

Operator: Welcome to the Q3 2019 Conference of Results of Grupo Energía Bogotá. My name is Ana and I will be your operator for today's call.

At this moment all the participants are in listen only mode, the call will be recorded in Spanish; however, during the Q&A session, questions may be asked in both Spanish and English. Please remember that this Teleconference is being recorded.

Now, I turn the call over to Mrs. Valeria Marconi, Investor Relations Officer of Grupo Energía Bogotá. Mrs. Marconi you may begin.

Mrs. Marconi: Good morning and welcome to the Q3 2019 Results Conference for Grupo Energía Bogotá, today's presentation will be made by Felipe Castilla, Financial Vice President of GEB. Astrid Álvarez, CEO of the Group, apologizes for her absence because she's attending a Cálidda event with the presence of the President of Peru.

Andrés Baracaldo, Vice President of Distribution, Transportation and Transmission, and Néstor Fagua, Legal and Compliance Vice President, also join us in this Conference, as well as other leaders in the financial, regulation and transmission areas, as well as TGI-related areas.

The presentation is divided into three parts; first, Felipe Castilla will make some introductory highlights and key updates for the first 9 months of the year. Then, he will present the operational and financial performance of Grupo Energía Bogotá during Q3 2019. And, to conclude this Conference, we will be pleased to open the call for a question and answer session.

Now I turn the call over to Felipe Castilla, please go ahead.

Mr. Castilla: Good morning and welcome to the Q3 2019 Results Conference Call.

As of 2019, we continue to consolidate ourselves as one of the most important Energy Groups in Latin America, with operations throughout the entire low-emission energy chain, including energy generation, transmission and distribution, as well as natural gas transportation and distribution.

Recent proof of this is our recent successful acquisition in Peru of the Dunas Group, comprising ElectroDunas, Peru Power Company and Cantaloc, businesses perfectly aligned with our growth strategy and investment thesis, and that we began to incorporate into our operation and results as of August 10, 2019.

The portfolio of acquired Companies consolidates and further diversifies our operations in Peru; first, through ElectroDunas, we enter into the distribution of electricity in this country, specifically in the Ica region. Second, with Peru Power Company we develop co-generation, distributed generation and energy efficiency projects; and third, with Cantaloc we provide operation and maintenance services in the electricity sector.

Likewise, these Companies constitute a growth platform for GEB's energy businesses in Peru. The Dunas Group companies have provided us with about 245 thousand new clients and we expect them to generate an EBITDA of between USD 35 and 40 million in 2019, adding value to our portfolio and therefore to our investors.

Through our operations in Colombia, Peru, Guatemala and Brazil we have reached 7.4 million customers in electricity and natural gas distribution.

About 14 thousand km of transmission lines, 4,288 km of pipelines and 3,540 MW of installed capacity including 40 new MW for PPC and 11,798 Gw/h in power generation during the year.

As of September 2019, we have recorded outstanding financial results for the Group.

Revenue amounted to COP 3.5 billion with a 22.4% growth of compared to September 2018; EBITDA grew 14.4% exceeding 2.5 billion.

These results have been supported by the good performance of all our business lines, which have seen an income growth at rates above 20%, accompanied by an accurate administration and costs and expenses control that, together, have allowed our operations to grow recently and profitably.

Likewise, our non-controlled Companies have shown very good results, reflected in a contribution close to COP 1 billion by the participation method and which represents a 24% growth over the first 9 months of the previous year.

This is how net income has increased by a considerable 30% reaching nearly COP 1.6 billion. By the end of the year, we expect to have a positive closing and to make the appropriate adjustments for possible deterioration in assets abroad.

On the other hand, we want to highlight some other of the most important events that will meaningfully contribute to the Group's future performance and value generation for our investors.

On October 23, we made the payment of the second and last installments of the dividend decreed in March 2019. The value of the fee amounted to COP 65 per share, equivalent to a total of approximately COP 600 billion.

Second, we closed two successful debt management operations that improve our maturity profile and reduce financial expenses by approximately \$10 million annually.

