Empresa de Energia de Bogota S.A. E.S.P. (EEB)

Full Rating Report

Ratings

Foreign Currency	
Long-Term IDR	BBB
Local Currency	
Long-Term IDR	BBB
Senior Unsecured	
Long-Term Rating	BBB
National	
Long-Term IDR	AAA(col)

IDR – Issuer Default Rating.

Rating Outlooks

Long-Term Foreign-Currency IDR	Stable
Long-Term Local-Currency IDR	Stable
Long-Term National IDR	Stable

Financial Data

Empresa de Energia de Bogota S.A. E.S.P. (EEB)

(USD Mil.)	LTM 9/30/14	12/31/13
Revenue	1,145	1,048
EBITDA	968	903
EBITDA Margin (%)	85	86
FFO	244	825
FCF	(317)	337
Cash and Marketable Securities	735	861
Total Adjusted Debt	3,136	2,366
Total Adjusted Debt/ EBITDAR (x)	3.2	2.6
FFO-Adjusted Leverage (x)	9.3	2.6
EBITDA/Gross Interest Expense (x)	7.8	8.7

Related Research

Fitch Upgrades Empresa de Energia de Bogota S.A. E.S.P.'s IDR to 'BBB'; Outlook Stable (October 2014)

Fitch: EEB Regains Full Control of TGI; Neutral to Ratings (April 2014)

Fitch Rates Empresa de Energia de Bogota's (EEB) USD112MM Reopening 'BBB–' (November 2013)

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Key Rating Drivers

Solid Business Position: Empresa de Energia de Bogota S.A. E.S.P.'s (EEB) ratings reflect the company's diversified portfolio of assets, which has a low business-risk profile and stable and predictable cash flow generation. All of EEB's assets are in a strong competitive position, operating largely as regulated natural monopolies in most of their markets. EEB's energy generation business is competitively well positioned given its low-cost profile and mix of 86% hydroelectric and 14% thermoelectric capacity.

Manageable Debt Service: Most of the company's debt matures starting in 2021. Holding company debt totaled USD1.2 billion as of June 30, 2014, consisting mainly of USD749 million of notes due 2021, a balance of USD86 million from a USD100 million loan from Corporacion Andina de Fomento (CAF) and a COP223 billion (approximately USD110 million) bridge loan used to fund the purchase of a 31.92% equity stake in Transportadora de Gas Internacional S.A. E.S.P. (TGI).

Dividend Income Growing: The vast majority of the holding company's FCF is generated from dividends received from investments in leading Colombian electricity generation and distribution companies. Annual dividends paid to the holding company have recently averaged approximately USD280 million per year, but the payout increased significantly in 2013 to USD430 million. Fitch Ratings estimates dividends will increase further in 2015–2018 as TGI begins to make dividend payments.

Moderate Leverage: EEB's improving financial performance has helped to moderate leverage, and its liquidity requirements are manageable. The company's consolidated leverage, as measured by total consolidated debt/EBITDA plus dividends received, was 2.6x during the LTM ended June 30, 2014, which is essentially flat with 2013 and 2012 leverage figures. During the LTM ended June 2014, EEB generated about USD961 million of consolidated EBITDA plus dividends, which represents a 6% and 32% increase over 2013 and 2012, respectively.

Aggressive Growth: EEB's growth strategy is aggressive, though a major acquisition in Colombia is unlikely in the near to medium term. Fitch's base case assumes a ramp-up in capex spending in 2014–2017 to USD2.3 billion as the company searches for growth opportunities in Colombia and in the rest of Latin America. Capex spending excluding acquisitions was USD1.8 billion during 2010–2013. The incremental capex expectations assume primarily greenfield investments in the transmission and natural gas segments.

Rating Sensitivities

Negative Drivers: A negative rating action or Outlook would be considered if leverage reached 3.5x on a sustained basis. Influence from the company's shareowners resulting in a suboptimal financial/operational strategy would also hurt the group's credit quality. Significantly large acquisitions could result in negative rating actions if financed mostly with incremental debt that led to a deterioration in consolidated capital structure.

Positive Drivers: A positive rating action or Outlook is unlikely in the near to medium term given the company's aggressive growth/capex expectations. It would be viewed positively if the company significantly reduced its leverage to below the 2x level for a sustained period.

Recent Events

December 2014 — 2015 Dividends Approved

Dividends of COP1.1 trillion (approximately USD471 million) were approved for payment in June and October 2015.

November 2014 — EEB Dividend Distribution

EEB's shareholder assembly approved a dividend payment totaling COP586 billion (approximately USD290 million) corresponding to 100% of distributable profits from January to August 2014 and the company's occasional reserves. The dividend payment was made on Nov. 18, 2014.

September 2014 — EEB Replaces CEO

EEB's board of directors announced a change in management, replacing CEO Sandra Fonseca with Ricardo Roa, who was previously CEO of TGI. The board cited the need to improve relations between EEB and its partners at Emgesa S.A. E.S.P. (Emgesa) and Codensa S.A. E.S.P. (Codensa) as the reason for the change in management. Ms. Fonseca had been CEO of the company since February 2013. Mr. Roa has in the past been a board member of Codensa, Emgesa, and other important EEB subsidiaries.

