



**FINANCIAL RESULTS  
FOURTH QUARTER  
2019**

## 1. Consolidated figures

	Units	4Q2019	4Q2018	Δ	YTD 2019	YTD 2018	Δ
<b>Consolidated financial statements</b>							
Revenues	COP Million	967.307	905.597	6,8%	3.725.762	3.424.430	8,8%
Gross profit	COP Million	367.729	289.610	27,0%	1.145.088	1.010.839	13,3%
Earnings before financials	COP Million	494.071	224.715	119,9%	1.353.779	771.737	75,4%
Ebitda	COP Million	379.015	316.357	19,8%	1.262.429	1.135.052	11,2%
<i>Ebitda margin</i>	%	39,2%	34,9%	12,2%	33,9%	33,1%	2,2%
Net income	COP Million	190.919	108.063	76,7%	603.321	350.699	72,0%
Net income attributable to controlling sh.	COP Million	115.840	63.829	81,5%	473.447	227.834	107,8%
<b>Generación</b>							
Total energy produced	GWh	1.331	1.650	-19,4%	5.489	6.497	-15,5%
Total energy sold	GWh	1.744	2.022	-13,8%	7.204	7.997	-9,9%
<b>Energy produced in Colombia</b>	<b>GWh</b>	<b>1.037</b>	<b>1.466</b>	<b>-29,3%</b>	<b>4.386</b>	<b>5.419</b>	<b>-19,1%</b>
Hydric	GWh	1.030	1.110	-7,2%	3.739	4.015	-6,9%
Thermal	GWh	2	353	-99,5%	627	1.393	-55,0%
Solar	GWh	4,9	2,4	105,5%	19,8	10,8	83,2%
<b>Energy sold in Colombia</b>	<b>GWh</b>	<b>1.296</b>	<b>1.655</b>	<b>-21,7%</b>	<b>5.494</b>	<b>6.231</b>	<b>-11,8%</b>
Contract sales	GWh	895	856	4,6%	3.280	3.139	4,5%
Spot market sales	GWh	401	799	-49,9%	2.214	3.092	-28,4%
<b>Energy produced in Central America</b>	<b>GWh</b>	<b>294</b>	<b>184</b>	<b>59,4%</b>	<b>1.103</b>	<b>1.078</b>	<b>2,3%</b>
Hydric	GWh	131	128	2,6%	379	465	-18,5%
Thermal	GWh	114	6	1888,3%	501	392	27,9%
Wind farm	GWh	46	50	-7,3%	209	221	-5,1%
Solar	GWh	3	1				
<b>Energy sold in Central America</b>	<b>GWh</b>	<b>449</b>	<b>367</b>	<b>22,1%</b>	<b>1.709</b>	<b>1.766</b>	<b>-3,2%</b>
Contract sales	GWh	331	338	-2,1%	1.206	1.598	-24,5%
Spot market sales	GWh	117	29	302,0%	503	168	199,6%
<b>Distribution and retail sales</b>							
<b>Valle del Cauca</b>							
Energy losses	%	8,4%	8,3%	1,5%	8,4%	8,3%	1,5%
Collections rate	%	103%	99%	4,0%	98%	98%	0,0%
SAIDI - EPSA/CETSA	Hours	2,4	2,8	-14,3%	11,4	11,7	-2,3%
SAIFI - EPSA/CETSA	Times	1,5	3,9	-61,5%	8,2	17,5	-53,3%
Regulated market sales	GWh	527	312	68,9%	1.830	1.213	50,8%
Non regulated market sales	GWh	346	274	26,3%	1.267	1.072	18,2%
Ventas de energía fotovoltaica	GWh	5	4	39,7%	18	8	120,2%
Users	Number	1.163.586	623.851	86,5%	1.163.586	623.851	86,5%
<b>Distribution and retail sales</b>							
<b>Tolima</b>							
Energy losses	%	11,8%	-	-	11,8%	-	-
Collections rate	%	66%	-	-	48%	-	-
SAIDI - EPSA/CETSA	Hours	21,3	-	-	35,0	-	-
SAIFI - EPSA/CETSA	Times	11,8	-	-	23,0	-	-
Regulated market sales	GWh	213	-	-	502	-	-
Non regulated market sales	GWh	57	-	-	128	-	-
Ventas de energía fotovoltaica	GWh	56	-	-	84	-	-
Users	Number	514.915	-	-	514.915	-	-

## 2. Electric market in Colombia

During the quarter, sea temperatures in the Pacific remained high and water inflows to the National Electrical Grid (SIN, for the Spanish original) in general were at 76% of the historical average, causing an increase in stock market prices. At the company's power plants' basins, water levels were at 96%, closer to the historical average. Variations were due to the influence of phenomena other than the ENSO which had local effects.

The added levels of the National Electrical Grid's reservoirs closed the quarter at 66% live storage, a level very similar to that reached by the end of September. Celsia's reservoirs were at 74% at the end of the fourth quarter, an increase compared to the 42% obtained by the end of the third quarter.