First, a syndicated loan at the GEB level to refinance \$749 million extending the term one year to 2024 and reducing the spread over the Libor by 52 basis points for savings of over \$3.9 million annually. The structuring banks were Bank of America, City Bank and Sumitomo.

Second, the Contugas syndicated loan to refinance \$355 million extending the term one year to 2024 and reducing the spread over the Libor by 175 basis points for savings exceeding \$6.2 million annually. The structuring banks were BBVA and Mizuho.

We also purchased a debt of COP 900 billion for working capital to finance various short-term needs.

During the last 9 months, both GEB and TGI and Cálidda, have been subject to the annual review process of corporate and international and local bond ratings by the main risk rating agencies.

Fitch reaffirmed GEB's rating in large investment to BBB at international level

and AAA at local scale (corporate and bonds) with a stable outlook. Moody's assigned the Baa2 issuer rating to GEB with a stable outlook.

Fitch confirmed the corporate rating and TGI bond at BBB with a stable outlook, and Moody's, Fitch and S&P Global reaffirmed Cálidda's ratings at Baa2, BBB and –BBB all with a stable outlook.

As for Cálidda, at the end of July an adjustment of over 7% of the distribution tariff was approved, which applies from August 7, 2019 within the framework of the 2018-2022 tariff period.

In addition, Cálidda made a successful issuance and placement of corporate bonds in Peruvian Soles in the local market for 342 million soles, equivalent to USD 100.6 million over a 10-year period, at a soles rate of 5.03% that was covered in USD, in the company's functional currency through a Cross Currency Swap resulting in an effective USD rate close to 3.17%.

Regarding the arbitration processes under way with our social Enel Americas, we now present the most relevant updates:

To date, the Bogotá Energy Group has three controversies filed against Enel Américas, Emgesa and Codensa respectively. The first process hearing against Enel Américas has been completed and evidence was decreed, the process is progressing well, and we believe that the award may occur between Q4 2020 and Q1 2021.

Two arbitral courts against Emgesa and Codensa respectively, in which the decisions taken with the Management and Administration bodies of these Companies and the Board and Assembly minutes are disputed. Evidence presentation has not begun yet begun but, at the request of GEB, the courts have ordered that all the demands that we have to initiate for the individual issuance of rulings contrary to the interests of GEB be accumulated in a single file and proceeding for each Company.

Last but not least, we reaffirm our commitment to sustainability, best practices for information disclosure and corporate governance.

Thus, we want to highlight the following: for the 8th consecutive year, GEB was consolidated in the Dow Jones sustainability index. Additionally, for the 6th consecutive year, the Colombian Stock Exchange granted GEB the IR recognition for the adoption of best practices in the field of disclosure of information and relationship with investors.

Moreover, we have been invited and participated in different world-class events such as the OECD committees and the World Economic Forum to share our successful experiences of the democratization and implementation process of GLG best practices and projects.

Finally, I am glad to inform you that yesterday we opened the official prior consultation process of the Colectora-Cuestecitas section with 23 Wayuu indigenous communities of the 218 certified by the Ministry of Interior. We successfully agreed with each of the communities the methodological route of the following stages. One of the communities already agreed and we will build the Colectora substation in their area.

Having made this summary of our performance and relevant updates during the

year, we will proceed to review the operational and financial performance of GEB during Q3 2019.

We will start the presentation with the operational behavior. The first thing we want to show you is the issue of the increases of the Company's different business lines.

First, in the natural gas distribution segment, we saw an 11.7% increase in relation to Q3 of the previous year amounting in cash to nearly COP 74 billion. This is mainly lead by Cálidda, where we have higher invoiced volumes due to the higher year-to-year consumptions that arise thanks to the Company's growth, the aforementioned tariff adjustment seen by the Company's rate and some increases due to materials' relocations and sale.

In the second segment, natural gas transport, we have an increase of 15% close to COP 50 billion. Here, as it was presented at the conference yesterday, we have an increase in fixed charges for investment in transported volumes and reduction due to suspension issues, an increase in fixed charges for AO&M expressed in COP; obviously the Company's functional currency is USD, and there would be an exchange rate decrease.

