

Grupo·epm[®]

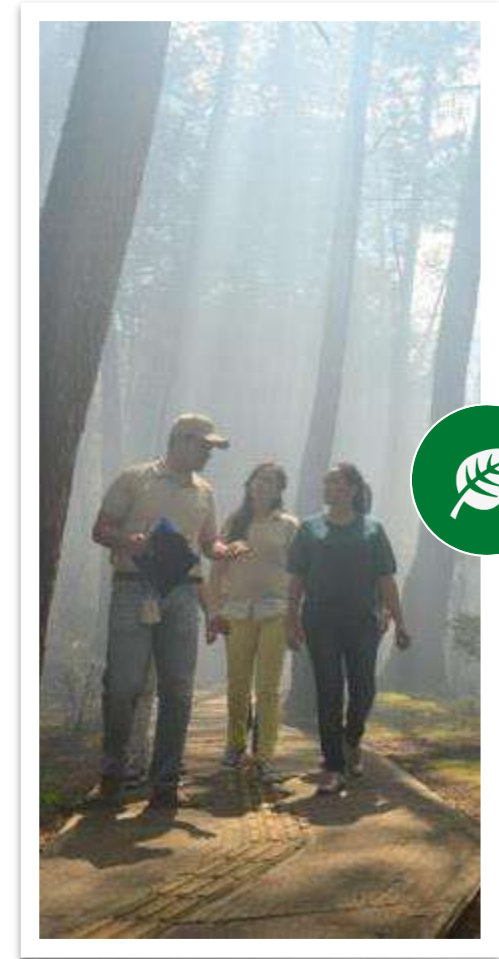
J.P. Morgan 6th Annual
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Conference 2015
Miami, FL. Feb.23-25

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Acquisitions

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Financial
Highlights

1. EPM highlights

- ✓ Colombia's largest multi-services utility company, with presence in Central America, Mexico and Chile
- ✓ Market leadership in key segments, with an unmatched, vertically-integrated business model and an outstanding operational track record
- ✓ Quasi-sovereign, 100% owned by the Municipality of Medellin with a strong corporate governance model
- ✓ Stable regulatory environment, transparent and supportive of market participants
- ✓ Well thought-out regional expansion strategy, looking to extend dominance in core segments
- ✓ Sound financial profile, with significant cash flow generation and ample access to credit markets

2. Corporate Overview

Purpose: Sustainability

Mission:
We are a Colombian
state-owned Multi-Latin
economic group



We create equitable **well-being** and **development**

We provide comprehensive solutions in the fields of electricity and gas, water, solid waste management, and information and communication technologies -ICT-



2. Corporate Overview

Sizable, multi-utility conglomerate with a low-risk profile



- ✓ **Headquartered in Medellin, with a growing Latin American portfolio**
 - Founded in 1955
 - Reaches a population of **over 20 million people**
 - Targeting Peru, Brazil, Chile and Mexico for expansion

- ✓ **Ratings EPM (Parent):**

Fitch: **BBB +** (stable outlook), Moody's: **Baa3**, (positive outlook)

- ✓ **Low-risk profile and strong credit metrics**
 - Stable regulatory environment
 - Transparent corporate governance
 - Diversified revenue sources

2. Company Overview

Our presence in Colombia

Electricity



Generation **20.5%**
 Transmission **7.9%**
 Distribution **24.1%**

More than **3,8 million**

3.508 MW Net Effective Capacity,
86.3% hydraulic

Gas



Distribution and Commercialization **11.9%**

More than **934 thousand**

Main distributor in the region of Antioquia,
3rd position in Colombia

Water



Water and Sewage Systems **13.7%**

Water System **1 million**
 Sewage System **1 million**
 Wastewater Treatment **228 thousand**

Second company in Colombia

Market Share

Customers

Key figures

2. Company Overview

Our presence in Central America



Panama	Guatemala	El Salvador	
ENSA HET	EEGSA TRELEC COMEGSA	DELSUR	Company
390.842	1.066.063	351.690	Customers
2nd electricity distribution company in the country	1st electricity distribution and commercialization company in the country	2nd electricity distribution company in the country	Key figures
ENSA: BBB Fitch Ratings	EEGSA: BB- S&P Ba1 Moody's	DEL SUR: AA- Fitch Ratings (local)	Ratings

