



# CORPORATE PRESENTATION

SEPTEMBER 2019

MEMBER OF  
**Dow Jones**  
**Sustainability Indices**  
In Collaboration with RobecoSAM



isa

CONNECTIONS THAT INSPIRE

A map of Latin America, including Mexico, Central America, and South America. The landmasses are shown in a light beige color, and the surrounding oceans are in a light blue color. A grid of white lines is overlaid on the map. The countries of Brazil, Colombia, Venezuela, Ecuador, Peru, Bolivia, Paraguay, Uruguay, Argentina, Chile, and the Caribbean islands are highlighted in a solid blue color.

**ISA** is a Multi-Latin Corporate Group  
recognized for the operational excellence of  
its **Energy, Roads** and  
**Telecommunications** businesses

**7**  
countries

**3**

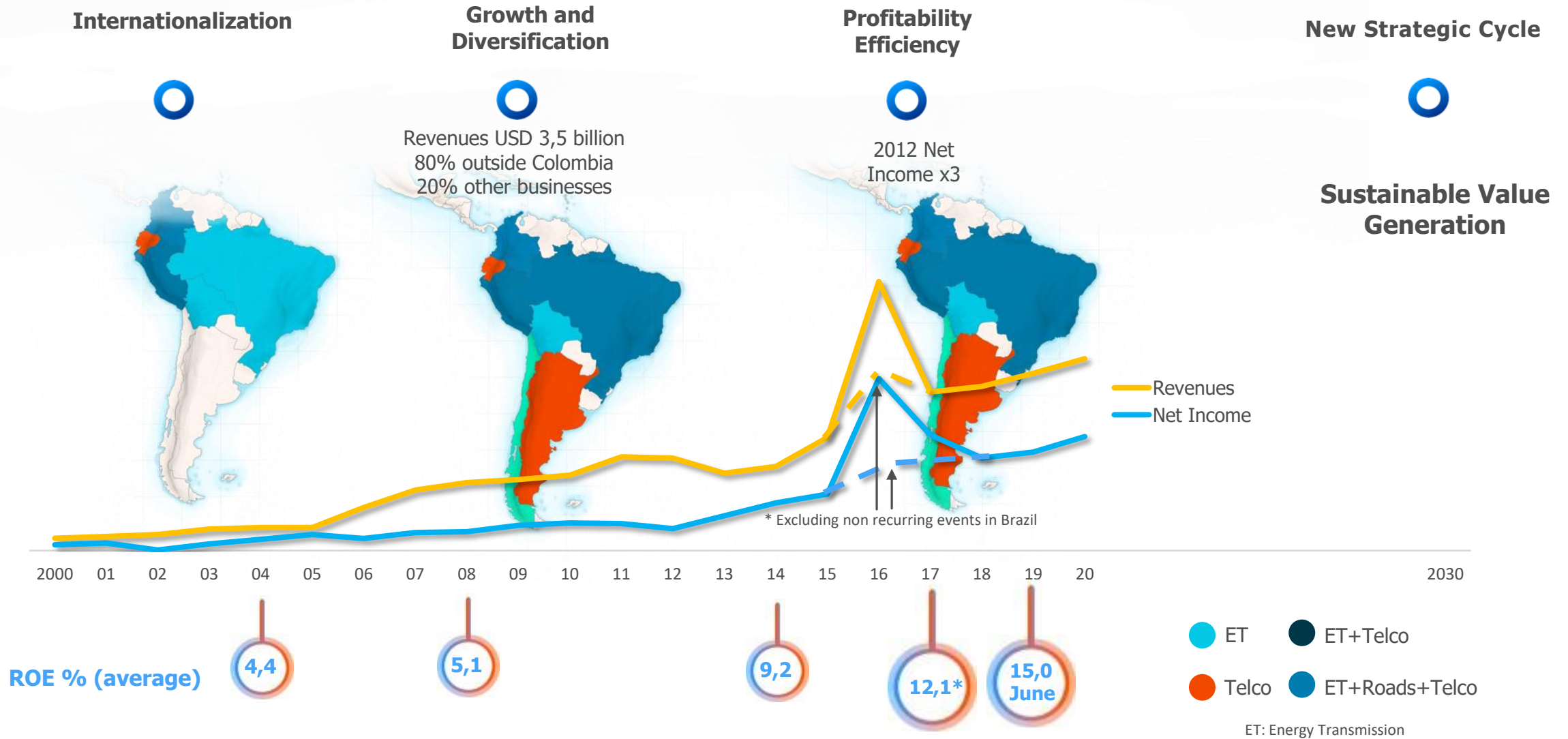
Businesses

**43**

Affiliates and  
subsidiaries



# ISA STRATEGIC CYCLES



# GROWTH WITH SUSTAINABLE VALUE CREATION



## MAIN TARGETS



A photograph of three indigenous men standing in a shallow stream within a dense forest. They are wearing traditional white tunics with blue and black stripes and white headbands. The man on the left has a mustache and is looking towards the camera. The man in the middle is looking slightly to the right. The man on the right is looking down at something in his hands. A blue line graphic starts from the left, curves under the word 'isa', and then extends horizontally across the image, passing behind the men.

*isa*

OUR MANIFEST 



# ENERGY TRANSMISSION

- Average concession term of **25 years**.
- In Colombia and Chile, the **concessions are perpetual**.
- **Largest** high-voltage Energy Transmission network in Latin America

Market participation by  
2018 revenues



**70%**



**70%**



**20%**



**5%**

**USD 9,6 billion**  
2030 investment target



Equivalent to circling the  
Earth by one and a half  
times

In Operation  
**46.280 km** and  
**91.880 MVA**

\* 64.774 km and 108.443  
MVA including investments  
with joint control.

Under construction  
**5.869 km** and  
**13.232 MVA**

— Transmission lines in operation  
— Shared control transmission lines

# TOLL ROAD CONCESSIONS



**40%**

Market share\*



**USD 3 billion**

2030 investment target



ISA and  