The accumulated energy demand of Colombia's SIN over the quarter reached 18,275 GWh, a 3.8% increase from the same period in 2018. Out of this demand, the regulated market demand was 12,469 GWh, 4.2% higher than the same quarter in 2018, and non-regulated market demand grew 3.0% to 5,722 GWh.

## 3. Electric market in Panamá

Although 2019 turned out to be a year with low rainfall in Panama, which affected the generation of the hydroelectric power plants, the rainy season at the end of the year allowed the reservoirs to recover their levels in the last quarter of the year. Fortuna went from a live storage of 24% to 63%, closing at a value lower than the 85% reported in Q4 2018. In turn, the level of the Bayano Reservoir went from 18% to 62%, a higher level than the 45% reported in Q4 2018.

Due to increased thermal generation to support demand, the average marginal cost of energy was USD 73/MWh in the quarter, up 14% from the same quarter in 2018. The price of diesel reported by thermal power plants in Panama was up 12%, while bunker was down 16% and coal dropped by 32%.

## 4. Operating results

### 4.1. Consolidated generation

The Company's consolidated generation was 1,331 GWh in the quarter, down 19.3% compared to the same quarter last year and up 5% compared to Q3 2019. Excluding generation at Zona Franca Celsia (ZFC), the variation resulted in a 2.6% increase YoY. By technology, generation was as follows: 87.2% hydraulic, 8.7% thermal, 3.5% wind and 0.6% solar.

Thermal power generation in 2019 was 5,489 GWh compared to 6,947 GWh in 2018. Excluding ZFC generation from both figures, the decrease recorded reached 4.7%, which is explained by a lower hydroelectric generation in Colombia (-6.9% YoY). In Central America, although there was a low hydroelectric generation due to dry weather conditions (-18.5% YoY), the thermal power generation increased (+27.9% YoY) which left this region increasing its generation annually.



## 4.1.1. Power generation in Colombia

Generation in the quarter amounted to 1,037 GWh (-29% YoY and -6.8% YoY, excluding ZFC). Compared to the previous year, hydroelectric power generation decreased by 7%, thermal power generation decreased 99% and solar generation increased 106%.

During the quarter, 895 GWh (+5% YoY) were sold through contracts, including sales to the Company's own distributor, which reported 680 GWh in the period. SIN's regulated market contract prices reached an average of COP 209/kWh (+9% YoY).

In the same period, 401 GWh were sold on the spot market (-50% YoY and -10% YoY, adjusting for ZFC), a decrease offset by the increase in prices on the stock exchange. SIN prices averaged COP 286/kWh in Q4 2019, higher than the COP 133/kWh average of Q4 2018, (+115% YoY).

## 4.1.2. Power generation in Centralamerica

In Central America, 294 GWh (+59% YoY) were generated in the fourth quarter, with thermal power plants contributing 114 GWh (+1,888% YoY) thanks to BLM operations in the quarter. On the other hand, hydroelectric power plants increased their generation by 3% in the quarter compared to Q4 2018, to register 131 GWh.

The wind farm generated 7% less energy than in Q4 2018, delivering 46 GWh to the system in Costa Rica. In the same period in 2018, there was a peak in generation, 50 GWh, due to the fact that the quarter was characterized by the transition of the El Niño Southern Oscillation (ENSO) phenomenon from a neutral phase to an El Niño phase, which gradually increased wind speeds.

Contract sales volumes were 331 GWh (-2% YoY). Although the contracts with the distributors have expired, both in BLM and Cativá, these decreases in quantities have been compensated for by the new quantities contracted with large customers, in the case of Cativá. These contracts have maturities of between 3 and 5 years.

Spot market sales were 117 GWh in the quarter with a 302% growth. BLM stood out with the sale of 85 GWh, serving as backup for the Panama system. In turn, the Dos Mares Hydroelectric Power Plant recorded 32 GWh in spot market sales.

## 4.2. Distribution

### 4.2.1. Valle del Cauca

The fourth quarter had a positive performance in distribution operations, due to the increased demand in the Local Distribution System, the increase in the PPI and the assets of Plan5Caribe which are in operation.

In Valle del Cauca, Celsia Colombia recorded a SAIDI of 2.60 hours in the quarter with a 12.8% decrease in the duration of interruptions, while SAIFI was 1.65 times with a 60.3% decrease. For its part, the subsidiary Cetsa presented a SAIDI of 0.17 hours with an improvement of 78.2% compared to the same quarter of 2019 and the SAIFI was 0.38 times with a decrease of 80.8%.

The good results in these indicators are due to operational improvements, the installation of reconnectors that facilitate the selectivity of failures in the network and the change in weather conditions. Both SAIDI and SAIFI are among the companies in Colombia with outstanding service provision.

