, nor any of its content may be used for any other purpose without the prior written consent of EPM.*

# Agenda

- Company Overview
- Corporate Strategy 2012-2022
- Investment Plan 2013-2016
- Ituango Hydroelectric Project
- Bello Wastewater Treatment Plant
- Highlights and Financial Results as of Fourth Quarter 2012



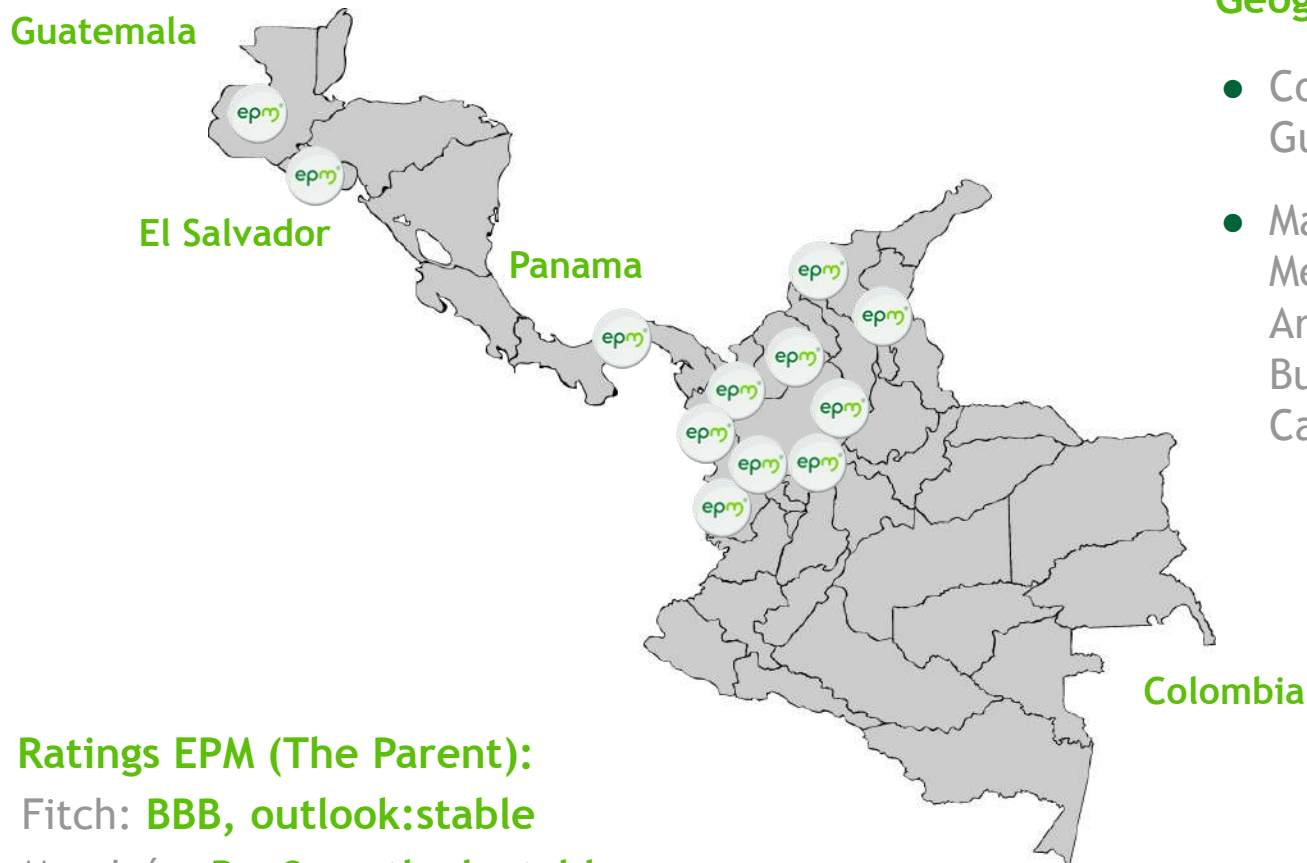
# Company Overview

# EPM Group in Colombia

- \*Leading and largest multi- utility Company in Colombia
- \*Second Corporate Group **in terms of assets:** USD 19.9 billion
- \*Second Corporate Group **by revenues:** USD 7.0 billion
- We reach a population of more than **13 million people (including Central America).**

\*Position annually reviewed among companies of the Real sector.  
figures as of December 2012

# Leading and Largest Multi-Utility Company in Colombia



## Geographically diversified:

- Colombia, Panama, Guatemala and El Salvador.
- Main **Colombian Markets:** Medellin, Manizales, Armenia, Pereira, Bucaramanga, Barranquilla, Cartagena, Cucuta.

## Ratings EPM (The Parent):

Fitch: **BBB**, outlook:stable

Moody's: **Baa3**, outlook:stable

# Business Units



Parent Company

Grupo-epm

## Energy

Colombia



Central America



## Water

Colombia



## Telecommunications



max seguros epm

EPM Inversiones S.A.

epm  
México

epm  
Panamá



# Our presence in Colombia

## Electricity



## Gas



## Water



## Telco



Generation **21.9%**  
Transmission **8%**  
Distribution **24.2%**

Distribution  
and **10%**  
Commercialization

Water  
and **15%**  
Sewage Systems

Phone lines **24.2%**  
Internet **27.4%**  
TV **25.5%**

**Market  
Share**

More than **3,4  
million** customers

More than **720  
thousand**  
customers

Water System **994** thousand  
Sewage System **966** thousand  
Wastewater  
Treatment **218** thousand

Fixed Phone  
Lines **1.7** million  
TV suscriptions **1** million  
Internet **1** million