Construcciones El  
Cónдор signed a  
**strategic  
partnership  
agreement to grow  
in Colombia and  
Peru**

\*Market share interurban roads  
(2018 revenues)

As of December 2018

In operation  
**907 km**

Under construction  
**Rutas del Loa  
136 km**

2018 transit vehicles  
**148 million\*** per year

\*Traffic in vehicle  
equivalents



# INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS

As of December 2018

**49.500**  
Fiber optics km

**851**  
Clients

**97,64%**  
Service level

- Infrastructure and **connectivity** services
- **Security** platforms
- **Managed services**
- **Data center**
- **Cloud**



Integrated to more than 15 public clouds: **Amazon, Microsoft, Google, Alibaba,** among others.



**Makes possible the digital transformation of the companies, governments, operators and OTT(Over the Top).**

# WHY INVEST IN ISA?



Highest Corporate  
Governance  
Standards



Leading multi-latin in the  
region, operating strategic  
and essential assets for the  
economies where it is  
present



Long-term businesses  
with predictable,  
regulated revenues and  
no demand risk



High cash generation with  
predictable flows and low  
volatility, favored by the  
diversification of businesses  
and geographies



Attractive risk  
/ return  
balance



High investor returns:  
increasing dividends.  
Counter-cyclical share



Growth with  
sustainable value  
creation



Capital intensive  
investments with a  
natural hedging  
strategy

# ISA HAS THE HIGHEST CORPORATE GOVERNANCE STANDARDS

## Shareholder Structure

(July 2019)



**IR Committed**  
awarded by BVC



**60,23%**  
**Government investors**  
667.196.974

**51,41%**  
**Colombian Government**  
569.472.561  
**8,82%**  
**Empresas Públicas de Medellín**  
97.724.413

**39,77%**  
**Private investors**  
440.480.920

**25,51%**  
**Local institutions**  
282.518.637

**10,68%**  
**Foreign investment funds**  
118.255.663

**3,56%**  
**Retail investors**  
39.448.870

**0,02%**  
**ISA ADR Program**  
257.750

**1.107.677.894**  
Shares

**26.332**  
Shareholders

**USD 5.5 billion**  
Market Capitalization



Maximum qualification in legal audit in 2017 and 2018 in each of the components.