During the fourth quarter we received the Resolution for the application of usage charges in accordance with Res. 015/2018. The term of the usage charge resolution is retroactive to April 2019, so at year-end we recorded a revenue provision of COP 17,425 million that will be collected in the coming months.

The retail reseller in Valle del Cauca delivered 608 GWh of electricity in the quarter, up 2.9% YoY, with the regulated market increasing by 0.6% YoY while the non-regulated market increased by 5.6%.

## **4.2.2. Tolima**

The Tolima operation continues to show good performance and is in line with the business plan outlined at the time of the acquisition.

Energy losses during the quarter were 11.85%, a better performance than the 12.25% recorded in Q4 2018. For its part, SAIDI recorded 21.3 hours, while SAIFI recorded 11.8 times, both complying with regulatory requirements. Expectations regarding improvements in energy losses, and SAIDI and SAIFI indicators remain the same and will become more evident as the investments being made in the region are consolidated.

As for the energy sold, the performance in the fourth quarter was significant and reached 269.83 GWh, 6.77% above that recorded in the same period in 2018. The regulated market recorded 213.27 GWh, +4.62%, and the non-regulated market recorded 56.56 GWh, +15.74%. At the close of the year, 514,915 clients had been served by the Company in the department of Tolima.

The Tolima operation recorded revenues amounting to COP 194,659 million in the quarter, including the recording of COP 30,359 million for the application of the usage charge resolution under Res. 015/2018 which is retroactive from April 2019. EBITDA during the fourth quarter reached COP 62,578 million. The late approval of the new rate period negatively impacted the company's results expectations for this market since we maintained the demand risk throughout the year when we had estimated the change to the fixed income ("revenue cap") model as of July 2019.

## **4.2.3. Caoba Inversiones**

At the end of 2019, the Company created the platform Caoba Inversiones S.A.S. to which the assets of P5C, the awarded projects such as Toluviejo and also the recently acquired assets with voltage level 3 and 4 in Tolima were incorporated.

In December, *Cubico Sustainable Investments* subscribed for shares equivalent to 49% of the platform. The Company will maintain a 51% stake in Caoba and will provide both commercial

representation of the assets and operation and maintenance services to ensure the same levels of operational excellence that characterize its operations.

Given the governance mechanisms agreed upon with the new partner, Celsia will not consolidate the financial statements of Caoba. In this way, the platform will be able to optimize its capital structure according to the characteristics of the business it owns, which is characterized by long-term income and predictable and stable revenues.

The structured business model with Caoba, together with the deleveraging achieved with the resources received, allows the Company to maintain the same contribution to net income as being the owner of 100% of the assets.

The sale of the business to Caoba generated non-operating income worth COP 334,777 million and a net profit of 262,771 million. At the end of the year, the Company received a first payment of COP 710,000 million, which was applied in full to the reduction of financial liabilities, and there is still COP 440,000 million to be paid during the Q1 2020, which will be used by Celsia Colombia to pay borrowings amounting to COP 80,000 million, while the remaining balance will be destined to pay off the bridge loan for the purchase of Tolima assets whose counterparty is Celsia.

## 5. Financial results

### 5.1. Revenues

	4T2019	4T2018	Δ	4T2018 ex ZFC	Δ
Bolsa de energía	116.449	220.472	-47%	64.150	82%
Contratos	49.031	56.226	-13%	56.226	-13%
Cargo x Confiabilidad	45.019	103.667	-57%	43.198	4%
<b>Total Colombia</b>	<b>210.498</b>	<b>380.365</b>	<b>-45%</b>	<b>163.574</b>	<b>29%</b>

### 5.2. Operating and administrative expenses

Consolidated revenue for the quarter was COP 967,307 million, 6.8% up from the previous year. In 2019, revenue amounted to COP 3.7 trillion, 8.8% higher than the same period in the previous year. Revenues in Colombia accounted for 84% of the consolidated total, and Central America accounted for 16%.

The quarter's consolidated revenues are broken down as follows:

Generation revenues totaled COP 362,495 million (-30.5% YoY and +19% YoY excluding 2018 ZFC revenues to make the figures comparable)

In Colombia, revenues amounted to COP 210,498 million (-45% YoY and +29% YoY excluding ZFC in 2018). Upon standardizing Q4 2018 figures and comparing them with Q4 2019, revenues increased by 29%. The 7.2% decline in hydroelectric power generation in the quarter was offset by the increase in the average price for the sale of energy on the spot market (+115.3% YoY).

Contract sales recorded a decrease of 13% in sales to third parties; when considering total contract sales including those to the Company's own distributor, there is a 12% growth in the quarter compared to Q4 2018.

In Central America, generation revenues in the quarter amounted to COP 151,997 million (+7% YoY), mainly due to the exchange rate effect. In dollar terms, revenues managed to remain at levels close to Q4 2018 due to the higher BLM operations and the associated increase of energy in the Cativá contracts for this quarter. In 2019, generation revenues in the region totaled COP 620,159 million (-6% YoY).