3. Corporate Strategy

Expand dominance in core businesses and further LatAm expansion



Vision: In 2022, EPM Group expects to position itself among the first 50 Multi-Latin

➤ Revenues equivalent : USD16bn
Ebitda : USD5.5bn

- **Investment Plan 2015-2018: USD5.0 bn**
 - 80% energy, 20% water
 - Largest investments include the Ituango hydroelectric project and the Bello waste water treatment plant
 - 72% Parent Company, 28% Subsidiaries
- **Bulk of investments to be funded via internally generated cash flow (~60%)**
 - Complementary financing sources include:
 - Capital markets (local and international)
 - Commercial banks (local and international)
 - Development banks & Multilaterals

4. Key Investment Projects : Ituango Hydroelectric Project

Installed capacity: 2.400 MW 17.9% of total Colombian installed capacity



Total cost: USD 5.5 billion



> Start of operation: 1st Stage: 2018/2nd Stage: 2022



Total progress: 27.6%



- > Power house excavation: 69%
- > Tailrace tunnel portal: 61%
- > Spillway excavation: 40%
- > Dam excavation: 36%
- > Access roads, camps, transformers cavern and works for the diversion tunnels 100%
- > Cauca River deviation completed

4. Key Investment Projects

Wastewater treatment plants in Colombia and Mexico

Bello WasteWater Treatment Plant

Total Cost: USD580 million



stretch of the discharge canal

- ✓ Operations expected to begin in 2016
- ✓ Current progress: 42.2%
- ✓ Invested to date: USD 163 million
- ✓ Financing: IADB → USD 450 million
- ✓ EPM will recover costs through a regulated tariff

Acquisition: TICSA - Mexico

- ✓ In September 2013, EPM invested USD113m in the acquisition of 80% of TICSA-Tecnología Intercontinental S.A. de C.V.
 - TICSA has 25 years of experience in design, construction and operation of wastewater treatment plants
- ✓ TICSA is considered one of the most efficient operators in the Mexican market
 - Holding company with 14 wastewater treatment plants
 - 11 operational: capacity of 8,560 lps
 - 3 under construction: capacity of 1,620 lps



4. Key Investment Projects

Los Cururos Wind Power Plant - Chile



Cost: USD 228 million

- Capacity: **110MW**
- Location: Coquimbo, North of Chile
- Turnkey contract: Vestas Wind System A/S
- ✓ Full commercial operation: **July 23, 2014**