# HIGH STANDARDS OF ETHICS AND CORPORATE GOVERNANCE

Shares and bonds traded on the **Colombian Stock Exchange**

Application of 95% of **Country Code** recommendations

- Board of Directors:
- At least 5 of 9 members must be independent
  - **Currently 7 members are independent**

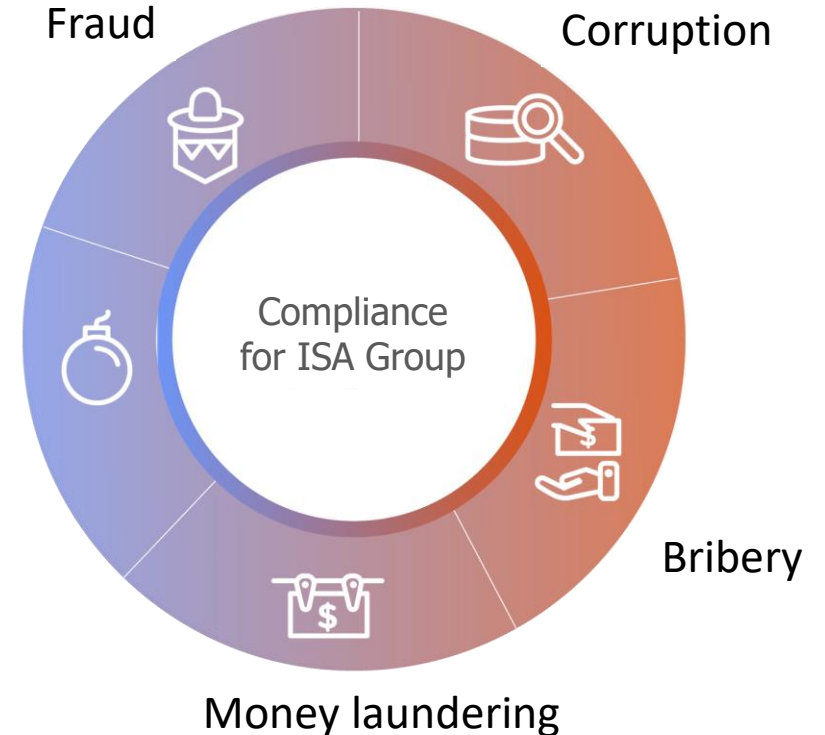


ISA, XM and INTERCOLOMBIA obtained "low corruption risk" rating

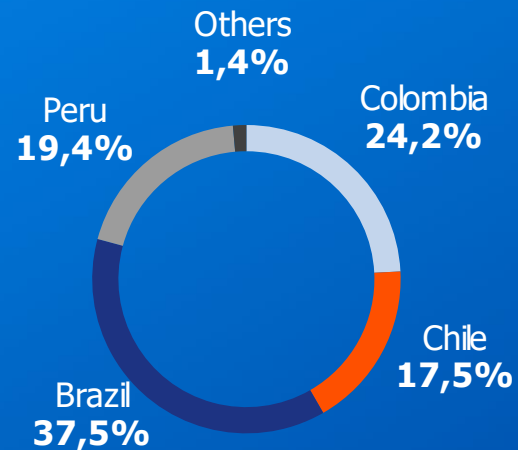


2016  
2017  
2018

Terrorism financing



## DIVERSIFICATION ACROSS COUNTRIES AND BUSINESSES



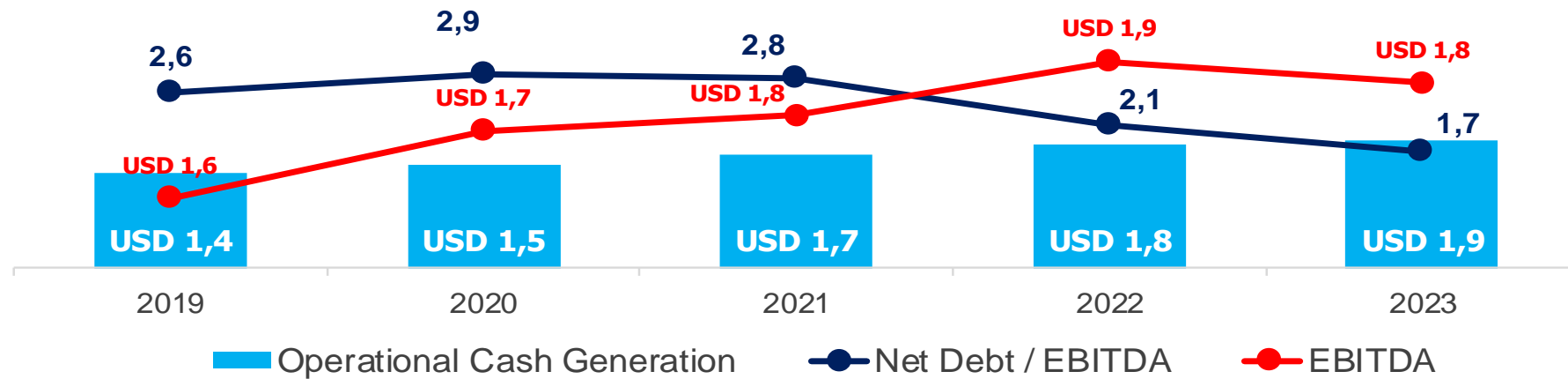
6M19 EBITDA per country

EBITDA	2014	2015	2016	2017	2018	6M19
Energy	70%	69%	71%	78%	83%	84%
Roads	27%	28%	25%	19%	15%	14%
Telecommunications	3%	3%	3%	3%	2%	2%