April 2014 — EEB Buys Back Stake in TGI

EEB agreed to purchase the 31.92% equity stake in TGI it did not own for USD880 million. The deal is composed of USD616 million in additional debt (USD645 million after fees) with the remaining balance paid for via the company's internal cash. The acquisition of TGI shares brings EEB's holdings in its subsidiary to 99.97%.

EEB exercised its purchase rights for these shares, which were previously owned by Citi Venture Capital International (CVCI). In 2011, CVCI acquired its TGI stake when it injected USD400 million of capital into the company. This allowed TGI to distribute approximately USD230 million to EEB to repay an intercompany loan, which allowed EEB to purchase stakes in Promigas S.A. E.S.P. (Promigas) and in Gas Natural de Lima y Callao S.A. (Calidda). The company closed on a long-term syndicated loan totaling USD645 million with three major financial institutions to finance the acquisition, which closed in July 2014. The new loan has a tenor of five years with a single payment at maturity and interest of six-month LIBOR plus 2.25%.

May 2014 — Regulator Restricts Possible Isagen Sale

The Superintendency of Industry and Commerce put conditions in place restricting participation by a public company in the possible sale of the government's controlling 57.6% stake in power generator Isagen S.A. E.S.P. In February, EEB publicly declared it would be interested in the possible acquisition, but the new resolution would prevent the company from being able to win an acquisition bid. EEB noted it would be seeking legal measures to address this resolution.

Related Criteria

Corporate Rating Methodology — Including Short-Term Ratings and Parent and Subsidiary Linkage (May 2014)

April 2014 — Contugas Begins Operations

EEB's Peruvian natural gas distribution business Contugas S.A.C. (Contugas) began operations after receiving all applicable regulatory permits. Construction of the Contugas pipeline totaled USD345 million. This project was designed to meet demand from residential users, commercial users, natural gas vehicle stations, the industrial sector, power generators (medium and small scale) and petrochemical manufacturers in the Ica Region of Peru.

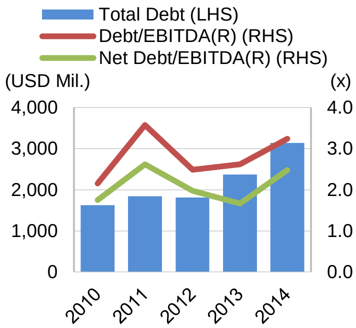
January 2014 — TGI Unsuccessfully Bids for TGP Stake

TGI agreed to purchase a 23.6% stake in Transportadora de Gas del Peru S.A. (TGP, Issuer Default Rating BBB) for USD642 million. However, the deal was not finalized, as existing TGP shareholder Canada Pension Plan Investment Board exercised its right of first refusal to purchase the stake instead.

Financial Overview

Liquidity and Debt Structure

Total Debt and Leverage Ratios

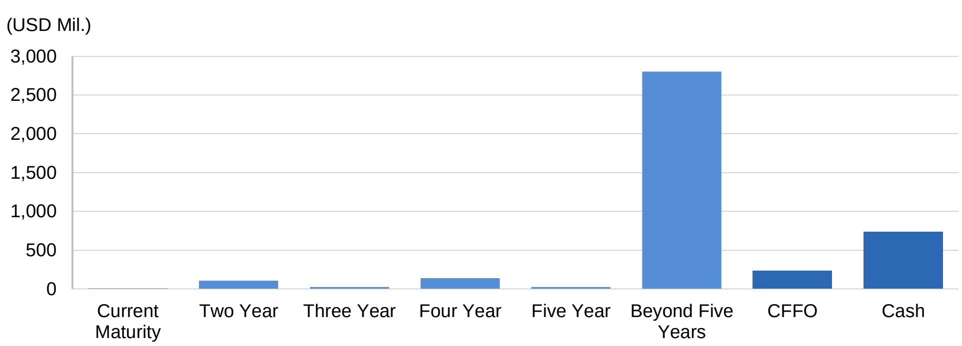


Source: Company reports.

EEB has a strong liquidity position supported by its cash and cash equivalents balance. As of June 30, 2014, and Dec. 31, 2013, the company reported cash and marketable securities of USD1.07 billion and USD861 million, respectively. The company's liquidity position is also supported by its manageable debt amortization schedule. Holding company debt as of June 30, 2014, totaled USD1.2 billion, consisting mainly of USD749 million of notes due 2021, a balance of USD86 million from a USD100 million loan from CAF and a COP223 billion (approximately USD110 million) bridge loan used to fund the purchase of a 31.92% equity stake in TGI that was repaid in the third quarter. The company closed on a syndicated loan totaling USD645 million to fund the latter purchase. This debt is held in an offshore special purpose vehicle, not the parent company, with the debt expected to be absorbed by TGI in 2015.

EEB expects to use debt at its subsidiaries' level, cash on hand and a portion of its internal cash flow to finance its expansion projects. Given the aggressive capex forecast, Fitch expects leverage, defined as gross debt/adjusted EBITDA, to settle at the 3x level in the near to medium term. In the long term, Fitch expects the company's consolidated leverage level to decline to approximately 2.0x–2.5x as its expansion projects start operations.