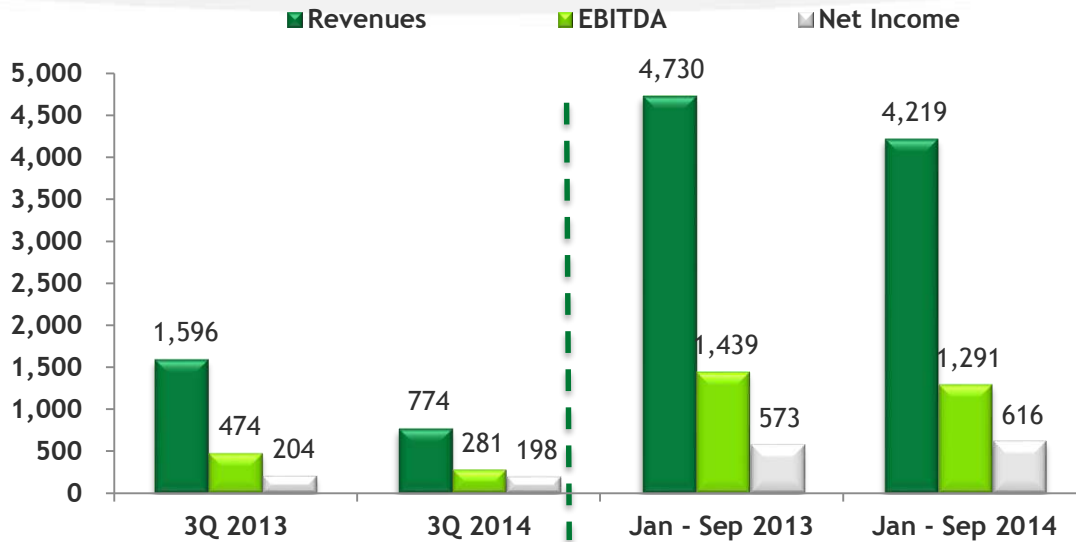


57 wind turbines

5. Financial Results

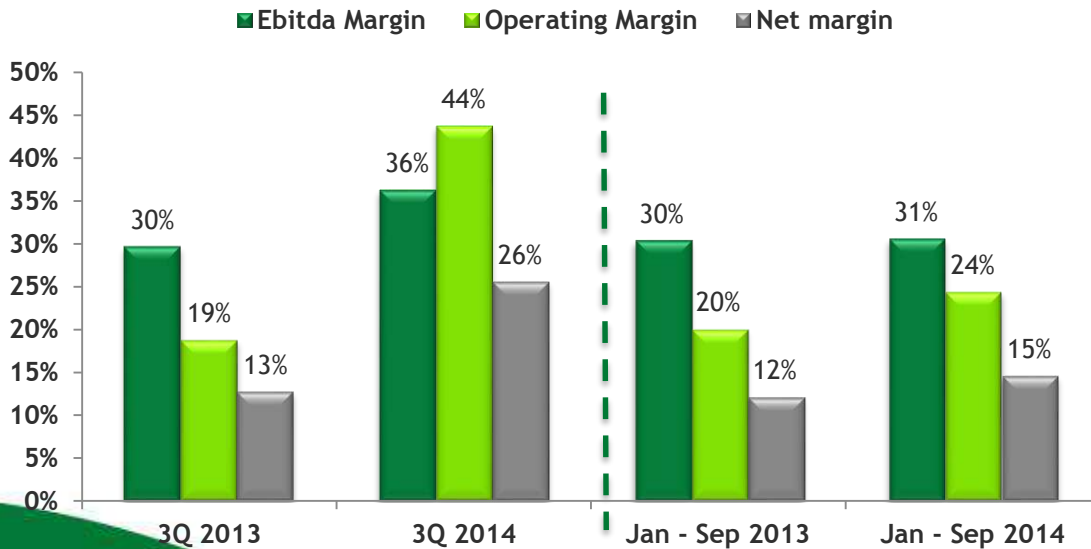
EPM Group Income Statement

Figures in USD millions



Variation in dollars 3Q-2013 - 3Q-2014