Excluding non recurring events in Brazil

# LONG-TERM LEVERAGE AND CASH GENERATION PROFILE

Figures in USD billion

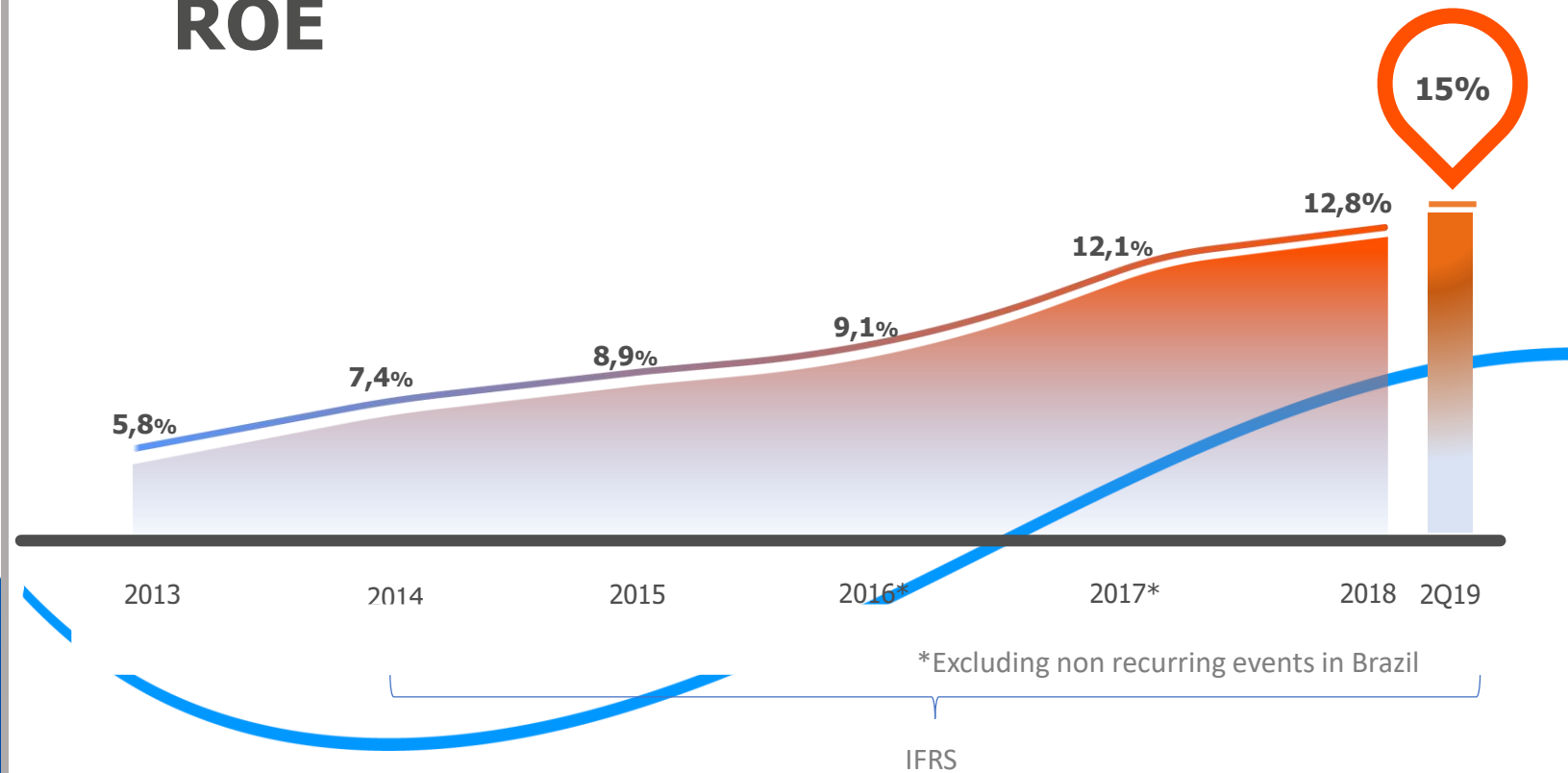


Operational cash flow (annual average)  
2019-2023  
USD 1,7 billion