EEB Debt Maturity Schedule



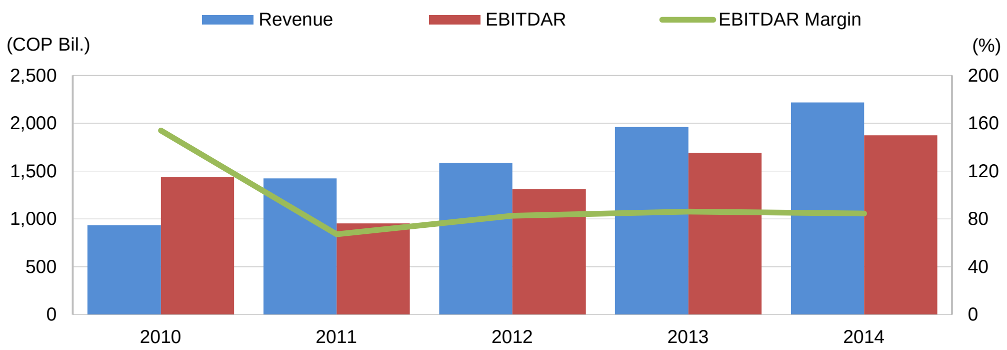
Source: Company reports.

Cash Flow Analysis

EEB's financial profile, characterized by moderate leverage and adequate interest coverage, is considered consistent with an investment-grade rating. During the LTM ended June 2014, the company has benefited from its recent investments, and cash flow generation has improved. EBITDA plus dividends for the LTM ended June 30, 2014, increased to approximately USD961 million compared with USD903 million in 2013 and up 33% over 2012. This increase primarily reflects the increased cash flow generation from EEB-controlled companies as well as above-average dividend receipts. In 2013, on a consolidated basis, dividend income from Emgesa (51.5% stake) and Codensa (51.5%) increased by 61% due to stronger operating performance at both companies. In addition, subsidiary Red de Energia del Peru S.A. (REP; 40% stake) began to pay out dividends during the year.

EEB's total debt as of June 30, 2014, amounted to approximately USD2.5 billion and was primarily composed of USD749 million of senior unsecured notes due 2021 issued by EEB, USD750 million of senior unsecured notes due 2022 issued by TGI, USD320 million of senior unsecured notes due 2023 issued by Calidda, a USD310 million syndicated loan at Contugas, and a USD85 million loan from CAF. The company's maturities are manageable, with current maturities totaling USD121 million versus cash and marketable securities totaling USD1.1 billion. Leverage, defined as total debt/EBITDA, has improved from 3.6x in 2011 to the mid-2x level since 2012. During this period, the company's consolidated adjusted EBITDA has nearly doubled from USD516 million in 2011 to USD961 million currently.

EEB Financial Performance — Annually

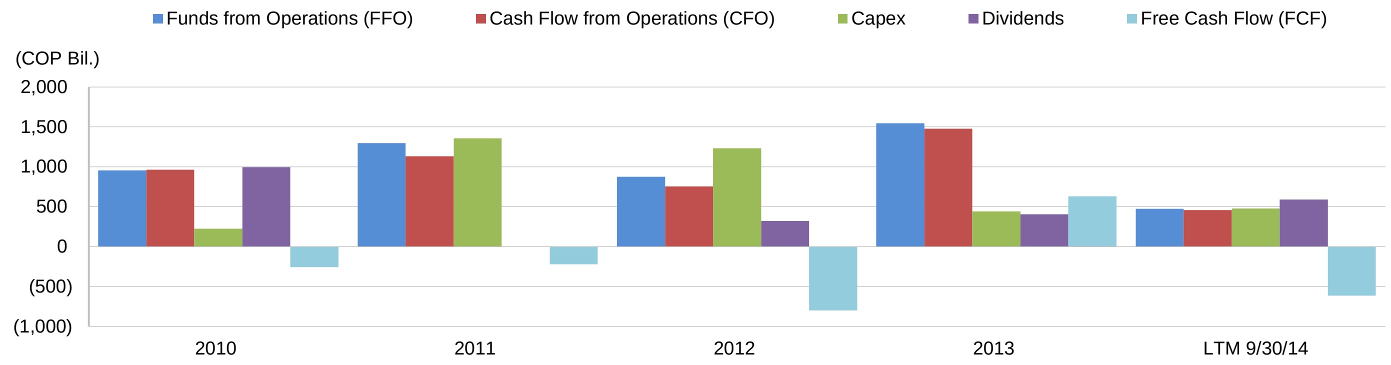


Source: Company reports.

Shareholder agreements between EEB and its partners help ensure the company's cash flow in the form of dividends from its subsidiaries. These dividends have been the main source of cash flow used to service the USD1.2 billion of debt at the holding company level. The USD750 million bond at TGI is being serviced using TGI's strong cash flow generation. Until now, EEB has not received residual cash flows from TGI, other than through the outstanding USD370 million intercompany loan. However, now that capex at TGI has peaked, TGI began paying dividends in 2014, and Fitch expects dividend distributions totaling USD100 million per year. Per EEB's senior unsecured debt covenants, a default event at any restricted subsidiary such as TGI is considered a default on the company's notes.

The bulk of the cash flow required to service holding company debt comes from Codensa and Emgesa and, to a minor extent, from other investments. The shareholder agreements between EEB and Codensa and between EEB and Emgesa set the dividend policies of each company, respectively. These shareholder agreements are similar in nature, and in both cases, the parties agree to distribute 100% of the profits the companies (i.e. Codensa and Emgesa) may be permitted to distribute in each period.