**Customers**

**3.556 MW** Net  
Effective Capacity,  
**84%** hydraulic

**Main distributor** in  
the region of Antioquia,  
**4th position** in  
Colombia

**Second  
company** in  
Colombia

**3rd  
Telecommunication  
Company** in Colombia

**Key  
figures**



# Our presence in Central America



Panama	Guatemala	El Salvador	
ENSA HET	EEGSA TRELEC COMEGSA	DELSUR	Company
376.526	1.024.306	341.134	Customers
2nd electricity distribution company in the country  31 MW in construction	1st electricity distribution and commercialization company in the country  10 MW Generation Capacity	2nd electricity distribution company in the country	Key figures
ENSA: BBB Fitch Ratings	EEGSA: BB- S&P Ba3 Moody's	DEL SUR: AA- Fitch Ratings (local)	Ratings



# Corporate Strategy 2012-2022

# EPM Group Corporate Strategy

## Growth Plan based on sustainability

### 2012 -2022:

- ✓ Revenues equivalent to US \$16 billion.
- ✓ Ebitda to US \$ 5.5 billion.

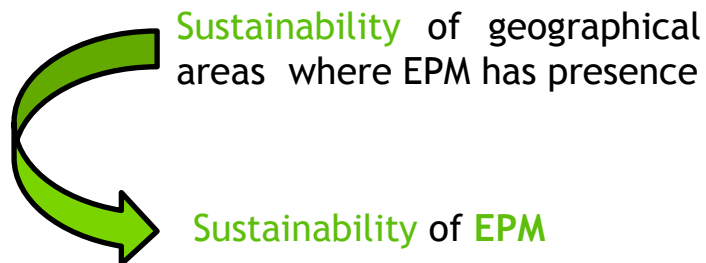
In 2022, EPM Group expects to position itself among the first **50 multilatinas** in terms of revenues, with an emphasis on Colombia, Central America, Brazil, Chile, Peru and Mexico.



# EPM Group Corporate Strategy

✓ **Balance between** financial, economical, social and environmental outcomes.

✓ **The Corporate Social responsibility (CSR)** promotes setting up economical, social and environmental conditions to increase the sustainability of the area where the Group has presence.



✓ **Cash flow generation from the companies of the Group EPM**

Expenditures optimization, decrease in the cash cycle and revenues maximization.

✓ **Investment Management**

Optimization of capital invested in : expansion, replacement and modernization of the operating assets of the current businesses and acquisitions of new companies.

✓ **Indebtedness Management**

Development of the investment financing strategy



# Investment Plan 2013-2016

# Investment Plan 2013-2016

Figures in USD million

	Energy	Water	Telco	Total
<b>EPM Parent Company</b>	3.94 billion (57%)	444 million (6%)		4.38 billion (63%)
<b>Subsidiaries</b>	791 million (15%)	643 million (9%)	1.09 billion (16%)	2.52 billion (36%)
<b>Total</b>	4.73 billion (68%)	1.08 billion (16%)	1.09 million (16%)	6.9 billion



# Investment Plan 2013-2016

Figures in US\$ M

	2013	2014	2015	2016	Total
Energy	1.55 billion	1.03 billion	1.19 billion	952 million	4.72 billion
Water	236 million	405 million	291 million	156 million	1.08 billion
Telco	291 million	261 million	265 million	275 million	1.09 billion
Total Group	2.07 billion	1.69 billion	1.75 billion	1.38 billion	6.91 billion

# Investment Plan 2013-2016

Figures in USD million

## Investment Plan 2013-2016

## Financing Sources

**Total: USD 6,9 billion**

✓ EPM Cash flow	USD 5.3 billion
✓ IADB (Bello WTP)	USD 385 million
✓ Development Agencies	USD 338 million
✓ Other financial sources:	USD 877 million
<ul style="list-style-type: none"><li>• Capital markets: International &amp; Local</li><li>• Local commercial banks</li><li>• Latin American Banks: Commercial &amp; Development Agencies</li><li>• Multilateral Agencies</li></ul>	



# Ituango Hydroelectric Project





# Main features

Cost: USD 5,3 bln

Installed Capacity: 2,400 MW.  
8.563 GWh/year  
8 Francis type turbines: 300MW each

Dam: 225 m height,  
20mn m<sup>3</sup>

Reservoir: 79 km lenght  
Area flooded:: 3.800 hectares



# Status/ under construction

- **Start of operation:**

- ✓ Stage I 2018
- ✓ Stage II 2022

- **Awarded contracts:**

- ✓ Main civil works:  
Camargo Correa-  
Concreto and  
Coninsa Ramon H.
- ✓ Equipment:  
Alstom Brasil.

## Progress of works:

- ✓ Access roads to  
main civil work  
locations : 90%



- ✓ Camps: 78%



# Status/ under construction

## Progress of works:

- ✓Tunnels: 2.011 m  
Excavations: 63%  
Entrance portal: 8%  
Exit portal: 90%



- ✓Access to the powerhouse: 891m  
Excavations: 90%  
Entrance portal: 100%





# Bello Wastewater Treatment Plant



## Technical information

## Cost

## Sources of financing

## Status

### Bello Plant

Treatment capacity  
DBO5  
Suspended solids  
% removal DBO5 y SST

5.0 m3/sec  
123 t/day  
120 t/day  
80%

**USD 469.3 mn**

IADB  
USD450 mn

Under construction:  
2012-2015

- Start of operation: Sept 2015
- Design and construction North Interceptor: 2011-2014
- Design and construction of branches: 2014-2016
- Construction and equipment supply: Sept 2012-2015

### North Interceptor

Diameter  
Length  
Construction system  
Connections to connectors

2.2 - 2.4 m.  
7.7 km.  
Tunnel  
Diameter 1.2  
Length 0.5  
km

**USD 83.8 mn**

Awarded contracts:

- Civil works and equipment supply to the skilled Korean - Spanish consortium "Aguas de Aburra HHA: Hyundai Engineering and Acciona Agua.



