

ENEL-EMGESA NET INCOME UP BY 23% IN 1H 2019

Financial results 1H 2019

	1H 2019	1H 2018	% CHANGE
<i>Millions of Pesos (COP)</i>			
REVENUES	1,932,017	1,719,679	+12.3%
EBITDA	1,165,193	1,048,138	+11.2%
EBIT	1,049,440	939,719	+11.7%
NET INCOME	620,503	505,051	+22.9%
NET FINANCIAL DEBT ⁽¹⁾	2,913,876	2,907,125 ⁽²⁾	+0.2%
CAPEX	93,936	73,439	+27.9%

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

(2) Figures as of December 31st, 2018, including IFRS 16 impact for purposes of comparability of figures

Bogota, July 30th, 2019 – Enel-Emgesa disclosed today its financial and operating results for the first half of 2019.

Lucio Rubio, country manager of Enel in Colombia, commented: “*Enel-Emgesa posted a strong operational and financial performance during the first half of the year on the back of a successful commercial and business strategy, despite low water availability. As shown by the installation of Colombia’s first energy storage system at Termostiza power plant, we are implementing an investment plan aimed at driving innovation in the country’s generation segment.*”

In the first half of 2019, Enel-Emgesa reported an increase in **Net Income** of 22.9%, compared to the same period last year, a result that reflects a successful commercial and business strategy in a context of low hydrology in the presence of weak El Niño Southern Oscillation (ENSO) and a favourable macroeconomic environment, where greater savings in financial expenditure and a lower effective tax rate contributed to the improvement of the results, as detailed below:

- **Revenues** increased, mainly due to higher energy prices on the spot market, as a consequence of a moderate El Niño Southern Oscillation during the first months of the year.
- **EBITDA** was in line with revenues, which more than offset the increase in energy purchase costs resulting from higher registered spot market prices and an increase in fuel expenses due to an increase in thermal generation at the Termostiza power plant.
- **Net Income** increased 22.9%, as a result of a reduction in net financial expenses, explained by a decrease in the average balance of debt during the period, as well as lower cost of debt as a result of a lower Consumer Price Index, to which 64% of the debt is indexed. In addition, the increase was also due to a lower effective tax rate after the reduction of the income tax rate by 4 points for 2019.
- **Net Financial Debt** in the period remained in line with 1H 2018.

- **Capex** were focused on projects to extend the useful life of Termozipa, which also saw the installation of an energy storage system, as well as investments related to the water concession of Bogota River and the execution of the hydro power plants maintenance plan.

Operating results 2019

	1H 2019	1H 2018	% CHANGE
GWh(*)			
TOTAL GENERATION COLOMBIA	34,175	33,558	+1.8%
ENEL- EMGESA GENERATION	7,201	6,746	+6.7%
CONTRACT SALES	7,159	7,238	-1.1%
SPOT MARKET SALES	1,525	1,605	-5.0%
PLANT AVAILABILITY	91.1%	93.7%	-2.6%

(*) *Estimated figures*

Enel-Emgesa's **total production** increased driven by a growth in thermal generation to offset lower water availability.

As of June 30th, 2019, Emgesa's production accounted for 21.1% of the National Interconnected System (SIN)'s total output, ranking as the system's second largest generator.

- The **total energy production** of Enel-Emgesa was as follows:
 - 94.5% hydroelectric: 2.9% more than last year, marked by an increase in reservoirs in the second quarter.
 - 5.5% thermal: 195.6% more than in the first half of 2018, due to the activation of the Termozipa thermal power station.

Dividends:

During the first half of 2019, Enel-Emgesa paid 429,066 million pesos in dividends to its shareholders.

	1H 2019	1H 2018
<i>Figures in millions of pesos</i>		
Current assets	650,310	683,885
Non-current assets	8,160,629	8,017,373
Current liabilities	1,552,113	1,387,754
Non-current liabilities	3,121,163	3,582,380
Equity	4,137,662	3,731,124
Revenues	1,932,017	1,719,679

Costs	681,860	619,410
Contribution margin	1,270,009	1,147,704
Earnings before interests and taxes (EBIT)	1,165,193	1,048,138
Earnings before taxes (EBT)	1,049,440	939,719
Net income	620,503	505,051

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