Cash Flow Performance



Source: Company reports.

Company Profile

EEB is an energy holding company with interests in electricity generation, distribution and transmission, as well as natural gas transportation and distribution. It provides energy and power services to the Bogotá Capital District (Bogotá D.C.). EEB holds a majority of participation in Colombia's largest gas generation, distribution and transportation companies. The company also holds a 40% interest in two Peruvian electricity transmission companies together with Colombian partner Interconexión Eléctrica S.A. E.S.P. (BBB/AAA[col]), which holds 60% of each company. For a complete list of EEB's subsidiaries, please see the *Organizational Structure* section of this report.

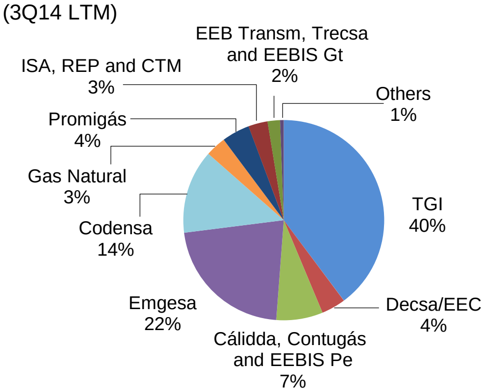
Issuer Rating History

Date	LT IDR (FC)	Outlook/ Watch
Oct. 28, 2014	BBB	Stable
Nov. 1, 2013	BBB–	Stable
Nov. 2, 2012	BBB–	Stable
Nov. 3, 2011	BB+	Stable
Jan. 24, 2011	BB	Stable
Nov. 19, 2010	BB	Stable
Nov. 20, 2009	BB	Negative
Dec. 1, 2008	BB	Negative
Oct. 15, 2007	BB	Stable

LT IDR – Long-Term Issuer Default Rating. FC – Foreign currency.
Source: Fitch.

All of EEB's assets are in a strong competitive position, which bodes well for the company's credit profile. The electricity and gas distribution businesses are regulated natural monopolies with stable cash flow generation and low leverage. The electricity generation business in Colombia is competitive, given the country's significant low-cost hydroelectric generation and overcapacity. EEB's energy generation business is also competitively well positioned, given its low-cost profile and mix of 86% hydroelectric and 14% thermoelectric capacity.

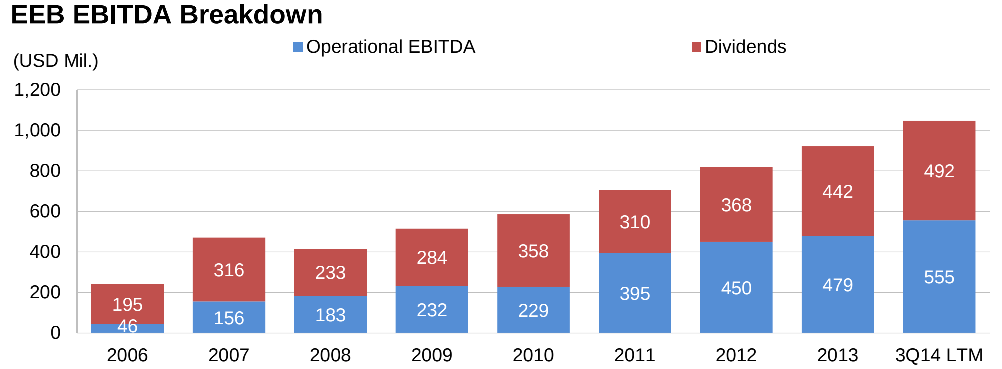
EBITDA Breakdown by Subsidiary
(3Q14 LTM)



Source: Company presentation.

The company is a strategic asset for the Colombian government, and EEB's dividends to Bogotá D.C. represent approximately 5% of the city's revenues. In addition, EEB provides basic utilities services to Bogotá's population. Currently, EEB's main shareholders are Bogotá D.C. and Ecopetrol S.A., with 76.3% and 6.9% ownership, respectively.

EEB's competitive position is considered strong across all its business lines. The company's electricity transmission and gas transportation and distribution assets operate as natural monopolies and have large market share positions. Emgesa's position in the electric generation business is strong due to its low generation cost. Most of the markets in which EEB operates have high barriers to entry due to the high capital intensity of the businesses.

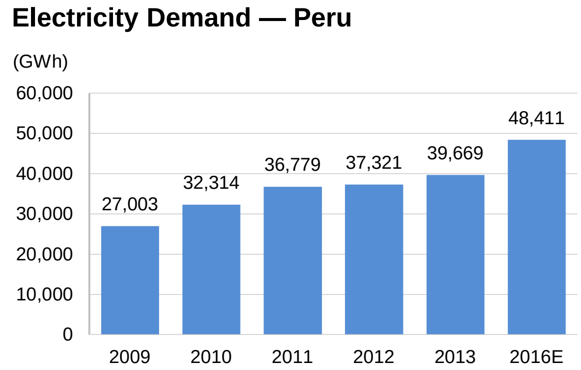


Source: Company presentation.