- Revenues: - 11%
- Ebitda : -10%
- Net Income: 7%

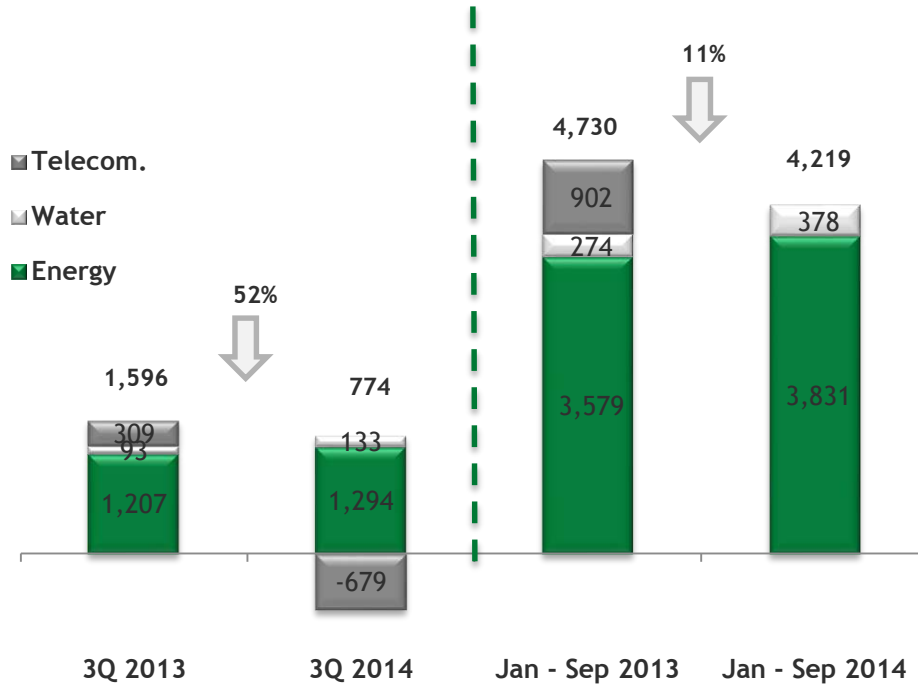


Figures in COP were converted to USD at an exchange rate of COP \$2,028.48 (Sept. 2014).