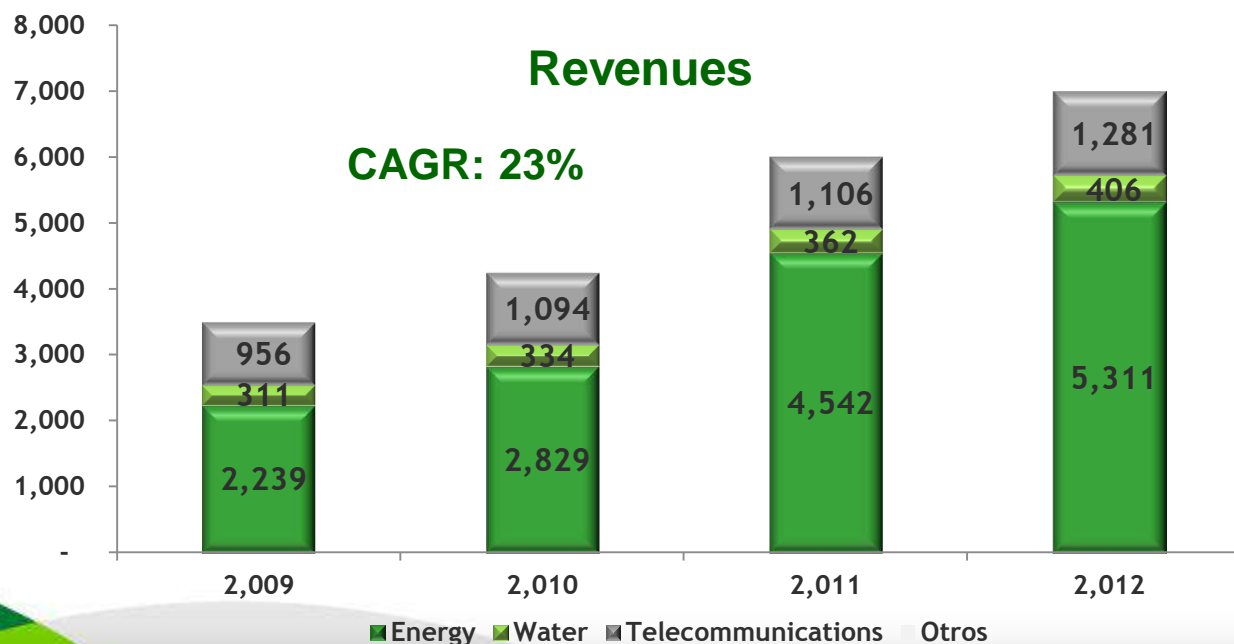
# Financial Results

## Fourth Quarter 2012

# Income Statement

Figures in USD million

Concept	as of Dec, 2011	as of Dec, 2012	Var.%
Revenues	6,278	7,001	12
Costs and administrative expenses	4,302	4,878	13
EBITDA	1,976	2,123	7
Provisions, deprec. & amortizations	670	790	18
Operating Income	1,306	1,333	2
Others non-operating, nets	(116)	(44)	N.A
Income tax provision	321	350	9
Net Income	822	885	8

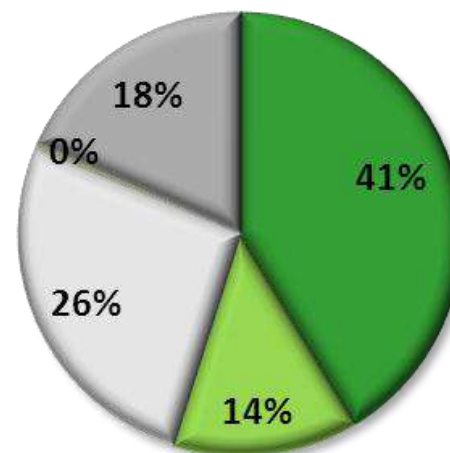




# Revenues & Ebitda by geography

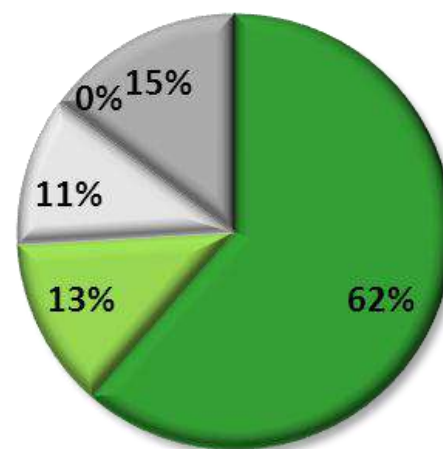
Figures in USD million

Revenue	as of Dec, 2012	Var. prev. year %
EPM Parent Company	2,891	8
Colombian Energy Subs	948	10
Central America Subs	1,854	18
Water subsidiaries	25	27
TELCO subsidiaries	1,281	11
Other	2	(2)
<b>Total revenue</b>	<b>7,001</b>	<b>12</b>



- EPM Parent Company
- Colombian Energy Subs
- Central America Subs
- Water subsidiaries
- TELCO subsidiaries