Transmission

EEB conducts its electricity transmission business in Colombia directly through its 1,448-km transmission network. EEB also participates in the electricity transmission business in Peru through its related companies REP and Consorcio Transmantaro S.A. (Transmantaro). These two companies account for approximately 82% of the electricity transmission assets comprising the Peruvian interconnected system. EEB owns 40% of the voting stock of both REP and Transmantaro. REP operates its transmission lines under a 30-year concession contract that expires in 2032, representing 51.4% of the national transmission system and generating approximately USD70 million of EBITDA per year.

Electricity transmission is, for the most part, a natural monopoly business with exceptionally stable cash flow generation and low business risk. EEB's transmission business is of marginal importance to the company's cash flow generation and its ability to repay debt, as it represents only 5% of its adjusted EBITDA.



GWh – Gigawatt-hours. E – Estimate.
Source: Company presentation.

EEB also participates directly in the electricity transmission business in Guatemala through Transportadora de Energia de Centroamerica S.A. (Trecsa) and EEB Ingenieria y Servicios — Guatemala. Trecsa has a concession to build and operate 850 km of electricity transmission lines, which is expected to account for 47% of the Guatemalan market share. EEB put the El Pacifico substation in service in 2014, which is the first step toward bringing the system online.

EEB and Subsidiaries Market Share

	%	Rank
Colombia		
Electricity Generation	20.9	2
Electricity Distribution	26.6	1
Electricity Transmission	8.0	2
Gas Distribution	59.0	1
Gas Transportation	85.0	1
Peru		
Electricity Transmission	57.6	1
Gas Distribution	100.0	1
Guatemala		
Electricity Transmission	—	1

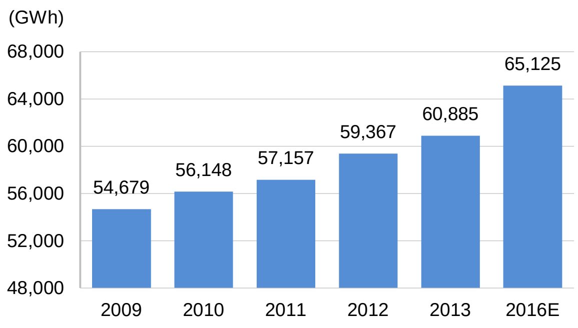
Source: Company presentation.

Electricity Distribution

EEB participates in the electricity distribution business in Colombia through its related company, Codensa. Codensa is the largest distributor of electricity in Colombia, with approximately 2.7 million customers. Codensa distributes electricity in the metropolitan area of Bogotá and the surrounding regions. EEB owns 43% of the total shares of common voting stock of Codensa, and 100% of the preferred nonvoting stock of Codensa, for a total of 51.5% of the company's total capital stock. EEB has veto rights with respect to new investments, the incurrence of additional debt, dividend and other distributions in excess of a specified amount, sales of substantially all its assets, acquisitions and expansion projects by Codensa. Empresa Nacional de Electricidad S.A. (Endesa) directly and indirectly operates the company and owns Codensa's remaining shares.

This business is also a regulated business with stable and predictable cash flow generation. EEB receives cash flow from Codensa in the form of dividends for its equity participation. Under an agreement with Endesa, the company distributes 100% of net income as dividends each year. Dividends received between 2007 and 2011 from this investment represented approximately 28% of EEB's adjusted EBITDA, though with the growth of EEB's other segments this has declined to 11% during 2012–2013. Codensa's leverage as of year-end 2013 continues to be low at approximately 1.1x.

Electricity Demand — Colombia



GWh – Gigawatt-hours. E – Estimate.
Source: Company presentation.

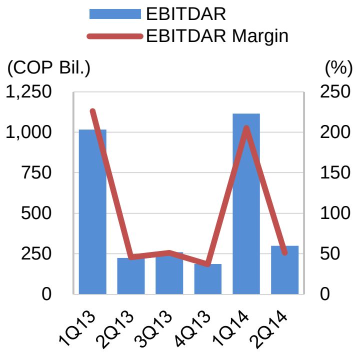
At 7%, Codensa's energy losses are low compared with other urban distribution companies in the region and are currently below those recognized through tariff. Codensa's track record of efficiency improvement and loss reduction is strong. During the past decade, the company has reduced electricity losses from 22.25% in 1997, when Endesa started operating the company, to the current level. During the first four years under Endesa's management, Codensa's losses were cut in half to 11.83%. The company has also significantly reduced the average time and frequency of interruptions during the past decade by almost 50%.

Electricity Generation

EEB participates in the electricity generation business in Colombia through its related company Emgesa (BBB/AAA[col]). Emgesa is one of the largest electricity generators in Colombia, with an installed capacity of 2,925 MW, which accounts for approximately 20% of the total installed capacity in Colombia. EEB owns 43.6% of the total shares of common voting stock and 100% of the total shares of preferred nonvoting stock of Emgesa, for a total of 51.5% of the total capital stock of Emgesa. EEB has veto rights with respect to decisions related to new investments, the incurrence of additional debt, dividend and other distributions, sales of substantially all its assets, acquisitions and expansion projects by Emgesa.