The third segment was one that in the past was present in our activity when we operated the Cundinamarca Electric Power Company. When we merged with Codensa, that segment had no activity, but with the distribution of ElectroDunas underway again, the consolidation appearing in these figures corresponds to the Company's income from the moment of the acquisition until the end of the quarter, which was about COP 50 billion.

And finally, in the electricity transmission segment, we have an increase of 57.6% or COP 54,581 million, where the main circumstance is due to the entry of the Southwestern and La Loma Expansion reinforcement projects.

In addition, and considering the incident that occurred at the Mocoa substation, there was an extraordinary income for the residual corresponding to the Company's insurance. There is also some upward impact due to the difference caused by a higher rate than budgeted.

Regarding our operational behavior, we have the costs for operational activities. In the natural gas segment they grew by 10.3%, as well as in the explanation of the revenues. In Cálidda, obviously, higher facility costs are generated due to the increases in the invoiced volumes and the increase in services associated with customers and network maintenance.

And in the case of Contugas we have a modification in expensed due to the depreciation of concession assets that were adjusted when changing transported units to the straight-line method, which led to an increase in the item of that amortization.

In the natural gas transport segment, at the TGI level we have an increase in depreciation and amortization resulting from the application of the IFRS 16 clause. Here is how it no longer is part of the expense, it goes down to another item in the P&G and, in this sense, the modification is presented without this varying in the results of the Company.

Electricity distribution, like the explanation we gave earlier. It is the incorporation of ElectroDunas where the (inaudible 15:20 – 15:28) for the period.

And in the electricity transmission segment, to the extent that the projects go into operation, the costs of projects such as Armenia Cartagena Bolívar, La Loma and La Loma Expansion are counted. This issue is accompanied by the restructuring of the transmission area at the GEB level.

Moving on to the next page, we have the consolidated financial results, if we make a comparison between the Generated EBITDA in the Q3 2018 compared to Q3 2019, we saw a 7% growth, 6.2% in operating profit and if we see by business lines, the largest contribution is that of the natural gas transport segment with about 53% of the EBITDA generation for that period, followed by our electricity transmission business line and the natural gas distribution in Cálidda.

This leads us to the fact that the net profit generated in the Q3 2018 compared to that generated in this last quarter saw a growth of nearly 20%, going from about COP 408 billion to about COP 490 billion for this period.

If we go to the next page, page 13 of the presentation, we can see the EBITDA behavior. If we see it by year, the figures correspond to the closing of September 30, 2019, the last 12 months. Here, as you can see in the upper left graph, the greatest contribution is still that of the segment of natural gas transportation with 43% of generated EBITDA, followed by the natural gas distribution segment with 20% and the electricity transmission segment with 15.9%.

Obviously these effects will be counted, ElectroDunas' income as presented will generate an annualized EBITDA between USD 35 and 40 million.

If we go to the business units where we have divided our assets, the natural gas transportation and energy transmission segment corresponds to 59% of the generated EBITDA, followed by the distribution segment with 28.2% and finally the generation segment with 12.7%.

In the bar graph on the right, you can see that for the last 12 months, annualizing the Generated EBITDA, we are at COP 2.9 billion, 69% of which is contributed by controlled companies and 31% corresponds to the dividends received from non-controlled companies in the period.

This, in USD, has an effect on the exchange rate, and what we would be talking about is a generated EBITDA for this period of about USD 856 million.

Going to page 14, you can see the main effects caused by the generation of the operating profit that we just presented. Obviously, the activity of the participation method of non-controlled companies has a significant contribution to the term's generated net profit.

As you can see in the lower part of the graph, the greatest contributions to this participation method are due to our participation in Emgesa and Codensa, which contribute to the greater portion of non-controlled companies' participation method.

On page 15 you can see the main indebtedness and monitoring indicators carried out by the rating agencies. The first is the Net Debt / EBITDA ratio for the last 12 months; at this time, at the end of the quarter, we are at a level close to 3.4, with two main factors; first, the indebtedness that, as already mentioned, corresponds to the bond issuance in Cálidda for a little over USD 100 million and the working capital indebtedness of about COP 900 billion acquired at the GEB

level. And the second main aspect is that the evaluation relation also has an impact on the calculation of this indicator considering that a relevant portion of the Group is concentrated in USD.