Revenues from grid connection and use (from the Transmission and Distribution Business) recorded COP 156,873 million, a 106% increase compared to the same period in the previous year, explained primarily by: (i) income from Tolima's assets (+COP 15,302 million) (ii) the retroactive registration of the usage charge resolution of COP 47,784 million and (iii) income from P5C's assets of COP 19,471 million. Excluding Tolima assets and the retroactive charge resolution, revenues grew 22.9% in the quarter. In 2019, revenues from grid connection and use reached COP 439,250 million with 58.2% growth compared to the previous year.

The retail sales revenue increased 57.6% in the quarter compared to the previous year, recording COP 421,149 million, which also benefited from the higher income from the Tolima assets (+COP 144,397 million). The increase in these revenues, excluding Tolima's energy sales business, was 4.0%. In 2019, sales revenues totaled COP 1.46 trillion, 43.7% higher compared to 2018.

Other operating services recorded COP 26,327 million in the quarter (+43% YoY), Tolima contributed COP 4,439 million. This item's increase, excluding Tolima, was 19.2%, due to the good performance of the products and services portfolio that is being developed by the Company for our clients.

### **5.3. Ebitda**

The consolidated EBITDA in the fourth quarter was COP 379,015 million; up 19.8% from the same period in 2018. Standardized for the effects of Tolima and ZFC, the increase in EBITDA was 17.5%. The EBITDA margin for the period recorded 39.2% compared to the 34.9% of Q4 2018.

- Colombia contributed COP 344,602 million to the quarter's EBITDA (+31.7% YoY and +31.4% YoY standardized due to Tolima and ZFC). Generation contributed COP 156,570 million, distribution and retail sales in Valle del Cauca contributed COP 125,454 million and Tolima contributed COP 62,578 million.
- In turn, Central America contributed COP 34,413 million (-37% YoY). The decrease is mainly explained by the termination of the contract at BLM in December 2018.

In 2019, consolidated EBITDA reached COP 1.26 trillion, up 11.2% and 6.3% when standardized by the purchase of Tolima's assets and the sale of ZFC. The EBITDA margin for the period recorded 33.9% compared to the 33.1% of Q4 2018.

- Colombia contributed COP 1.12 trillion to the year's EBITDA (+27.8% YoY and +22.7% YoY standardized by Tolima and ZFC). Generation contributed COP 590,428 million, distribution and retail sales in Valle del Cauca contributed COP 407,772 million and Tolima contributed COP 125,242 million.
- In turn, Central America contributed COP 139,330 million (-45.6% YoY). The decrease in EBITDA in this region is explained by the dry period in Panama which has reduced the generation of EBITDA from Dos Mares and by the expiration of contracts, mainly that of BLM.

## 5.3.1 Tolima

The financial results of the Tolima operations during the quarter are provided below:

Tolima's operations recorded a good performance during the quarter. Both distribution and sales displayed a performance within the budgeted parameters and generated an EBITDA of COP 62,578 million.

<b>COP Millones</b>	<b>4T2019</b>
Ingresos ordinarios	194.659
Costo de ventas	(140.660)
<b>Ganancia bruta</b>	<b>53.999</b>
Gastos de administración	(5.517)
Depreciación	14.096
<b>Ebitda</b>	<b>62.578</b>

## 5.1. Other Components of the Statement of Comprehensive Income

In the line of other income, COP 341,594 million were recorded, of which COP 334,777 million correspond to the income recorded from the sale of the transmission assets to Caoba Inversiones.

The financial expense was COP 114,656 million; an increase of 60.5% which accounts for COP 43,201 million more than the same period the previous year. Of the variation, approximately COP 20,000 million corresponds to the interest for quarterly payments of the bond issue of Celsia Colombia for COP 1.1 trillion carried out in April with the purpose of financing the purchase of Tolima's assets, COP 10,800 million corresponds to commissions associated with growth projects.

In December, a negative equity method was recorded for Caoba totaling COP 18,041 million, mainly due to the accrual of deferred tax liabilities recorded in this company, given the difference between the carrying amount and tax values of some of the assets.

Other expenses recorded COP 113,360 million in the quarter due to two impairments of BLM and Porvenir II assets. For BLM, given the results of this operation during the year and the failure of the capacity and energy auction to materialize in the originally expected time frame, the organization decided to apply the fair value method to the assets and not to the ongoing business,



for which we contracted a technical appraisal with Integral which, when compared to the value of the PP&E, resulted in a loss of COP 83,600 million.

For Porvenir II, given the precautionary measure imposed by the Council of State, we carried out an assessment of the project considering a two-year delay in the start of construction. The difference between this value and the value of the assets amounted to COP 24,233 million of impairment expense.

## **5.2. Taxes**

The current and deferred tax provision recorded COP 187,840 million (+313% YoY), of which COP 72,006 million corresponded to the tax on the sale of the transmission business to Caoba Inversiones. Excluding the tax originated by the Caoba Inversiones Investments transaction, the income tax provision was COP 71,775 million (+0.4% YoY).