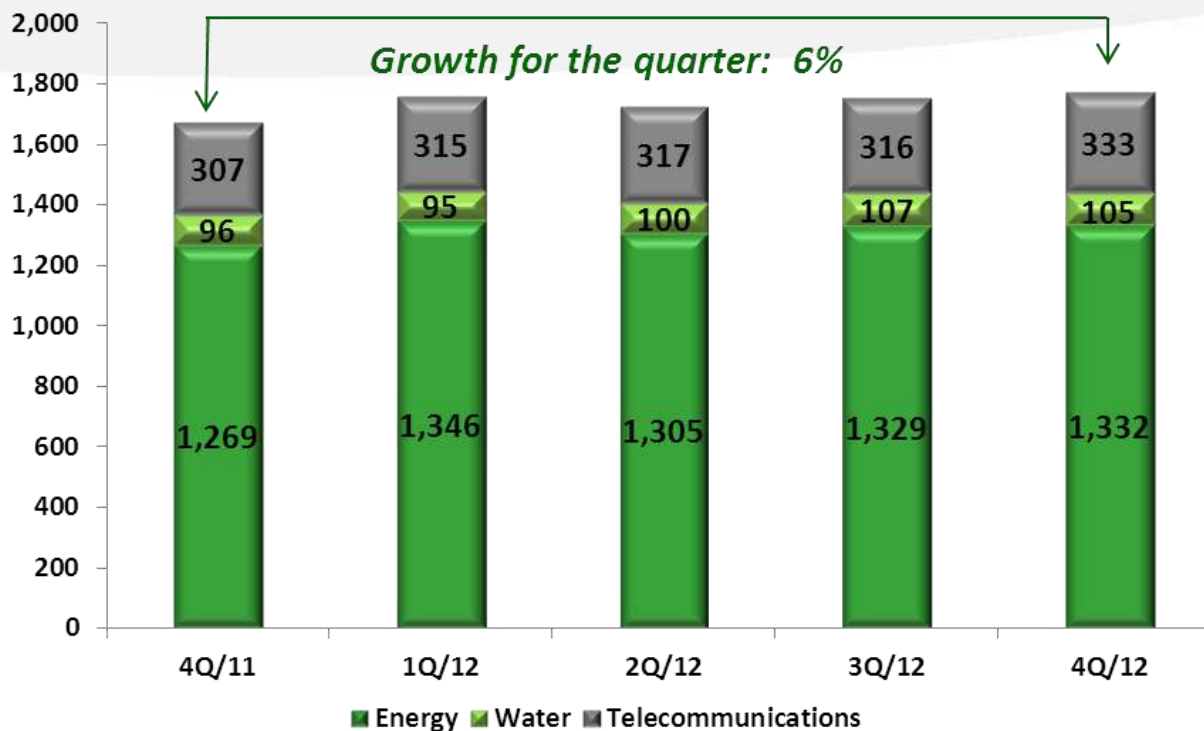
EBITDA	as of Dec, 2012	Var. prev. year %
EPM Parent Company	1,304	6
Colombian Energy Subs	270	21
Central American Subs	234	9
Water subsidiaries	(2)	N.A
TELCO subsidiaries	315	2
Other	2	10
<b>Total EBITDA</b>	<b>2,123</b>	<b>7</b>



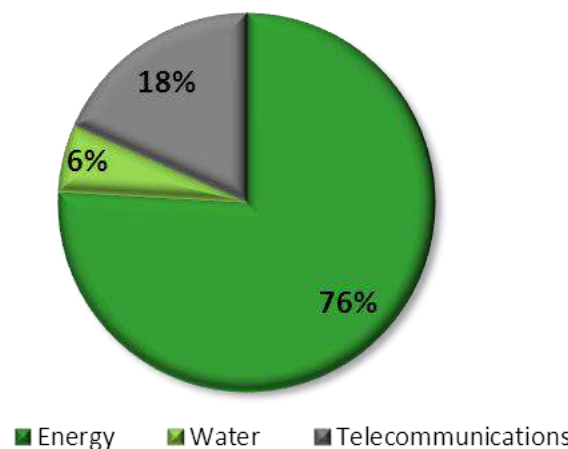
- EPM Parent Company
- Colombian Energy Subs
- Central America Subs
- Water subsidiaries
- TELCO subsidiaries