On the upper right side, you can see the relation of the last 12 months between EBITDA and Financial Expenses. Here, the limit to analyze is somewhat higher than 2.25 and we are at 6.1; we believe we have a wide enough margin to be successful in a complex situation.

In the consolidated debt composition, we see that the Group has about USD 3.3 billion in debt, 78% of which is concentrated in USD and 22% in local currency, mainly Colombian pesos.

And finally, in the lower right you can see the maturities of the Group's debt. Here, vis-à-vis the previous quarter, is the fact that Contugas' expired debt in 2019 could be extended until 2024 with significant interest savings, and in GEB's debt we have the increase in a year and a half over the original maturity that was scheduled for 2023.

Here we have a maturity of nearly USD 300 million in 2020 corresponding to the working capital credits taken in the second half of the year, and the mechanisms to refinance this debt are already being studied to make it more compatible with the way flows are generated at the Group level.

Going to page 17 of the presentation, we have a list of the main projects under execution for the electricity transmission segment. Here it is important to highlight that a large part of these projects are generating income, but the start-up date has not been met. Obviously, this lag is due to events not attributable to the project's execution and, to the extent that we can incorporate the remnants, we would be talking about nearly USD 35 and 40 million additional income for the company.

Going to page 18, we have the Capex executed in Q3, close to USD 94 million. Here we highlight that this is only the direct investment by the Group's controlled companies, we are not including the investment made through non-controlled companies. In this segment, Cálidda is still the company that has been executing the largest amount of investments, representing nearly 40% of this item, followed by transmission, which has been executing the projects in Colombia we just presented; lastly, there is Trecca and TGI.

In this figure we have not incorporated the acquisition value because this is Capex only, but obviously if we incorporate the acquisition value made in this quarter the amount would be significantly higher.

If we annualize this execution, we would be talking about USD 240 million, which have an execution portion similar to that presented in the last quarter.

As for Capex projections, this item has not changed in relation to that presented in the previous quarter. Here we continue to be a little above 2.1 billion, which is what we call the baseline scenario. We have not incorporated possible acquisitions that have been envisioned or are in progress that would modify the execution amounts in coming years.

Here we mainly highlight the completion of the execution of transmission projects that would require investments of over USD 600 million. Cálidda is a company that has consistently invested annual levels between USD 100 and

120 million, followed by TGI with its plans not only to maintain the current infrastructure and increasing transport to solve bottlenecks and, eventually, other ongoing projects and on which the company has great expectations.

This concludes my presentation. I leave the floor open for questions.

Operator: Thank you. From this moment on, the Q&A session will begin, in either Spanish or English.

If you have a question please press (*1) on your phone. If you wish to be removed from the waiting list please type the number key (#).

At this moment, we have a question from Nicolás Erazo from Credicorp Capital.

Mr. Erazo: Yes, good morning everyone, congratulations on the results, I have two doubts; I would like to talk about these two issues.

The first one is to ask you about (inaudible 26:44 - 26:52), what can we expect on this moving forward? I would also like to understand how those strategies align with Cálidda's good numbers and the acquisitions we have also seen for ElectroDunas, PPC and Cantalloc. Thank you.

Mr. Castilla: Nicolás, could I ask you a favor? When you were asking the question the sound was intermittent, could you repeat it please?

Mr. Erazo: Sure Felipe, no problem.

I was asking you about the synergies of Peru's vehicles, what strategies we can expect for Contugas, and how we can see those strategies aligned with the good numbers we have for Cálidda and with recent acquisitions such as ElectroDunas.

Mr. Castilla: Well, in relation to the potential synergies, you know that the ElectroDunas operation is located in the same concession area where we have our Contugas operation, we have already started an analysis of operations that could be optimized at the level of the two companies.