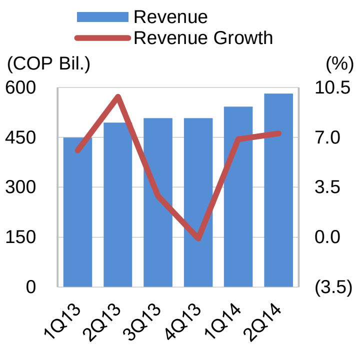
Electricity generation in Colombia is very competitive because the country's vast hydroelectric installed capacity satisfactorily meets demand. Emgesa benefits from its market share position, its low cost of generation and its somewhat diverse generation matrix. EEB receives cash flow from Emgesa in the form of dividends for its equity participation of approximately 51.5%. Under an agreement with Endesa, the company distributes 100% of net income as dividends each year. Dividends received between 2007 and 2011 from this investment represented approximately 26% of the company's adjusted EBITDA. Emgesa's contribution to overall EBITDA has remained consistent, though slightly lower, at 25% for 2012–2013.

EBITDA Trends



Source: Company reports.

Revenue Trends



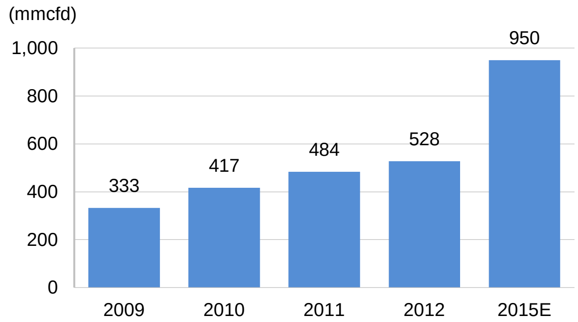
Source: Company reports.

Natural Gas Transportation

EEB is engaged in the natural gas transportation business through its subsidiaries TGI and Contugas in Peru. EEB formed TGI on Feb. 16, 2007. TGI is one of the two main natural gas transportation companies operating in Colombia, transporting directly or indirectly 100% of the natural gas consumed in Bogotá and approximately 49% of the total natural gas transported in Colombia. The TGI pipeline system is the most extensive in the country with a total length of 3,957 km. EEB also has a 15.6% equity interest in Promigas, Colombia's second-largest gas transportation company, and 100% direct and indirect ownership of Contugas, a gas transportation and distribution company in Peru.

Similar to electricity transmission, gas transportation is also a regulated business with an exceptionally stable and predictable cash generation profile. In 2007, EEB acquired TGI for approximately USD1.5 billion and significantly increased its leverage in order to finance the acquisition. This business is controlled by EEB, therefore is fully consolidated in the company's financial statements. During 2013, TGI represented approximately 35% of EEB's consolidated adjusted EBITDA.

Natural Gas Demand — Peru



Mmcfd – Million cubic feet per day. E – Estimate.
Source: Company presentation.

TGI transports natural gas in the Colombian Andean region. The company's pipelines serve the cities of Bogotá and Cali, as well as other small cities. TGI also indirectly serves the city of Medellín through another pipeline. Bogotá, Medellín and Cali are the three largest and most important cities in the country. The company's service territory accounts for approximately 60% of Colombia's natural gas demand and 70% of its population. Following the latest transaction, TGI is 99.97% owned by EEB.

Natural Gas Distribution

EEB participates in the natural gas distribution business through its related company Gas Natural S.A. E.S.P. (Gas Natural), the largest natural gas distribution company in Colombia. EEB owns 25% of Gas Natural. Gas Natural serves approximately 1.77 million customers in Bogotá, representing approximately 30% of the total number of customers in the Colombian natural gas distribution market. Dividends received from this business represented approximately 4% of EEB's adjusted EBITDA during 2012–2013 and averaged 5% between 2007 and 2011. As of year-end 2013, Gas Natural generated an EBITDA of approximately USD202 million.

Operating Environment

Electricity consumption levels in Colombia are below those of other Latin American countries. This creates a positive expectation in demand growth, which is closely linked to the country's GDP. Colombian per capita electricity consumption is approximately 1 MW per year, while per capita consumption for countries such as Chile and Argentina is close to 2 MW per year.

Colombia had approximately 14,500 MW of installed capacity as of year-end 2013, of which 64% is composed of hydroelectric plants, 31% thermoelectric plants and 5% other forms of generation. The Colombian generation capacity mix has significantly improved since the country suffered a major electricity crisis during 1992 and 1993. This crisis stemmed from the system's high dependency on hydroelectric generation capacity. At the time of the crisis, approximately 80% of installed capacity was hydroelectric, significantly exposing the country to crisis during droughts.

In response to the 1992–1993 crisis, the government of Colombia implemented the Domestic Public Service Law (Ley 142) and the Electricity Law (Ley 143) of 1994, which today form the basis of Colombia's electricity industry. These laws gave the Comision de Regulacion de Energia y Gas (CREG) regulatory power over the industry. Furthermore, the government created incentives for private investment in thermoelectric generation projects to reduce the country's high exposure to hydrology risks. Over the past decade, Colombia has seen a high degree of privatization in the energy sector, as central government has partially or totally spun off several power companies, increasing competition in the market.

Regulatory Framework

The Colombian regulatory framework seems supportive of sector participants and financial stability. In 2008, CREG approved a new methodology to determine electricity distribution charges for the 2009–2013 period. Even though the new methodology is substantially different, tariff charges did not vary greatly. For the transmission tariff, the regulation increased the rate of return of the transmission company's assets from 9% to 11.5%. However, other changes for the transmission companies' tariff may result in immaterial changes in the overall tariff.