# ROBUST GROWTH WITH PROFITABILITY

## ROE



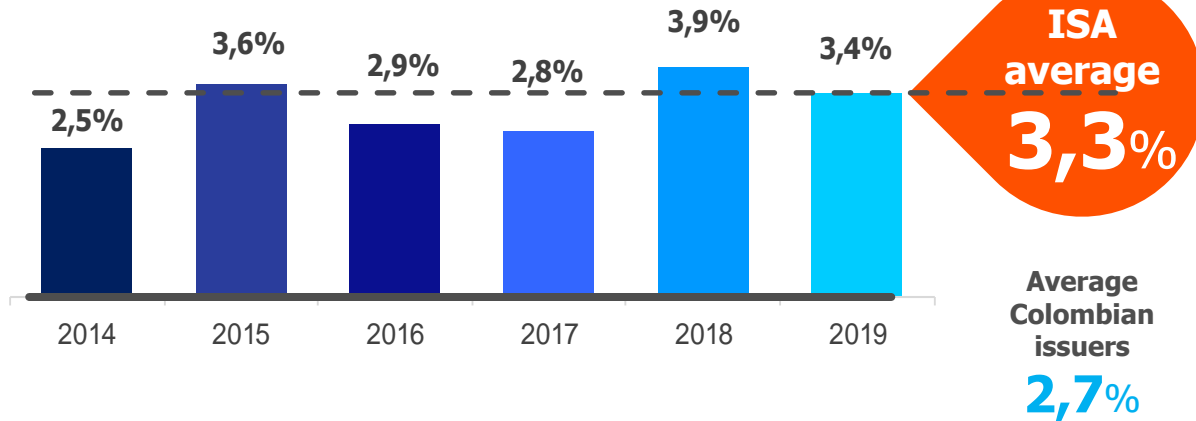
Average Colombian issuers 2018

**8,9%**

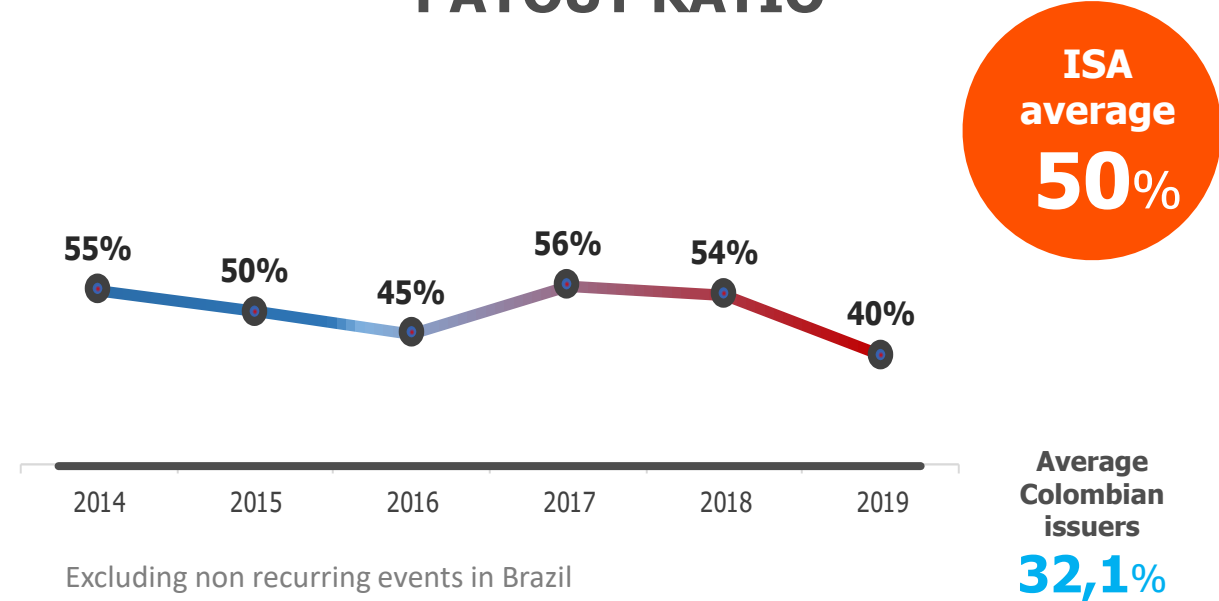
Source Bloomberg

# HIGH INVESTOR RETURNS

## DIVIDEND