Issues such as support, invoicing, personnel management, the subject of financial activities, accounting and treasury management, we believe that they could be optimized through our companies in Peru.

We have been carrying out the corresponding analyses from the moment of the acquisition, we believe that there are some significant savings that could arise, especially for the issue of Contugas, and we believe that as far as they can be implemented, we will do it as quickly as possible.

Mr. Erazo: Perfect, and one last question, regarding the South Peru gas pipeline, I would like to know what information is available on this? We know that right now, the problems are more legal than of pipeline execution per se, but we appreciate any comments you may have on this, given that Peru means a lot in your balance sheets.

Mr. Baracaldo: Well, it's Andrés Baracaldo, I think what we can say about that project is a bit similar to what we mentioned on previous occasions.

We remain convinced of the benefits of a solution where the route of that gas pipeline to the South goes along the coast using Contugas' infrastructure. We

have worked on calculating the additional investment required to join Marcona with the Southern energy node, and that information has been made available to the Peruvian government.

But again, that is an issue the Peruvian government has been discussing inside and with its advisor Moore MacDonald to try and set a definitive vision of what will be that project's the scope. To date, we have no knowledge of a final decision by the Peruvian government, so we will continue a little with our work of analyzing and trying to make the alternative route along the coast viable, which, as I say, we believe is logical for Peru; but we are still waiting for a decision by the Peruvian government on this regard.

Mr. Erazo: Perfect, thank you all very much.

Operator: We have a question from Diego Buitrago from Bancolombia, you may start your question.

Mr. Buitrago: Good morning, thank you very much for the presentation, I have two questions.

One is related to the rationale behind the asset impairment tests in Peru and Guatemala to be carried out at the end of this year. I would like to know some details on that and what expectations you have for the post-test results.

And two, regarding the La Colectora project, you mentioned in the call that yesterday you were in consultation with the communities, I would like to know if those communities with which you started the prior consultation process are enough to continue the project's normal development, or if there is a possibility that other communities may later want to access the prior consultation mechanism. Thank you.

Mr. Castilla: Diego, thank you very much.

Well, first with the rationale of eventual asset impairments in assets abroad, here what we do is a technical issue, as what we have are projections of our projections for the companies' performance in the future, on that basis. We incorporate all the new elements that may affect these projections.

I give an example specifically for Contugas. There is a rationale, which is that there is a generation project that can bring new income, but this project has to make a financial closure and to the extent that the financial closure is not met, the project can be displaced over time, which will be associated in the revenue projection that the company may have.

We recently have been carrying out some revisions and we believe that in the particular case of this asset, for example, there may be some variation with what we did last year, and that eventually we could see some deterioration in the company at the end of the year.

Like this analysis that we do on Peru, we do it in other Group companies such as those in Guatemala, where we review the new considerations, the best estimate of what we see for the future, run the and deterioration or impairment tests or if it is not necessary to make any adjustment or if we have to assess it at the company level, which is finally collected at the Group level.

At this moment, as I say, we are in the review process. These processes imply a lot of analysis with the auditors, because they are the ones who, in the end, look

at the reasonableness of the variables considered, and we believe that only until the end of the year we can have a vision of whether or not it is necessary and, if necessary, the amounts in which we would have to affect these companies' operation.

A second and we'll answer your second question.

Mr. Calderón: Good morning Diego, it's Miguel Calderón.

Regarding the previous consultations of the Colectora project, as several communities have already been identified, we are also in several sections, we are knee-deep in the prior consultation process. What we are doing to start the project is enough.

Operator: At this moment we have no further questions; I give the floor to Mrs. Marconi to give the closing remarks.

Mrs. Marconi: Dear guests, thanks for attending this conference, as always in the area of Investor Relations we are at your disposal to address and/or channel additional concerns or requirements that may arise later, either regarding GEB or any of its subsidiaries.

Greeting to you all and have a good day.

Operator: Thank you everyone, we remind you that the information regarding the delivery of results is available on the website of Grupo Energía Bogotá.

This concludes today's Conference. If you want to hear this Conference again, please contact the Company.

We thank you for your participation. You may now disconnect.