During 2006, CREG redefined the capacity payments for electricity generation companies as reliability charges revenue. In 1996, CREG implemented capacity payments to generators. These payments seek to guarantee efficient availability of electricity supply by paying generation companies for their installed capacity. This policy was designed to be in place for 10 years, expiring on Nov. 30, 2006. During 2006, CREG published a new methodology to compensate generators for their installed capacity with a new reliability charge. The new program also created a bidding mechanism to meet future demand needs.

Other relevant changes expected in the regulatory framework is the sharing of losses between the incumbent electricity distribution company and the independent commercialization operating in its grid. Currently, pure commercialization companies do not bear the financial burden of the losses suffered by the distribution company. Losses are expected to be distributed among all the sector participants using the distribution grid.

Peer Group Analysis

(USD Mil.)	Empresa de Energia de Bogota S.A. E.S.P. (EEB)	Empresas Publicas de Medellin E.S.P. (EPM)	Enersis S.A.	Isagen S.A. ESP
LTM as of	6/30/14	6/30/14	6/30/14	6/30/14
Long-Term IDR	BBB	BBB+	BBB+	BBB–
Outlook	Stable	Stable	Stable	Stable
Financial Statistics				
Revenue	1,106	7,040	12,186	1,105
YoY Revenue Growth (%)	20.1	7.3	0.7	—
EBITDA	961	1,944	3,805	343
EBITDA Margin (%)	86.9	27.6	31.2	31
FCF	283	(451)	329	(71)
Total Adjusted Debt	2,523	4,766	7,021	1,754
Cash and Cash Equivalents	1,070	453	2,212	281
FFO	787	1,399	3,084	271
Capex	(214)	(1,144)	(1,266)	(238)
Credit Metrics (x)				
EBITDA/Gross Interest Coverage	9.6	6.6	14.1	20.4
(FCF + Cash)/Debt Service Coverage	5.4	0.4	2.3	5.6
Adjusted Debt/EBITDAR	2.6	2.5	1.8	5.0
FFO Interest Coverage	8.6	5.6	11.0	16.7

IDR – Issuer Default Rating. YoY – Year over year.
Source: Fitch Ratings.

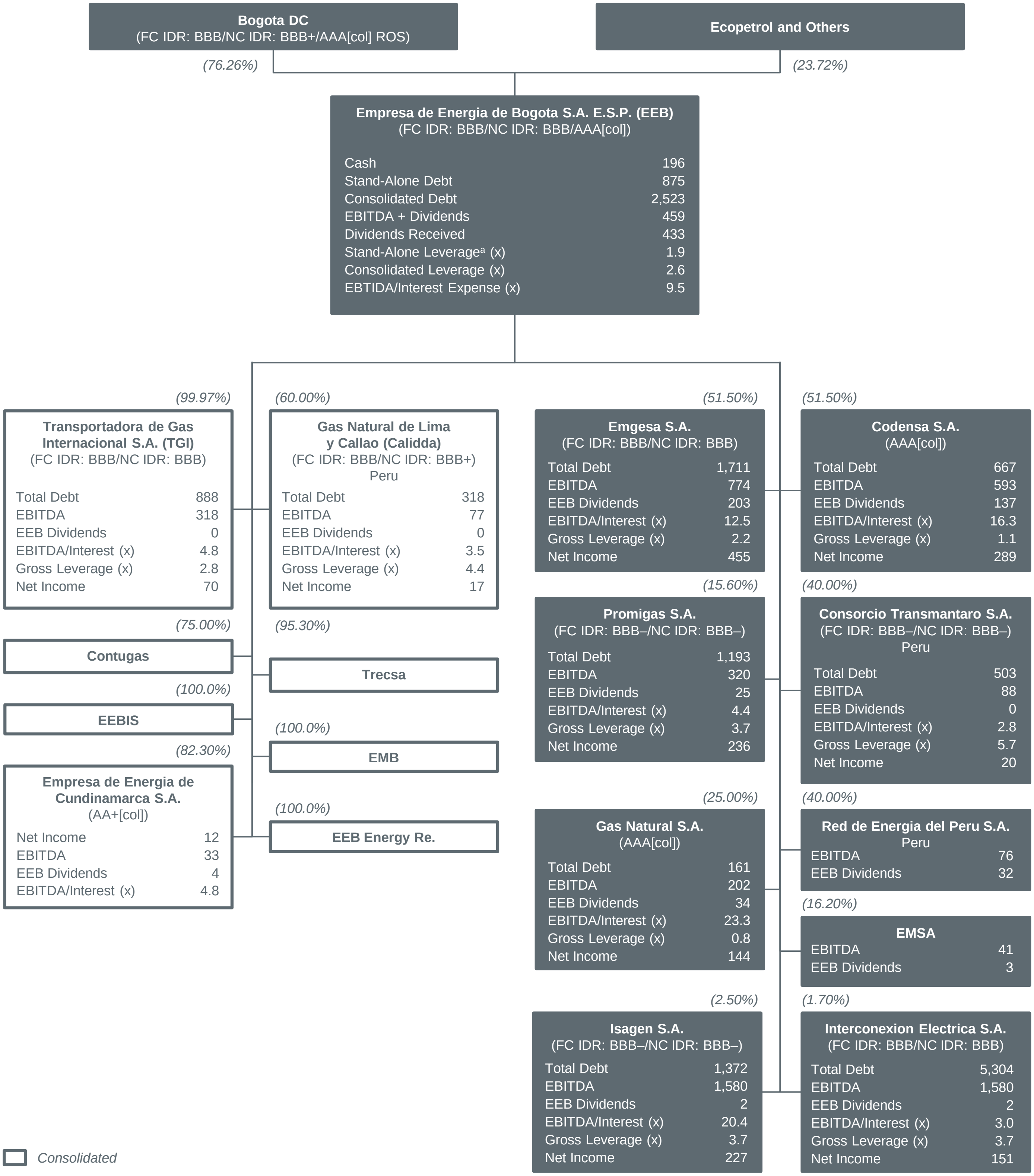
Financial Summary — Empresa de Energia de Bogota S.A. E.S.P. (EEB)