In 2019, deferred income tax recorded an expense of COP 32,789 million, while in Q4 2018, an income of COP 29,924 million was recorded. Deferred tax is not a comparable result since it depends on future accounting and tax estimates that may vary over time and do not represent a cash expenditure. This account will be relevant in the following years because of the tax benefits associated with the renewable energy projects we are developing in Colombia.

Current income tax in 2019 increased to COP 327,888 million, 80.7% more than in 2018, driven by taxes on asset divestments amounting to COP 133,883 million. Excluding this effect, the tax increased by 6.9%.

It is important to remember that the Caoba transaction constitutes ordinary income for Celsia Colombia since the vast majority of these assets were less than two years old, while in the case of ZF it was an occasional gain on an approximate tax profit of COP 630,000 million, while the accounting profit was over COP 311,000 million. In the latter case, since the asset was owned through a controlled company, a very relevant difference was generated between the accounting profit, which incorporates the accrued equity methods, and the tax profit, which only considers the acquisition cost and the adjustments for inflation.

## **5.3. Net Profit**

During the quarter, the Organization reported consolidated net earnings of COP 190,919 million (+77% YoY). When subtracting minority interest, net income attributable to the main controlling shareholders amounted to COP 115,840 million (+81% YoY).

In 2019, net earnings amounted to COP 603,321 million (+72% YoY) and income attributable to the controlling shareholders accounted for COP 473,447 million (+108% YoY).

## 6. Debt

The following is a summary of the debt at the close of December 2019:

	Monto Cifras en millones COP	Deuda neta	Apalancamiento 4T2019	Apalancamiento 2T2019	Apalancamiento 4T2018
Celsia <sup>(1)</sup>	452.730	394.408	2,76	3,69	3,35
Celsia Colombia	2.098.870	1.939.028	1,87	3,33	1,64
Celsia CA	985.290	839.651	5,28	5,85	4,70
BLM <sup>(2)</sup>	270.124	249.255	N/A	7,09	3,01
<b>Consolidado</b>	<b>3.807.014</b>				
<b>Caja consolidada</b>	<b>384.672</b>				

- (1) Celsia has accounts receivable from Celsia Colombia for the sale/purchase of generation assets in 2018. The structure of payments of both principal and interest is in line with principal and interest payments on bonds issued by Celsia. The foreign investment made by Celsia from the purchase of the bond led by Celsia Colombia was COP 660,250 million, and the value of the bond is currently COP 340,250 million.
- (2) BLM has received waivers, which indicates the creditors' backing, based on the current status and the relevance of the asset for the system in Panama.

In 2019, progress was made against the company's debt profile thanks to deleveraging and re-profiling programs that were carried out in conjunction with the year's strategic projects. The average life of consolidated debt rose 29% from 6.2 years in 2018 to 8.0 years in 2019. On the other hand, the cost of debt in pesos closed at 8%, 16 bp less than a year ago and 6.4% is the cost of debt in dollars, 23 bp less than a year ago. The consolidated net debt / EBITDA at year end was 2.71 times, lower than the 3.9 times recorded in the first half of the year.

At the end of the fourth quarter, consolidated debt decreased by COP 713,000 million compared to the end of the third quarter, mainly due to the application of resources from Caoba Inversiones: (i) maturity of the Celsia series 6 bonds in December for COP 263,650 million, (ii) prepayment of the leases associated with the Plan5Caribe for COP 290,254 million, (iii) payment of short-term loans for COP 100,000 million, (iv) payment of USD 8.6 million in Alternegy.

## 7. Cash Flow

In the accumulated year, the sources of resources were: (i) consolidated operations, (ii) working capital and (iii) other income (including resources from the sale of Zona Franca).

The resources generated were mainly applied in the following manner: i) taxes, ii) Capex (includes the growth from the purchase of the Tolima assets and the Caoba Inversiones transaction), iii) the net movement of financing including financial expenses, and iv) the payment of dividends.

At the close of the quarter, the Organization had COP 384,672 million in cash, which was invested in short-term investment funds. In Central America, 23% of the consolidated cash flow, approximately COP 88,000 million, remains restricted by financing conditions in that region.