# Revenues by business unit

Figures in USD million



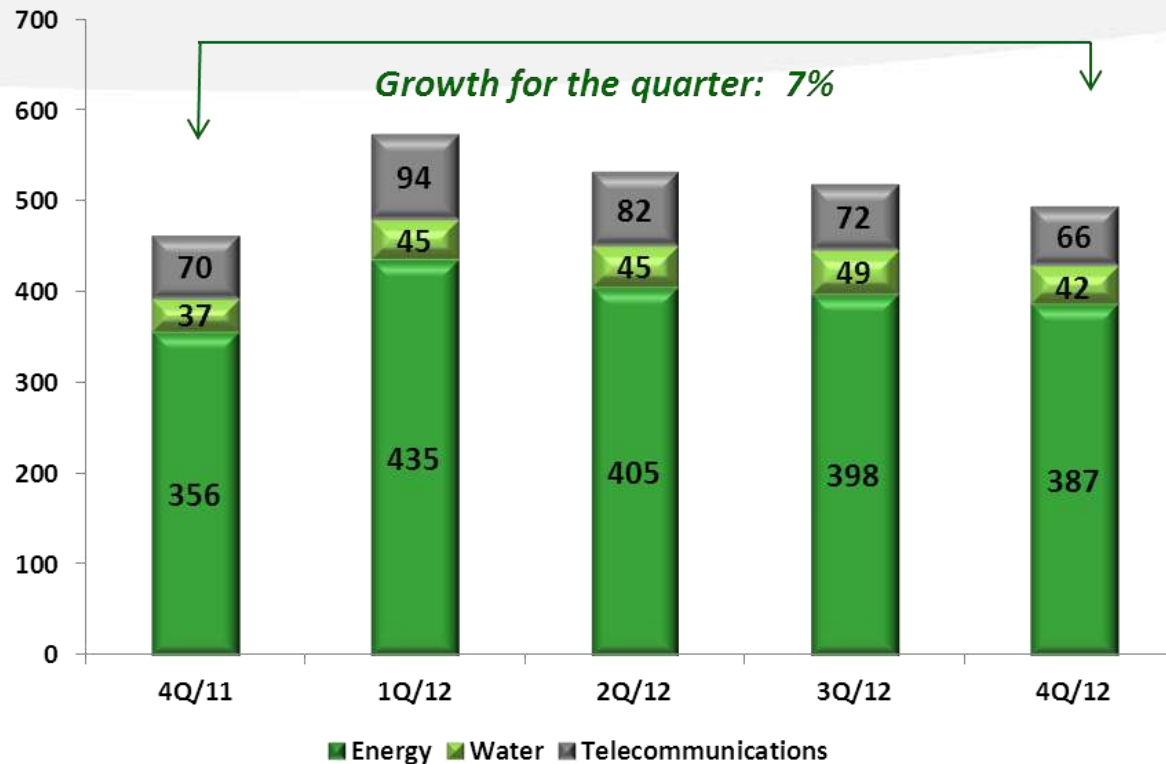
Revenues	as of Dec, 2012	Var. prev. year %
Energy	5,311	12
Water	406	7
Telecommunications	1,281	11
Other	2	(2)
<b>Total revenues</b>	<b>7,001</b>	<b>12</b>



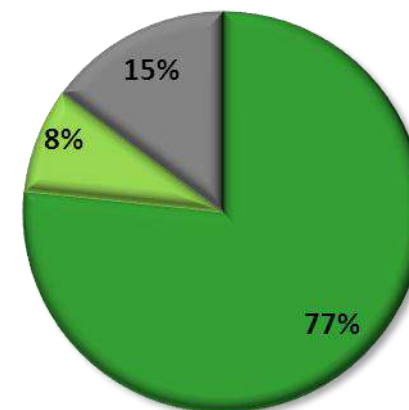


# EBITDA by business unit

Figures in USD million



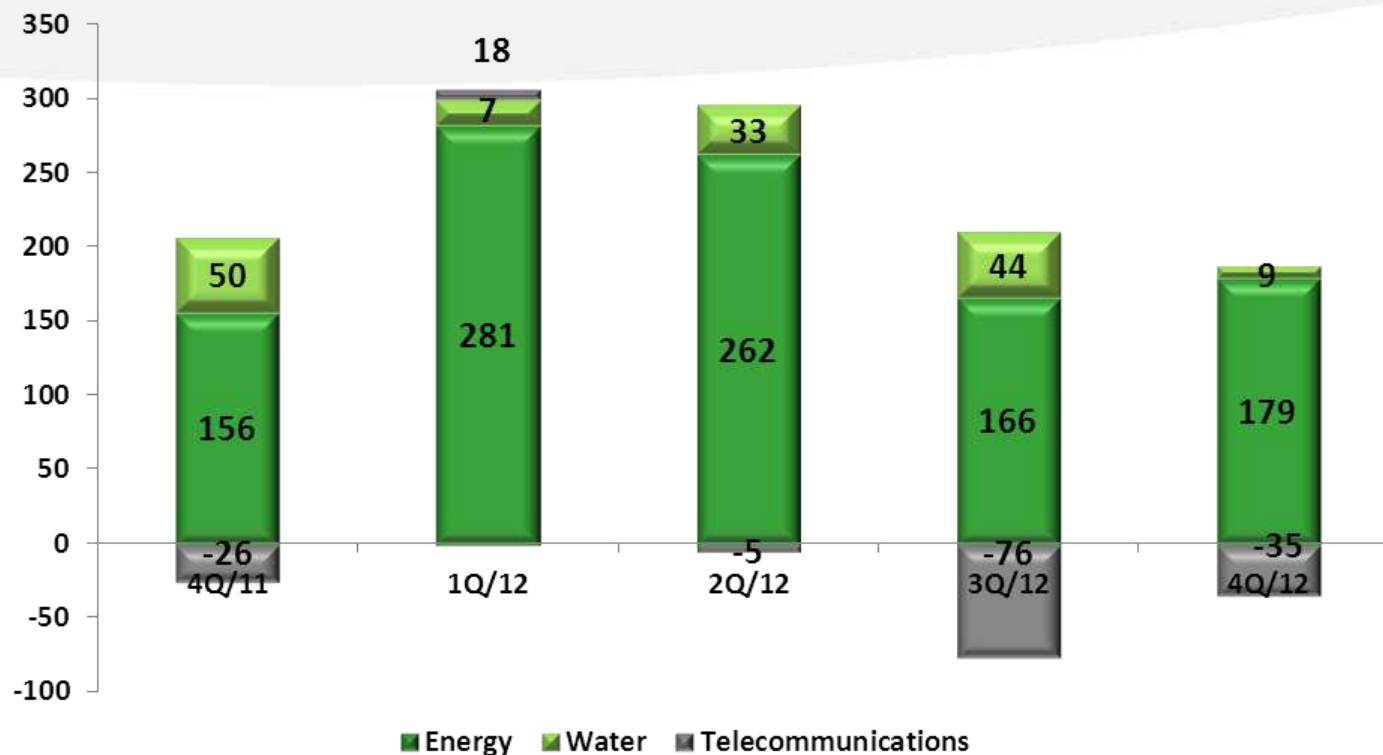
EBITDA	as of Dec, 2012	Var. prev. year %
EPM Parent Company	1,304	6
Colombian Energy Subs	270	21
Central American Subs	234	9
Water subsidiaries	(2)	N.A
TELCO subsidiaries	315	2
Other	2	10
<b>Total EBITDA</b>	<b>2,123</b>	<b>7</b>