(USD Mil., Year Ending Dec. 31)	LTM 9/30/14	2013	2012	2011	2010
Profitability					
EBITDA	968	903	727	516	756
EBITDAR	968	903	727	516	756
EBITDA Margin (%)	84.5	86.2	82.7	67.1	153.9
EBITDAR Margin (%)	84.5	86.2	82.7	67.1	153.9
FFO Return on Adjusted Capital (%)	3.9	10.8	7.7	12.1	11.6
FCF Margin (%)	(27.7)	32.2	(50.4)	(15.6)	(27.5)
Return on Average Equity (%)	9.6	7.8	7.2	3.8	13.4
Coverage (x)					
FFO Interest Coverage	2.7	8.8	5.3	5.7	4.7
EBITDA/Gross Interest Expense	7.8	8.7	6.7	3.5	5.5
EBITDAR/Interest Expense + Rents	7.8	8.7	6.7	3.5	5.5
EBITDA/Debt Service Coverage	6.0	5.2	2.9	1.7	3.5
EBITDAR/Debt Service Coverage	6.0	5.2	2.9	1.7	3.5
FFO Fixed-Charge Coverage	2.7	8.8	5.3	5.7	4.7
FCF Debt Service Coverage	(1.2)	2.5	(1.3)	0.1	0.0
(FCF + Cash and Marketable Securities)/Debt Service Coverage	3.4	7.5	0.2	1.8	1.4
Cash Flow from Operations/Capex	1.0	3.3	0.6	0.8	4.3
Leverage (x)					
FFO-Adjusted Leverage	9.3	2.6	3.1	2.2	2.5
Total Debt with Equity Credit/EBITDA	3.2	2.6	2.5	3.6	2.2
Total Net Debt with Equity Credit/EBITDA	2.5	1.7	2.0	2.6	1.7
Total Adjusted Debt/EBITDAR	3.2	2.6	2.5	3.6	2.2
Total Adjusted Net Debt/EBITDAR	2.5	1.7	2.0	2.6	1.7
Implied Cost of Funds (%)	0.0	0.0	0.1	0.1	0.1
Secured Debt/Total Debt	—	—	—	—	—
Short-Term Debt/Total Debt	0.0	0.0	0.1	0.1	0.0
Balance Sheet					
Total Assets	8,922	8,742	8,296	7,200	6,172
Cash and Marketable Securities	735	861	375	492	307
Short-Term Debt	38	71	146	148	80
Long-Term Debt	3,098	2,295	1,663	1,695	1,548
Total Debt	**3,136**	**2,366**	**1,809**	**1,843**	**1,628**
Equity Credit	—	—	—	—	—
Total Debt with Equity Credit	**3,136**	**2,366**	**1,809**	**1,843**	**1,628**
Off-Balance-Sheet Debt	—	—	—	—	—
Total Adjusted Debt with Equity Credit	**3,136**	**2,366**	**1,809**	**1,843**	**1,628**
Total Equity	5,128	5,820	5,758	4,840	3,813
Total Adjusted Capital	**8,264**	**8,186**	**7,567**	**6,683**	**5,441**
Cash Flow					
FFO	244	825	484	702	502
Change in Working Capital	(9)	(37)	(67)	(89)	6
CFO	235	789	418	613	508
Total Non-Operating/Nonrecurring Cash Flow	—	—	—	—	—
Capex	(247)	(236)	(683)	(733)	(118)
Common Dividends	(305)	(216)	(178)	0	(525)
FCF	**(317)**	**337**	**(443)**	**(120)**	**(135)**
Net Acquisitions and Divestitures	—	—	—	—	—
Other Investments, Net	(830)	(487)	190	(172)	169
Net Debt Proceeds	1,083	460	41	204	(27)
Net Equity Proceeds	—	—	—	307	—
Other (Investments and Financings)	—	—	—	—	(5)
Total Change in Cash	**(64)**	**310**	**(212)**	**220**	**2**
Income Statement					
Revenue	1,145	1,048	880	769	491
Revenue Growth (%)	—	19.1	14.4	56.6	13.7
EBIT	353	325	310	211	141
Gross Interest Expense	123	103	108	148	137
Rental Expense	—	—	—	—	—
Net Income	515	451	383	165	487

Source: Company report.

Organizational Structure — Empresa de Energia de Bogota S.A. E.S.P. (EEB)

(USD Mil., As of Year End 2013)



[a]Estimated. IDR – Issuer Default Rating. FC – Foreign currency. NC – National currency.
Source: Company reports.

The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.