



## PRESS RELEASE

### **STANDARD & POOR'S AFFIRMS INVESTMENT GRADE CREDIT RATING TO EEB AND TGI AFTER ANNOUNCING THE ACQUISITION OF ADDITIONAL STAKE IN TGI.**

- Standard and Poor`s affirmed investment grade to EEB, confirming its BBB-rating and outlook remaining stable.
- Also TGI corporate credit was affirmed as investment grade, and its rating confirmed BBB- with outlook remaining stable.
- These ratings reflect that EEB's growth strategy will continue supporting profitability, cash generation and credit metrics.

**Bogotá D.C., May 8<sup>th</sup>, 2014.**

The rating agency Standard and Poor`s, S&P, has affirmed the investment grade to both EEB and TGI, grade BBB- with a stable outlook.

S&P highlights in its official communication, EEB's satisfactory business risk profile, its intermediate financial risk profile and its adequate liquidity. This rating action occurs after EEB announced on last April 4<sup>th</sup>, the acquisition of remaining 31.92% TGI's stake held by The Rohatyn Group (formerly CVCI), a transaction amounting USD 880 million that will be partially funded with debt.

The rating on EEB reflects EEB's strong competitive position mainly due to its low-risk regulated businesses in countries with favorable institutional and regulatory framework. Additionally its competitive position is supported by its scale and scope, with important presence in electricity and natural gas sectors, with a moderate geographical and business line diversification, in line with an important dividend stream, which provides EEB with stable and predictable cash flow generation.

S&P rating on TGI reflects TGI's satisfactory business profile, stability and predictability of long-term cash flow stream. TGI's position as a natural monopoly business provides TGI with significant competitive position and financial strengths due to favorable institutional and regulatory framework.



The firm notes that TGI's has the financial flexibility to absorb significant debt increase without weakening its creditworthiness. In order to improve credit metrics, TGI will prepay some amount of future contracted debt, that is part of the funding of the transaction announced by its parent company, EEB, which will deleverage the company significantly.

Mrs Sandra Fonseca, EEB's Chief Executive Officer, expressed her satisfaction with S&P's decision and, more importantly, with the facts that support it. Mrs. Fonseca also noted that S&P rating action is also in line with the ratings reports issued previously on April by the agencies [Fitch \(BBB- outlook stable\)](#) and [Moody's \(Baa3, outlook stable\)](#), "These ratings reflect our serious and consistent growth within a business plan focused on electricity and natural gas with regional scope".

#### **About Grupo Energía de Bogotá**

Grupo Energía de Bogotá is the leading corporation in the Colombian power sector. Through EEB it transports electricity to the most significant markets in terms of demand and size in the country, in addition to controlling the largest natural gas carrier in Colombia, TGI S.A. In Peru, its company CONTUGAS has a 30-year concession for the transportation and distribution of natural gas in the Ica Department, while CALIDDA is in charge of natural gas distribution in Lima and Callao. In that same country, together with ISA, it holds stocks in REP S.A. and TRANSMANTARO S.A., which operate 63% of the electricity transmission system in Peru. In 2010, it established TRECSEA - Transportadora de Centroamérica S.A.- that is building the most important infrastructure Project in Guatemala and will render electricity transmission services as of 2013. Furthermore, it holds an investment portfolio in the most important companies in the electric power sector, in which the following stand out, CODENSA S.A., EMGESA S.A., GAS NATURAL S.A., la Empresa de Energía de Cundinamarca - EEC and Electrificadora del Meta, EMSA and to a lesser extent ISA and ISAGEN. As of 2013, the Group renders advisory and engineering services in Guatemala and Peru through its affiliates EEB Ingeniería y Servicios

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