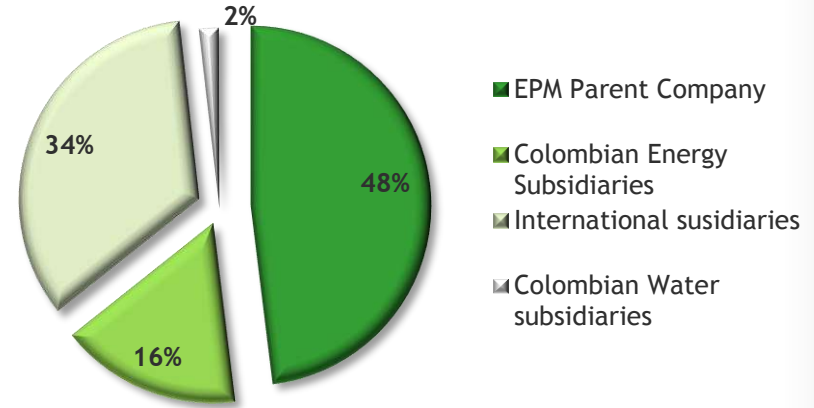
5. Financial Results

Revenue

Figures in USD millions



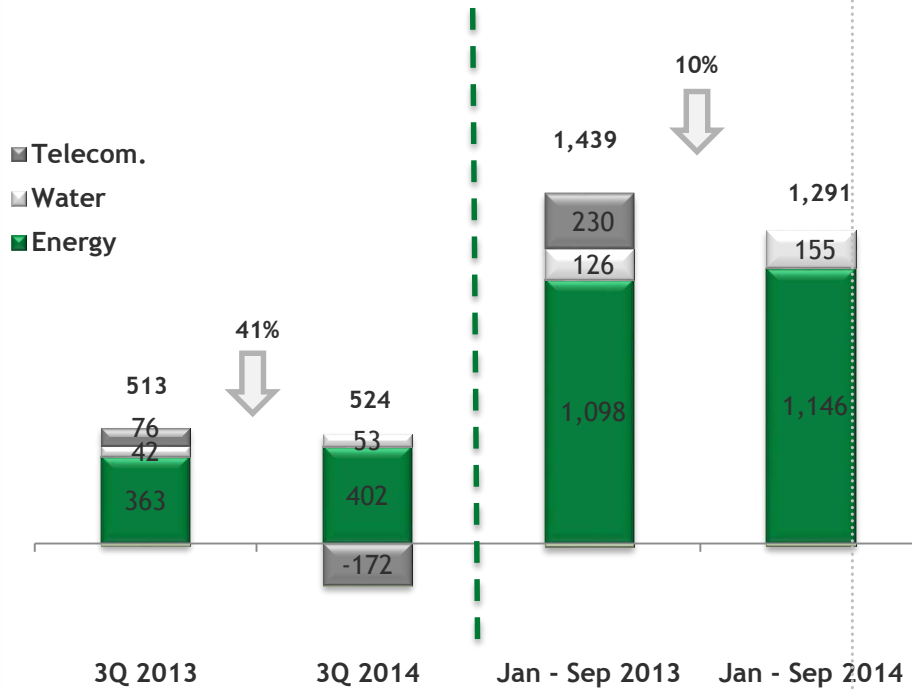
Revenues breakdown as of Sept. 2014



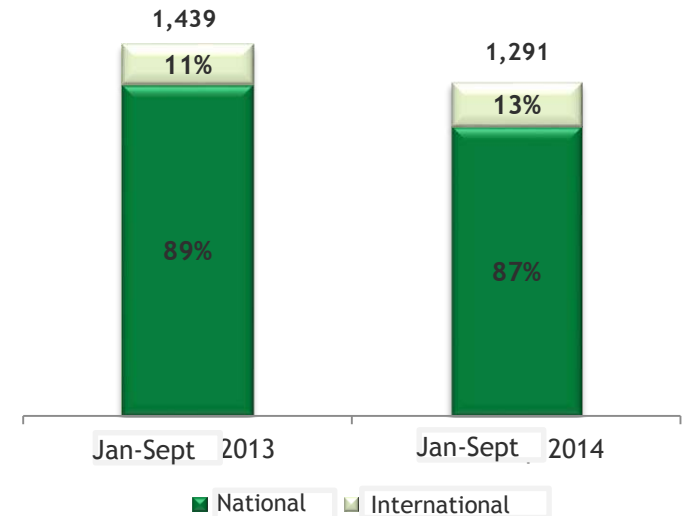
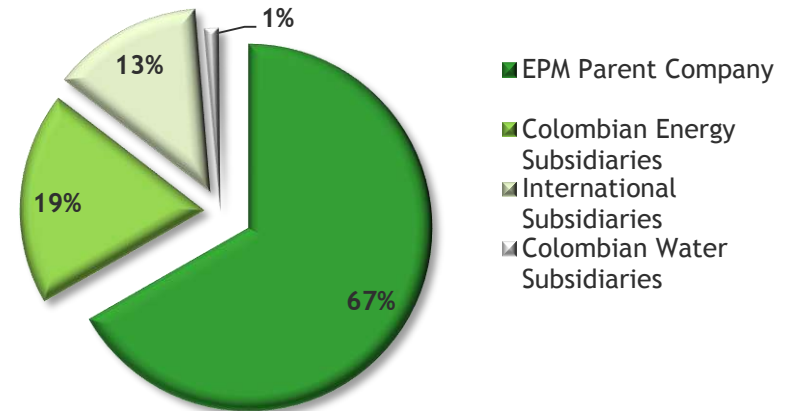
5. Financial Results