YIELD



## PAYOUT RATIO



**21%** ISA annual growth dividend payment 2014-2019

## STOCK MARKET INFORMATION

As of July 31, 2019

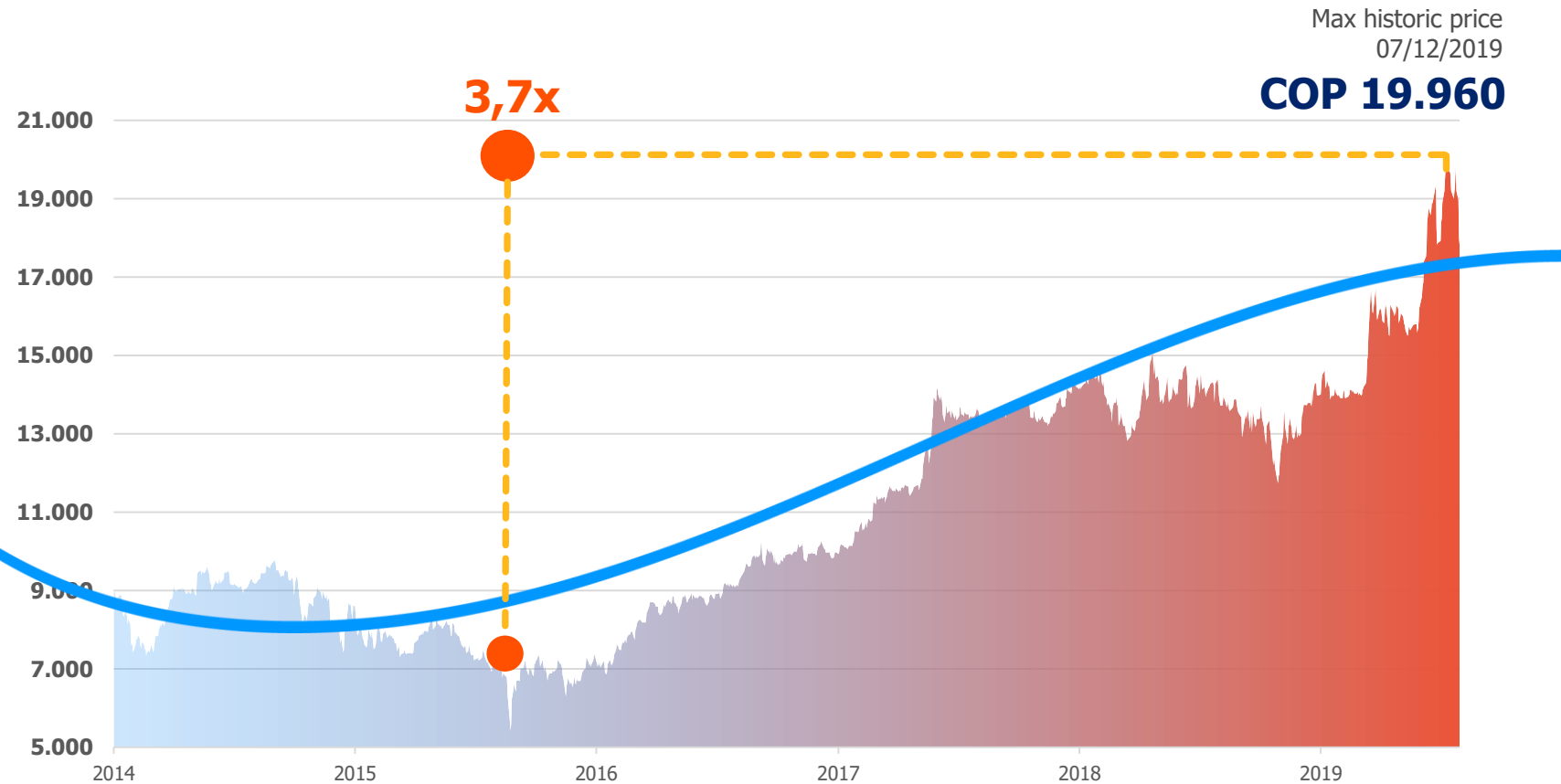
**Mkt cap**  
USD 5,98 billion