	Colombia	CA	Consolidado
<b>EBITDA</b>	1.123.099	139.330	1.262.429
(+) Necesidades netas de KW	50.398	17.361	67.760
(-) Impuestos	(226.869)	(18.696)	(245.564)
<b>Flujo de Caja de la Operación</b>	<b>946.629</b>	<b>137.996</b>	<b>1.084.625</b>
Capex e inversiones	(1.688.438)	(44.372)	(1.732.810)
<b>Flujo de Caja de las Inversiones</b>	<b>(1.688.438)</b>	<b>(44.372)</b>	<b>(1.732.810)</b>
Flujo de Caja Libre	(741.809)	93.624	(648.185)
Mov. Neto financiación	68.171	(141.006)	(72.835)
Otros ingresos	991.579	31.943	1.023.522
Otros egresos	(136.833)	(2.824)	(139.657)
Dividendos netos	(245.930)	-	(245.930)
(+/-) Diferencia en cambio del disponible	20.964	2.172	23.135
<b>Total Flujo de Caja Financiero</b>	<b>697.951</b>	<b>(109.715)</b>	<b>588.235</b>
<b>Flujo de Caja del Período</b>	<b>(43.858)</b>	<b>(16.092)</b>	<b>(59.950)</b>
(+) Caja Inicial	262.022	182.600	444.622
<b>Saldo de caja final</b>	<b>218.164</b>	<b>166.508</b>	<b>384.672</b>

	Dic.-2019	Dic.-2018
<b>Total caja</b>	<b>384.672</b>	<b>444.622</b>
Celsia	56.044	88.166
Zona Franca	-	47.850
Colener	2.278	40.745
Celsia Colombia consolidado	159.842	85.261
Centroamérica	166.508	182.600

## 8. Investment and Expansion Plan

At year end, consolidated investments amounted to COP 718,580 million (excluding the investment in Tolima worth COP 1.6 trillion). In Colombia investments amounted for COP 674,208 million and in Central America COP 44,372 million.

In Colombia, the main investments were the completion of the Plan5Caribe and solar power projects.

Por tipo de negocio	COLOMBIA	CA
	Acumulado año (millones COP) <sup>(1)</sup>	Acumulado año (millones USD)
<b>Generación</b>	<b>210.135</b>	<b>15</b>
Proyecto San Andrés	103.865	-
<b>Transmisión y Distribución</b>	<b>430.563</b>	<b>-</b>
Solar fotovoltaica	41.320	-
Tolima	82.572	-
Plan5Caribe	45.343	-
<b>Innovación</b>	<b>22.378</b>	<b>-</b>
<b>Administrativos y otros</b>	<b>41.641</b>	<b>1</b>

(1) Las diferencias con el valor agregado reportado en el flujo de caja corresponden a anticipos y otros.



## 9. Celsia Separate Financial Statements

In the fourth quarter, Celsia's separate financial statements reported revenues worth COP 21,717 million, derived from the energy and capacity representation contract with Celsia Colombia for the Meriléctrica asset. This revenue is 67.2% lower than in 2018, due to the sale of generation assets to Celsia Colombia in December 2018.

The cost of sales was COP 6,847 million, down 80.1% YoY due to the sale of the generation assets. The remaining cost of sales is primarily related to fixed depreciation costs, personnel costs and maintenance costs, among others. A small proportion represents variable generation costs, associated with fuel consumption and connection charges. Administrative expenses totaled COP 10,317 million, down 35.1% YoY.

The EBITDA in the quarter amounted to COP 7,939 million and to date, it amounts to COP 14,651 million.

Regarding Celsia's separate financial statements report, the decision on BLM represented the impairment of all the equity investment that the company had in addition to the provision of the outstanding portfolio balance that BLM had with CTC Curaçao and Celsia Central America. Overall, these transactions represented a lower profit of COP 408,000 million. In addition, the company recognized at the end of 2019 a valuation impairment of COP 16,233 million in the Porvenir II Project as a result of the delay in the possibility of starting construction given the precautionary measure imposed by the Council of State.

Net profits in the quarter recorded a loss of COP 236,989 million (-162.6%) and are COP 120,617 million in the year to date (-77.8% YoY).

It is important to mention that, as for Celsia's separate financial statements after the sale of the generation assets to Celsia Colombia, income is always expected to cover operating costs and expenses, and financial expenses are covered by the payments made by Celsia Colombia as a result of the payment structure for the same sale of assets. In conclusion, Celsia holding is not withholding resources from the controlling shareholders, and the dividends it receives can be transferred to its shareholders.

## 10. Financial indicators

### 11. Celsia - separate

Indicadores de liquidez y endeudamiento	Unidad	4T2019	Dic.-2018
Pasivo/Activo (Nivel de endeudamiento)	%	13%	16%
Pasivo corriente/Total pasivo (Corto plazo)	%	19%	45%
Razón corriente (Activo corriente / Pasivo corriente)	veces	0,51	0,95
Efectivo y equivalentes	COP mill.	56.042	92.290

Indicadores de rentabilidad	Unidad	4T2019	4T2018	
Margen bruto	%	68%	48%	Cambios en los márgenes ante la venta de los activos de generación. Celsia deja de ser Empresa de Servicios Públicos.
Margen operacional	%	21%	24%	

### 10.1 Celsia - consolidated:

Indicadores de liquidez y endeudamiento	Unidad	4T2019	Dic.-2018	
Pasivo/Activo (Nivel de endeudamiento)	%	50%	49%	Los indicadores permanecieron estables respecto al cierre de 2018.
Pasivo corriente/Total pasivo (Corto plazo)	%	30%	32%	
Razón corriente (Activo corriente / Pasivo corriente)	veces	1,03	0,82	
Efectivo y equivalentes	COP mill.	384.672	444.622	