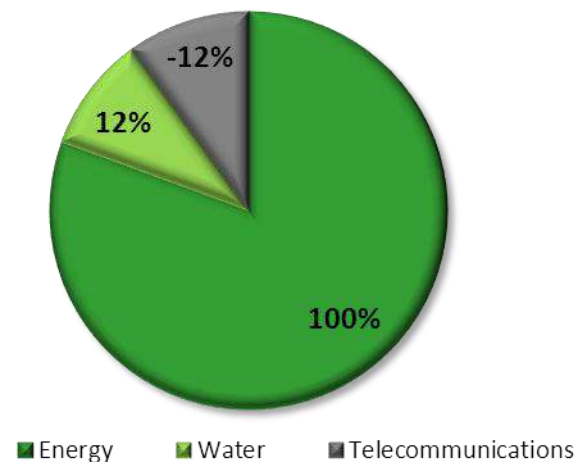
■ Energy ■ Water ■ Telecommunications

# Net Profit by business unit

Figures in USD million



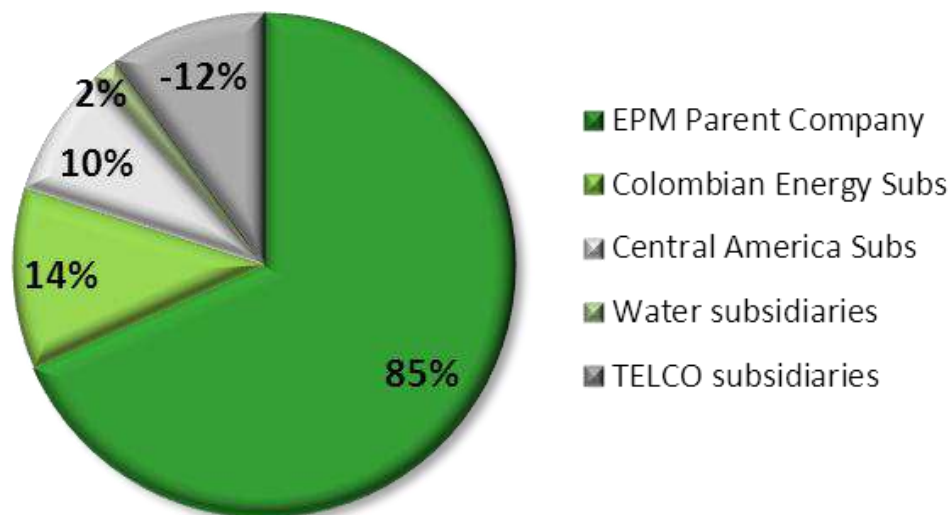
Net Profit	as of Dec, 2012	Var. prev. year %
Energy	888	21
Water	104	21
Telecommunications	(110)	N.A
Other	3	74
<b>Total Net Profit</b>	<b>885</b>	<b>8</b>



# Net Profit by geography

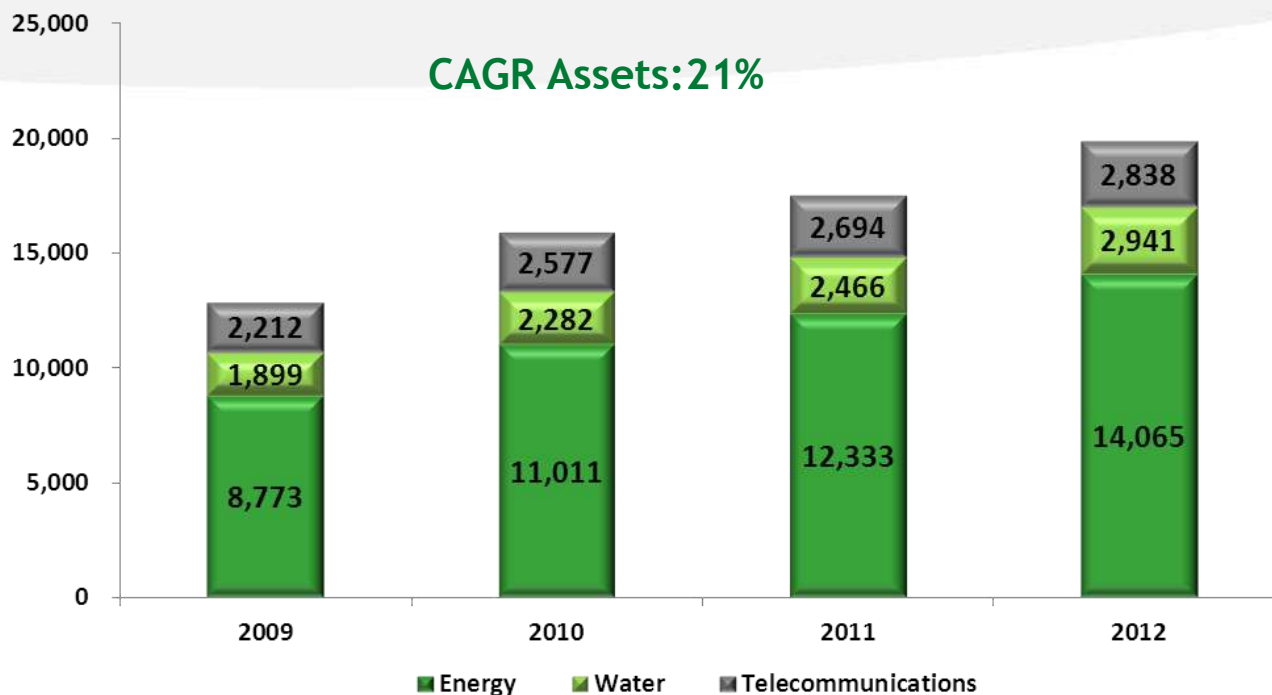
Figures in USD million

Net Profit	as of Dec, 2012	Var. prev. year %
EPM (The parent)	752	24
Energy subsidiaries Colombia	128	22
Energy subsidiaries Centroamérica	92	(4)
Water subsidiaries	19	131
Telecommunication subsidiaries	(110)	N.A
Other	3	74
<b>Total Net Profit</b>	<b>885</b>	<b>8</b>