**Annual daily volume**  
USD 2,80 million

**Closing price**  
COP 17.800

**52 weeks high**  
COP 19.960

## BVC: ISA CB OTC: IESFY December 2014 – July 31, 2019



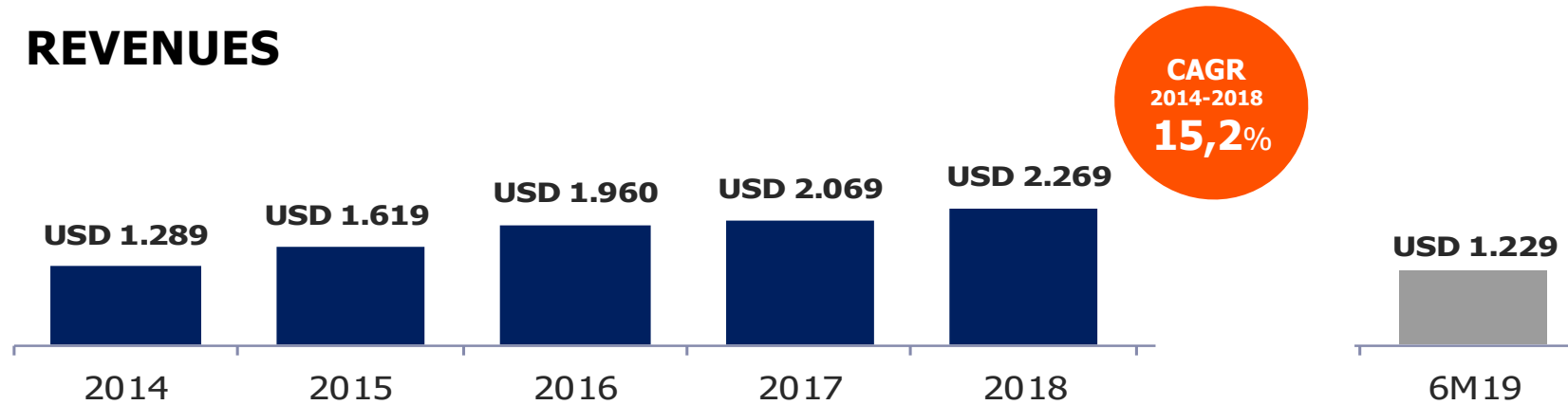


# GROWING FINANCIAL RESULTS WITH FOCUS