Indicadores de rentabilidad	Unidad	4T2019	4T2018
Margen bruto	%	38%	32%
Margen operacional	%	29%	26%

## Financial statements

### Celsia S.A.

#### Estados consolidados de situación financiera

Al 31 de diciembre de 2019 y 2018

(Valores expresados en millones de pesos colombianos)

	2019	2018
<b>Activo</b>		
<b>Activo no corriente</b>		
Propiedades, planta y equipo, neto	7.854.190	7.792.839
Activos por derecho de uso	67.416	-
Activos intangibles, neto	370.788	357.499
Crédito mercantil	931.542	952.737
Inversiones en asociadas y negocios conjuntos	177.764	10.922
Otras inversiones financieras	88.744	88.824
Pagos anticipados	-	9.770
Deudores comerciales y otras cuentas por cobrar, neto	9.240	6.292
Activos por impuestos diferidos	7.560	52.105
Otros activos no financieros	115.237	-
<b>Total activo no corriente</b>	<b>9.622.481</b>	<b>9.270.988</b>
<b>Activo corriente</b>		
Efectivo y equivalentes al efectivo	384.672	444.622
Deudores comerciales y otras cuentas por cobrar, neto	1.123.732	526.120
Inventarios	180.211	255.700
Pagos anticipados	42.191	79.620
Activos por impuesto corriente	25.054	75.361
<b>Total activo corriente</b>	<b>1.755.860</b>	<b>1.381.423</b>
<b>Total activo</b>	<b>11.378.341</b>	<b>10.652.411</b>
<b>Pasivo y patrimonio de los accionistas</b>		
<b>Patrimonio</b>		
Capital emitido	267	267
Primas en colocación de acciones	1.822.196	1.822.196
Reservas	2.498.010	2.467.051
Ganancia neta del año	473.447	227.834
Otro resultado integral	326.728	316.132
Pérdidas acumuladas	(50.395)	(50.395)
Ganancias acumuladas balance apertura	20.585	20.585
Otras participaciones patrimoniales	(542.983)	(405.668)
<b>Patrimonio atribuible a los accionistas de la controladora</b>	<b>4.547.855</b>	<b>4.398.002</b>
Participaciones no controladoras	1.126.742	1.006.354
<b>Total patrimonio neto</b>	<b>5.674.597</b>	<b>5.404.356</b>

## Pasivo

### Pasivo no corriente

Obligaciones financieras	3.370.810	2.956.750
Pasivos por derechos de uso activos	61.867	-
Acreedores comerciales y otras cuentas por pagar	99.359	92.411
Pasivos por impuestos diferidos	324.264	384.453
Beneficios a los empleados	148.176	134.248
<b>Total pasivo no corriente</b>	<b>4.004.476</b>	<b>3.567.862</b>

### Pasivo corriente

Obligaciones financieras	586.271	669.054
Pasivos por derechos de uso activos	10.943	-
Acreedores comerciales y otras cuentas por pagar	616.081	627.646
Provisiones	232.420	234.359
Pasivos por impuesto corriente	147.011	53.991
Beneficios a empleados	53.988	46.128
Otros pasivos	52.554	49.015
<b>Total pasivo corriente</b>	<b>1.699.268</b>	<b>1.680.193</b>
<b>Total pasivo</b>	<b>5.703.744</b>	<b>5.248.055</b>
<b>Total pasivo y patrimonio</b>	<b>11.378.341</b>	<b>10.652.411</b>



## Celsia S.A.

### Estado consolidado de resultados y otro resultado integral

Al 31 de diciembre de 2019 y 2018

(Valores expresados en millones de pesos colombianos)

	2019	2018
<b>Ingresos operacionales</b>		
Ingresos de actividades ordinarias	3.725.762	3.424.430
Costo de ventas	(2.580.674)	(2.413.591)
<b>Ganancia bruta</b>	<b>1.145.088</b>	<b>1.010.839</b>
Otros ingresos	658.856	12.584
Gastos de administración	(296.341)	(222.990)
Otros gastos	(134.531)	(28.804)
Método de participación patrimonial, neto	(19.293)	108
<b>Ganancia antes de financieros</b>	<b>1.353.779</b>	<b>771.737</b>
Ingresos financieros	21.200	11.914
Gastos financieros	(419.232)	(294.754)
Diferencia en cambio, neto	8.251	13.294
<b>Ganancia antes de impuestos</b>	<b>963.998</b>	<b>502.191</b>
Impuestos a las ganancias	(360.677)	(151.492)
<b>Ganancia neta del año</b>	<b>603.321</b>	<b>350.699</b>
<b>Ganancia atribuible a:</b>		
Propietarios de la controladora	473.447	227.834
Participaciones no controladoras	129.874	122.865
	<b>603.321</b>	<b>350.699</b>