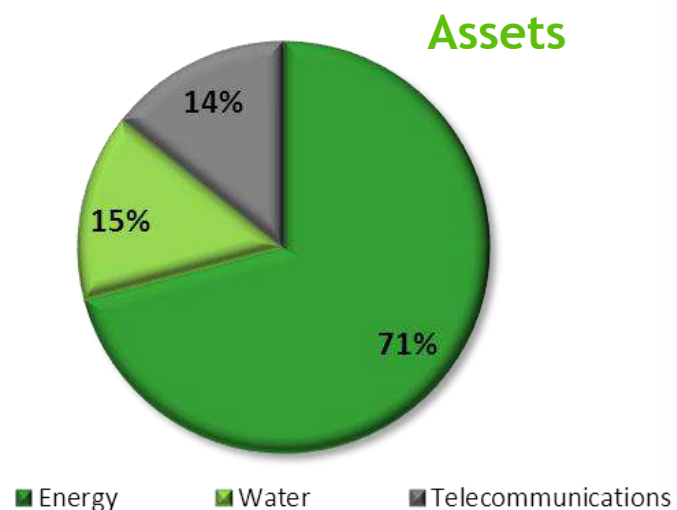


# Balance Sheet

Figures in USD million



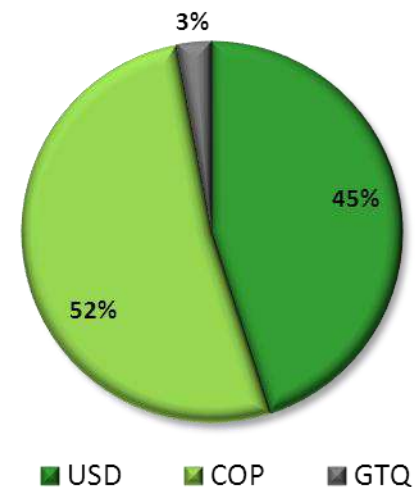
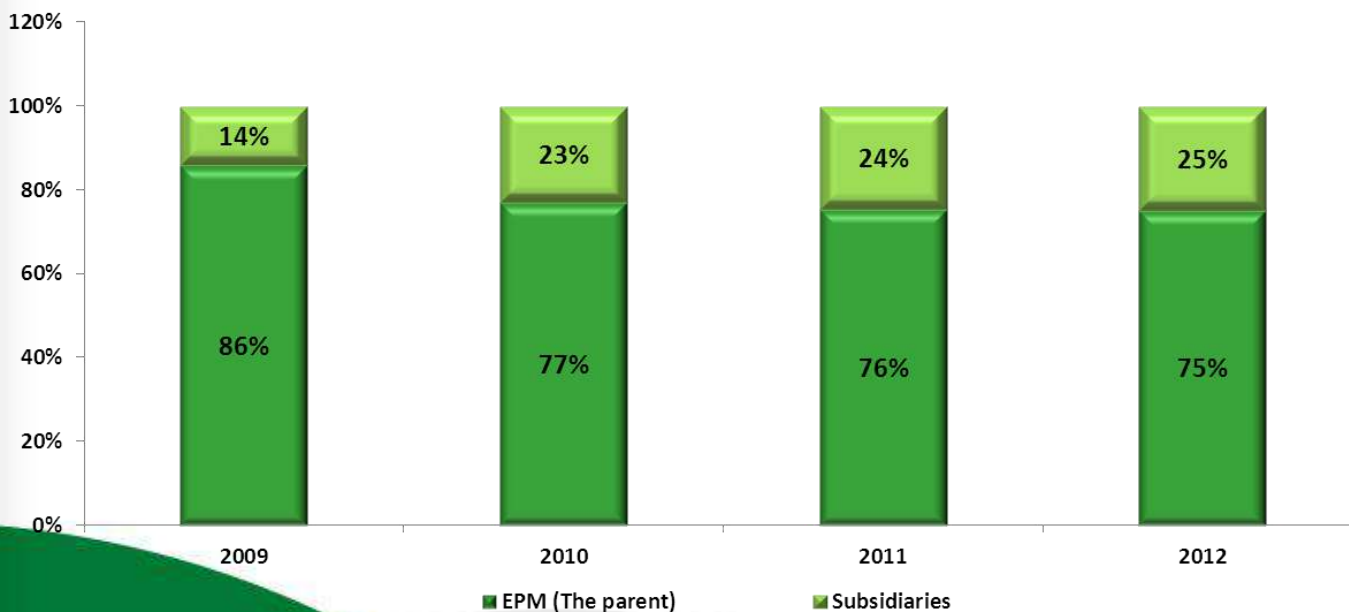
Item	as of Dec, 2012	Share%	Var. prev. year %
<b>Assets</b>	<b>19,951</b>	<b>100</b>	<b>14</b>
Current Assets	3,584	18	17
Non-Current Assets	16,367	82	13
<b>Liabilities</b>	<b>7,467</b>	<b>37</b>	<b>11</b>
Current	1,746	9	(1)
Non-current	5,721	29	16
Minority Interest	574	3	1
<b>Equity</b>	<b>11,910</b>	<b>60</b>	<b>16</b>



