

## ENEL-CODENSA REPORTS FIRST QUARTER FINANCIAL RESULTS

- Revenues increased by 8% compared to the first quarter 2019, mainly explained by the increase in energy demand, the increase in the Producer Price Index (PPI) and a higher income from the recognition of investments.

Bogota, 30 April 2020

### Financial results Q1 2020

|                                   | Q1 2020   | Q1 2019                  | VARIATION % |
|-----------------------------------|-----------|--------------------------|-------------|
| <i>Millions of Pesos (COP)</i>    |           |                          |             |
| REVENUES                          | 1,416,228 | 1,310,843                | +8.0%       |
| EBITDA                            | 458,560   | 391,828                  | +17.0%      |
| EBIT                              | 335,017   | 287,187                  | +16.7%      |
| NET INCOME                        | 191,930   | 160,640                  | +19.5%      |
| NET FINANCIAL DEBT <sup>(1)</sup> | 1,951,499 | 1,829,140 <sup>(2)</sup> | +6.7%       |
| INVESTMENTS                       | 157,683   | 178,553                  | -11.7%      |

(1) Short-term financial debt + Long-term financial debt - Cash and other financial assets.

(2) Figures as of 31 December 2019.

**Lucio Rubio**, General Manager of Enel in Colombia, commented: *"The results of the first quarter of 2020 show a reliable Company that is flexible, resilient and operates and distributes energy safely and sustainably, even amid the situation we are experiencing due to the COVID.19 We continue to work and focus our efforts to contribute to the customer's quality life, and to strengthen the reliability of service provision in Bogotá and Cundinamarca, even in the health emergency.*

- Revenues** increased by 8% compared to the same period in 2019, mainly explained by:
  - Energy demand in the Enel-Codensa area of influence grew by 1.7% YoY.
  - The increase in the Producer Price Index (IPP), to which the distribution remuneration component is indexed, and higher 2019 recognition income.
  - The better results in the value-added products and services margin, especially in the Crédito Fácil Codensa card, with the start of the new operating scheme with Scotiabank Colpatría.
- EBITDA** registered a YoY increase of 17% over the same period of the previous year, explained by the growth in revenues and efficiencies in the management of fixed and variable costs, which generally grew in a smaller proportion than revenues. The variation in costs is supported by:
  - Higher cost of sales (+4.7%), attributable to the increase in the spot price as a result of the low hydrology.
  - Higher contribution to the Superintendence of Public Utilities, in accordance with the law of the National Development Plan.
  - Higher personnel expenses (+11.2%), due to the salary adjustment made at the beginning of the year and to additional benefits derived from the Collective Agreement. Also, higher operation and maintenance expenses (+ 5%), which reflects the adjustment of contracts indexed to CPI and/or minimum wage.

- **EBIT** had a growth similar to EBITDA, despite the increase in depreciation expenses as a result of the growth in the base of depreciable fixed assets, which is due to the significant investment plan executed during 2019.
- Enel-Codensa's **Net Income** increased by 19%, reflecting the higher revenues and the 1% reduction in the income tax rate for 2020, compared to 2019.
- **Net Financial Debt** increased compared to 2019 year-end, as a result of the company's ambitious investment plan, which involved acquiring a new debt in January 2020.
- **Investments** for the first quarter of 2020 focused on projects to improve service quality, implement remote control, replace equipment and infrastructure, make new customer connections and increase distribution capacity. There is a YoY reduction because the project for the implementation of the technical and financial economic systems was completed in the first quarter of 2019 and is therefore not being executed in 2020.

## Operating results Q1 2020

|   | Q1 2020   | Q1 2019                  | VARIATION % |
|---|-----------|--------------------------|-------------|
| DOMESTIC ENERGY DEMAND (GW/h)                       | 18,100    | 17,364                   | +4.2%       |
| ENEL-CODENSA ENERGY DEMAND <sup>(1)</sup><br>(GW/h) | 3,748     | 3,704                    | +1.2%       |
| ENEL-CODENSA MARKET SHARE                           | 20.7%     | 21.3%                    | -0.3%       |
| AVERAGE ENERGY LOSS RATE                            | 7.49%     | 7.80%                    | -0.31%      |
| TOTAL ENEL-CODENSA CUSTOMERS                        | 3,547,926 | 3,526,776 <sup>(2)</sup> | +0.6%       |

(1) *Net demand without including losses.*

(2) *As of 31 December 2019.*

- Both the **domestic energy demand** and the Enel-Codensa energy demand increased in the first quarter of 2020 compared to the same period in 2019, despite the contraction of the demand that started late March, mainly due to the lockdown measures adopted by the National Government to contain the spread of COVID 19 in the country.
- In the first two months of the year, the increase in demand nationwide was mainly sustained in the regulated market, highlighting consumption in the Caribbean Region. The energy demand in the Enel-Codensa area, in turn, is mainly explained by an increase in tolls as a result of the growth of customers in other retailers.
- Enel-Codensa's average **energy loss rate** decreased compared to 1T 2019, thanks to the continuity of the inspection plan and the strengthening of models that improve efficiency, as well as energy recovery from consumption not registered.
- The **total number of Enel-Codensa customers** increased due to new connections, in line with the company's organic growth, especially in the residential segment.

## **Dividends:**

So far in 2020, Enel-Codensa has paid \$105,649 million pesos in dividends to its shareholders.

|  | Q1 2020   | Q1 2019   |
|--|-----------|-----------|
| <i>Millions of Pesos (COP)</i>             |           |           |
| Current assets                             | 1,487,088 | 1,238,029 |
| Non-current assets                         | 6,078,295 | 5,524,878 |
| Current liabilities                        | 2,284,986 | 1,853,732 |
| Non-current liabilities                    | 2,526,780 | 2,411,143 |
| Equity                                     | 2,753,618 | 2,498,032 |
|  |           |           |
| Revenues                                   | 1,416,228 | 1,310,843 |
| Costs                                      | 826,984   | 789,593   |
| Contribution margin                        | 589,244   | 521,250   |
| Earnings before interests and taxes (EBIT) | 335,017   | 287,187   |
| Earnings before taxes (EBT)                | 273,698   | 238,328   |
| Net income                                 | 191,930   | 160,640   |

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