Ebitda

Figures in USD millions



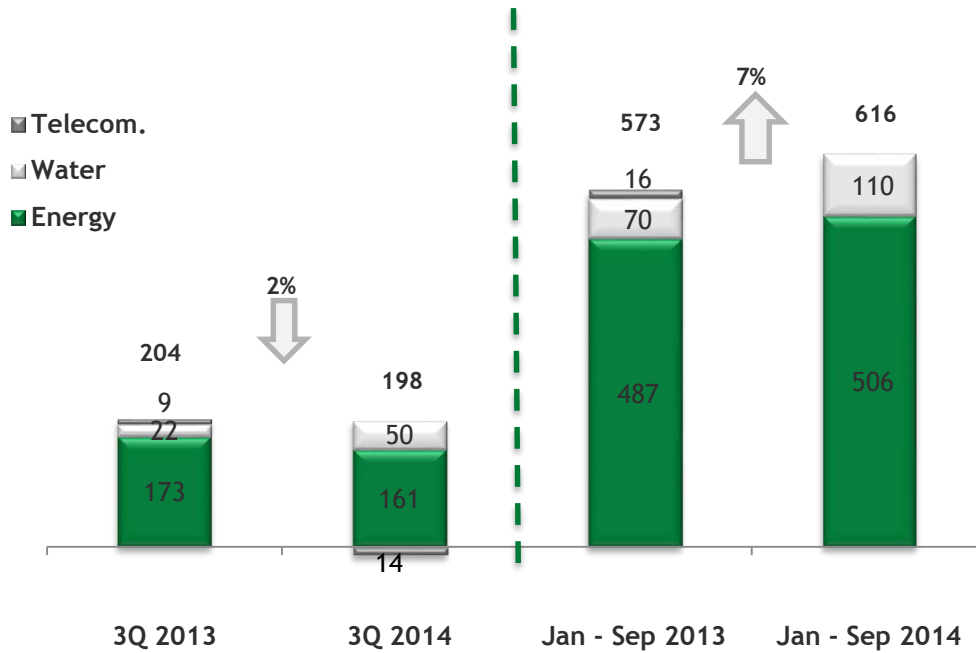
Ebitda breakdown as of Sept. 2014



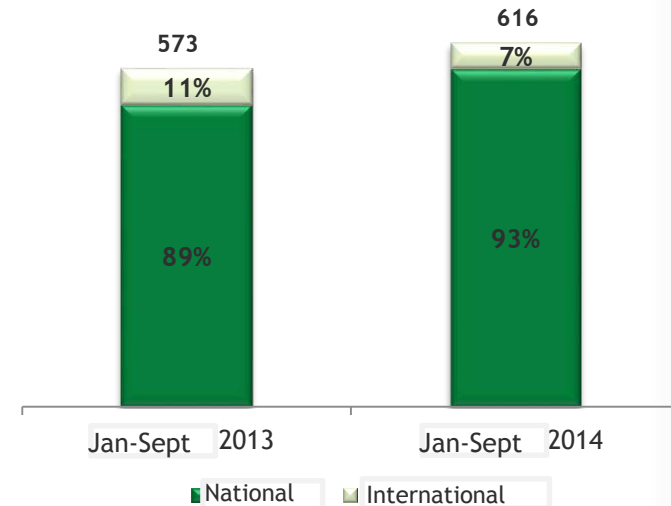
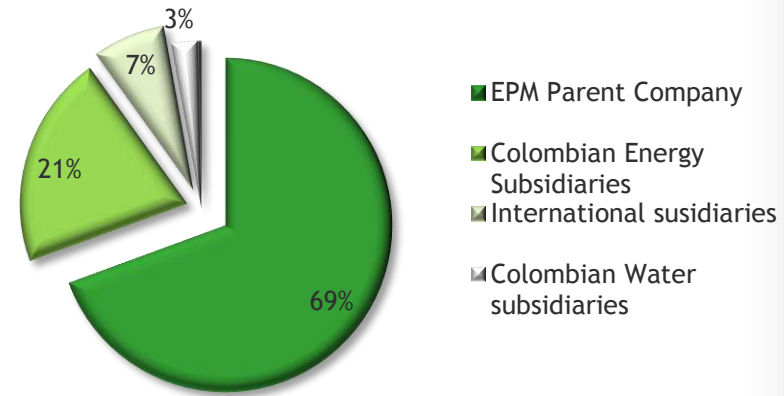
5. Financial Results