**CELSIA S.A.**
**Estado de Situación Financiera Separado**
**Al 31 de diciembre de 2019 y 2018**

(Valores expresados en millones de pesos colombianos)

	2019	2018
<b>Activo</b>		
<b>Activo no corriente</b>		
Propiedades, planta y equipo, neto	133.471	167.384
Activos por derecho de uso	10.565	-
Activos intangibles, neto	1.057	989
Inversiones en subsidiarias	4.656.666	4.980.614
Inversiones en asociadas y negocios conjuntos	143	195
Otras inversiones financieras	78.024	81.861
Pagos anticipados y otros activos no financieros	537	-
Deudores comerciales y otras cuentas por cobrar, neto	927.342	475.280
Activos por impuestos diferidos	-	43.443
<b>Total activo no corriente</b>	<b>5.807.805</b>	<b>5.749.766</b>
<b>Activo corriente</b>		
Efectivo y equivalentes al efectivo	56.042	92.290
Deudores comerciales y otras cuentas por cobrar, neto	15.772	268.593
Inventarios	2.349	2.121
Pagos anticipados y otros activos no financieros	1.320	4.023
Activos por impuesto corriente	112	27.574
<b>Total activo corriente</b>	<b>75.595</b>	<b>394.601</b>
<b>Total activo</b>	<b>5.883.400</b>	<b>6.144.367</b>
<b>Pasivo y patrimonio de los accionistas</b>		
<b>Patrimonio</b>		
Capital emitido	267	267
Primas en colocación de acciones	1.822.196	1.822.196
Reservas	2.812.927	2.467.051
Ganancia neta del año	120.617	542.751
Otro resultado integral	323.177	313.459
Ganancias acumuladas	13.615	13.615
Ganancias acumuladas balance apertura	20.585	20.585
<b>Total patrimonio neto</b>	<b>5.113.384</b>	<b>5.179.924</b>

## **Pasivo**

### **Pasivo no corriente**

Obligaciones financieras	509.997	451.850
Pasivos por derecho de uso de activos	9.471	-
Acreedores comerciales y otras cuentas por pagar, neto	99.360	92.381
Pasivos por impuestos diferidos	4.069	-
Beneficios a empleados	-	3.541
<b>Total pasivo no corriente</b>	<b>622.897</b>	<b>547.772</b>

### **Pasivo corriente**

Obligaciones financieras	2.294	293.091
Pasivos por derecho de uso de activos	1.635	-
Acreedores comerciales y otras cuentas por pagar, neto	67.398	91.377
Provisiones	31.788	220
Pasivos por impuesto corriente	32.364	970
Beneficios a empleados	5.707	5.220
Otros pasivos	5.933	25.793
<b>Total pasivo corriente</b>	<b>147.119</b>	<b>416.671</b>
<b>Total pasivo</b>	<b>770.016</b>	<b>964.443</b>
<b>Total pasivo y patrimonio</b>	<b>5.883.400</b>	<b>6.144.367</b>

## CELSIA S.A.

### Estados de Resultados y Otro Resultado Integral Separado

Al 31 de diciembre de 2019 y 2018

(Valores expresados en millones de pesos colombianos)

	2019	2018
<b>Ingresos operacionales</b>		
Ingresos de actividades ordinarias	69.863	257.982
Costo de Ventas	(24.912)	(154.168)
<b>Ganancia bruta</b>	<b>44.951</b>	<b>103.814</b>
Otros ingresos	311.808	313.641
Gastos de administración	(44.274)	(50.109)
Otros gastos	(205.326)	(5.193)
Método de participación patrimonial, neto	128.000	241.856
<b>Ganancia antes de financieros</b>	<b>235.159</b>	<b>604.009</b>
Ingresos financieros	54.387	20.529
Gastos financieros	(75.286)	(74.086)
Diferencia en cambio, neto	22.890	21.935
<b>Ganancia antes de impuestos</b>	<b>237.150</b>	<b>572.387</b>
Impuestos a las ganancias	(116.533)	(29.636)
<b>Ganancia neta del periodo</b>	<b>120.617</b>	<b>542.751</b>
<b>Ganancia por acción de operaciones continuas (en pesos)</b>		
Básica, utilidad de las operaciones continuadas	112,73	529,17
Diluida, utilidad de las operaciones continuadas	112,73	529,17
<b>Otro resultado integral</b>		
Ganancia (pérdida) del valor neto sobre inversiones en instrumentos del patrimonio designados a su valor razonable con cambios en otro resultado integral	(143)	(1.281)
Ganancias (pérdidas) actuariales	(5.640)	(83)
Diferencia en cambio en transacciones con moneda extranjera	9.750	127.335
Contabilidad de coberturas	5.751	(8.306)
<b>Total otro resultado integral</b>	<b>9.718</b>	<b>117.665</b>
<b>Total resultado integral del año</b>	<b>130.335</b>	<b>660.416</b>