# Financial Debt

Figures in USD million

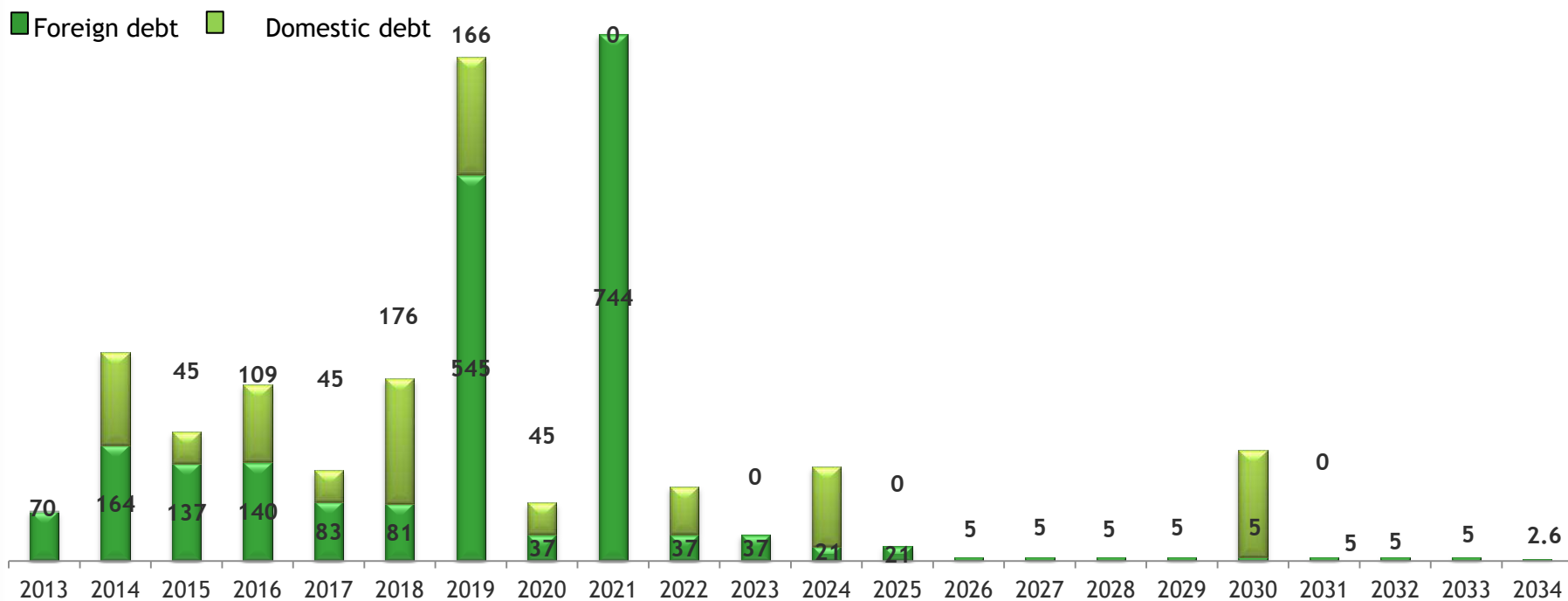
Financial Debt	2009	2010	2011	2012
EPM (The parent)	1,620	2,402	2,712	3,284
Energy subsidiaries Colombia	1	105	55	56
Energy subsidiaries Central America	0	180	352	495
Water subsidiaries	0	43	1	8
Telecommunication subsidiaries	264	389	470	519
<b>Total Financial Debt</b>	<b>1,885</b>	<b>3,119</b>	<b>3,590</b>	<b>4,362</b>



# Financial Debt

Figures in USD million

## Debt maturity profile





# Financial Ratios

Data as of Dec.2012

Ratio	EPM Group 2011	EPM Group 2012	Energy	Water	Teleco.
EBITDA Margin	31%	30%	31%	44%	25%
Operating Margin	21%	19%	24%	29%	-7%
Net Profit Margin	13%	13%	17%	26%	-9%
Liquidity Ratio	1.73	2.05	1.91	5.15	1.28
Total Debt to Total Assets	38%	37%	38%	33%	38%
Financial Debt to Total Assets	21%	22%	23%	20%	18%
ROE	8%	8%	11%	5%	-7%
ROA	4%	5%	6%	4%	-4%
EBITDA/Financial expense	6.66	6.54	6.70	4.60	7.32
Debt/EBITDA	1.96	2.02	1.97	3.23	1.62

Main Figures	2008	2009	2010	2011	2012
Revenues	2,964	3,508	4,258	6,013	7,001
EBITDA	1,107	1,262	1,463	1,874	2,103
EBITDA Margin	37%	36%	34%	31%	30%

# Thank You

# Grupo·epm<sup>®</sup>

[www.epm.com.co](http://www.epm.com.co) (tab inversionistas)

[investorelations@epm.com.co](mailto:investorelations@epm.com.co)

Juan C. Sampedro

Head of Debt and Capital Markets Unit

[Juan.sampedro@epm.com.co](mailto:Juan.sampedro@epm.com.co)

Marysol Londoño

Senior Financial Analyst

Debt and Capital Markets Unit

[Mary.londono@epm.com.co](mailto:Mary.londono@epm.com.co)

Preferir los medios digitales antes que imprimir  
es estar **en armonía con el ambiente**

**eco**  
razón