Net Income

Figures in USD millions



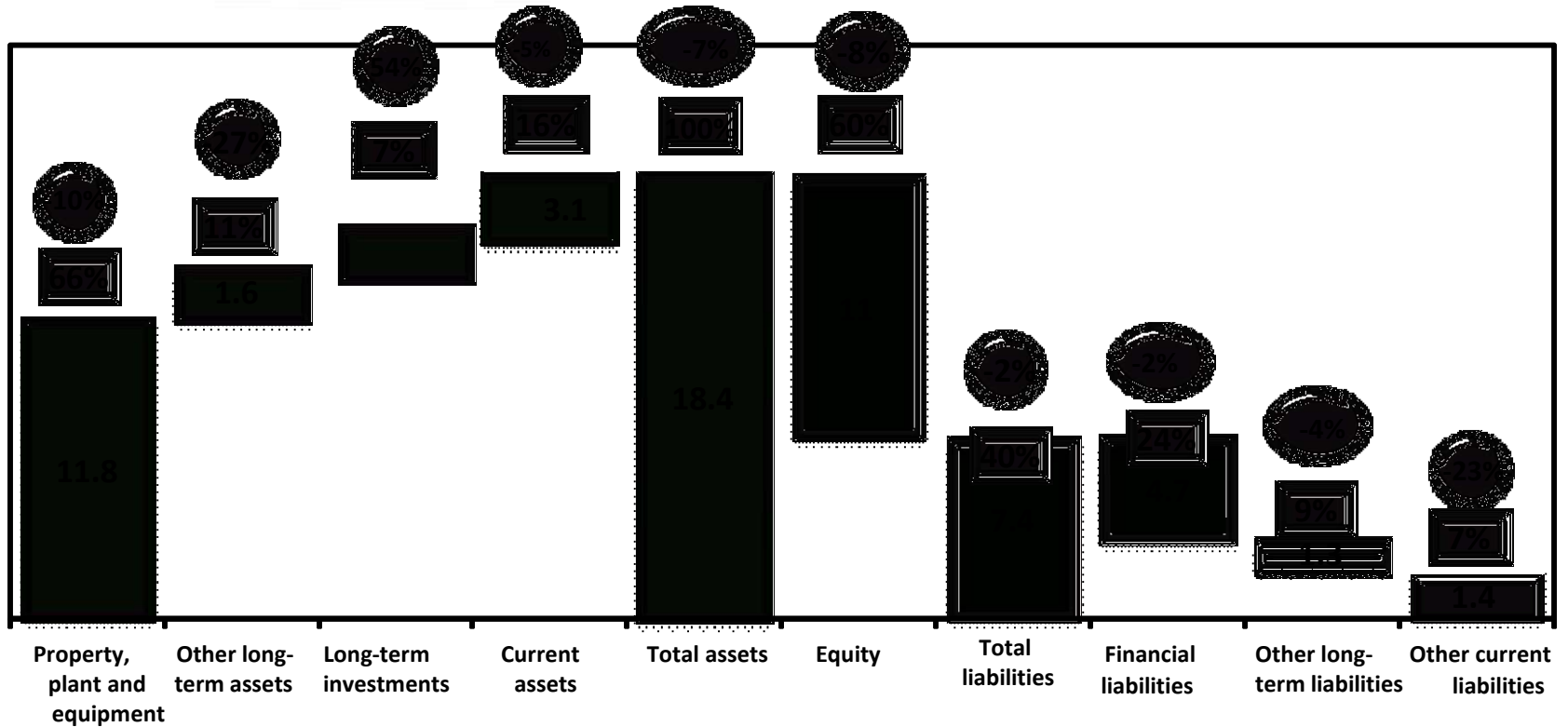
Net income breakdown as of Sept. 2014



5. Financial Results

Balance Sheet

Figures in USD billions



Corresponds to growth with respect to Dec. 2013

Corresponds to the participation with regard to the assets

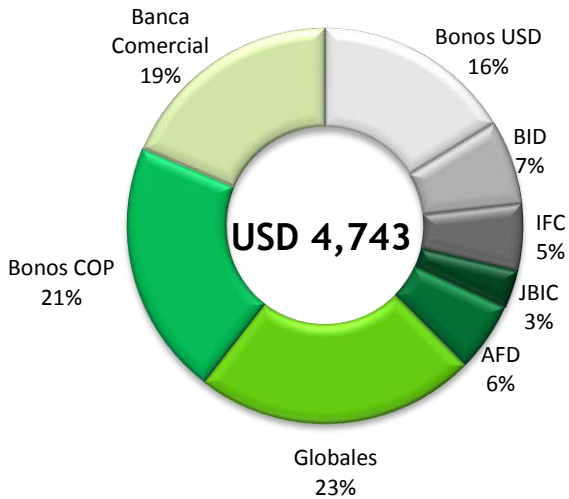
Concept	As of Dec. 2013	As Sept. 2014
Total debt to Total assets	40%	40%
Financial debt to Total assets	24%	26%
Ebitda/Financial expenses	6.91	6.40
Debt/Ebitda	2.43	2.76

5. Financial Results

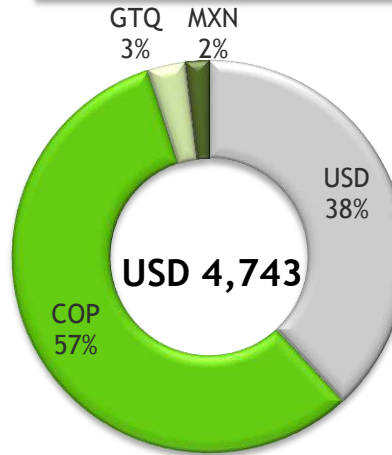
Debt

Figures in USD millions

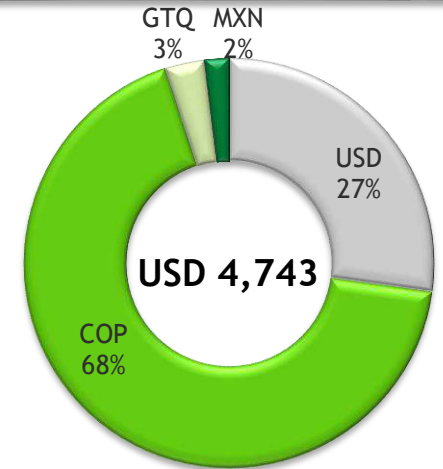
Sources



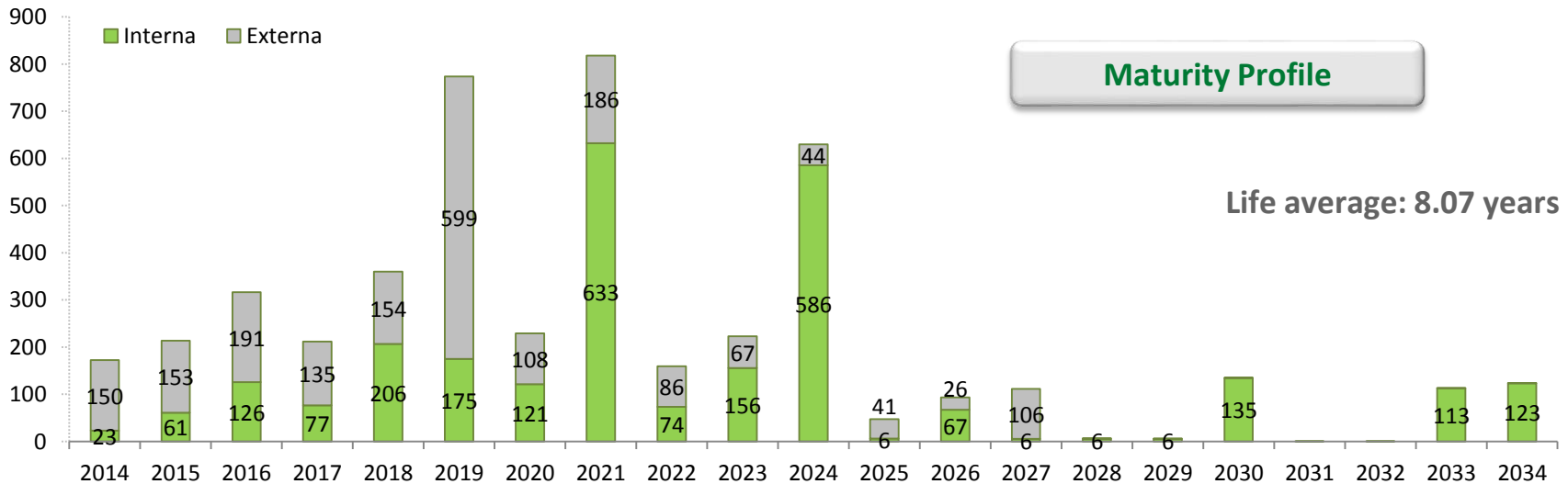
Currency



Currency on a post swap basis



Maturity Profile



Life average: 8.07 years

Gracias

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