ON SUSTAINABLE VALUE

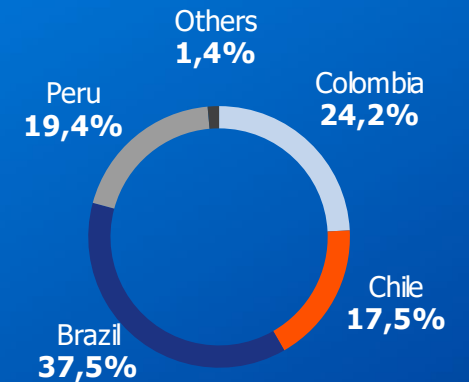
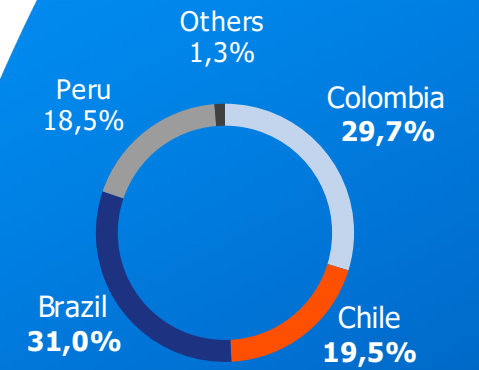
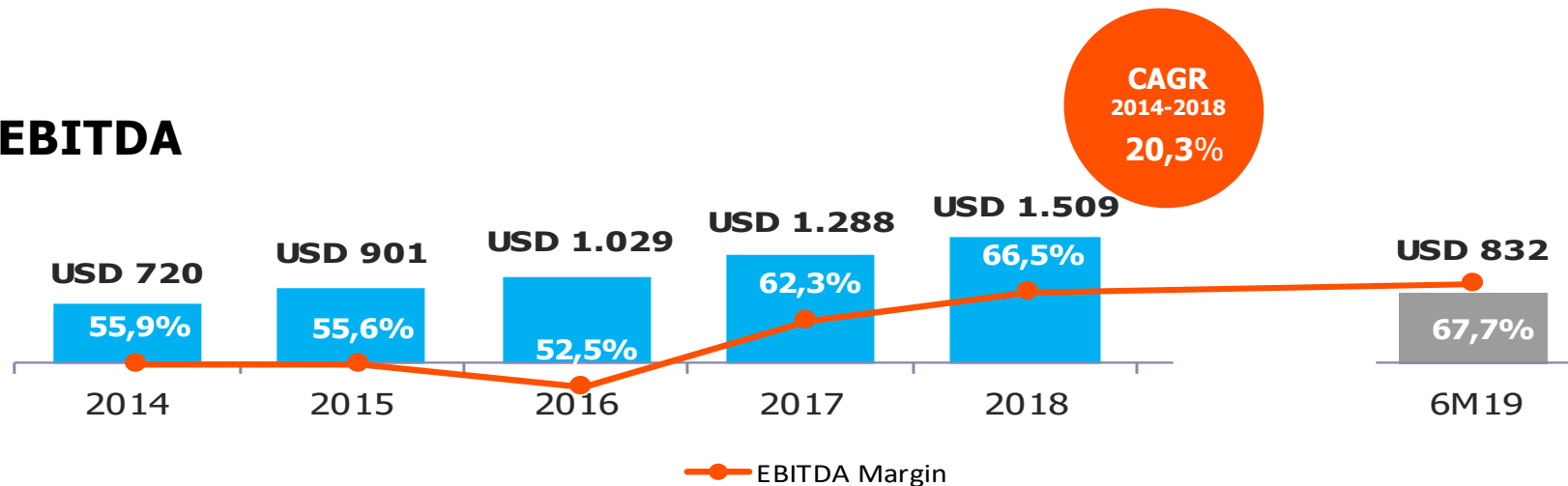
Excluding non recurring events in Brazil

Figures in USD million

## REVENUES



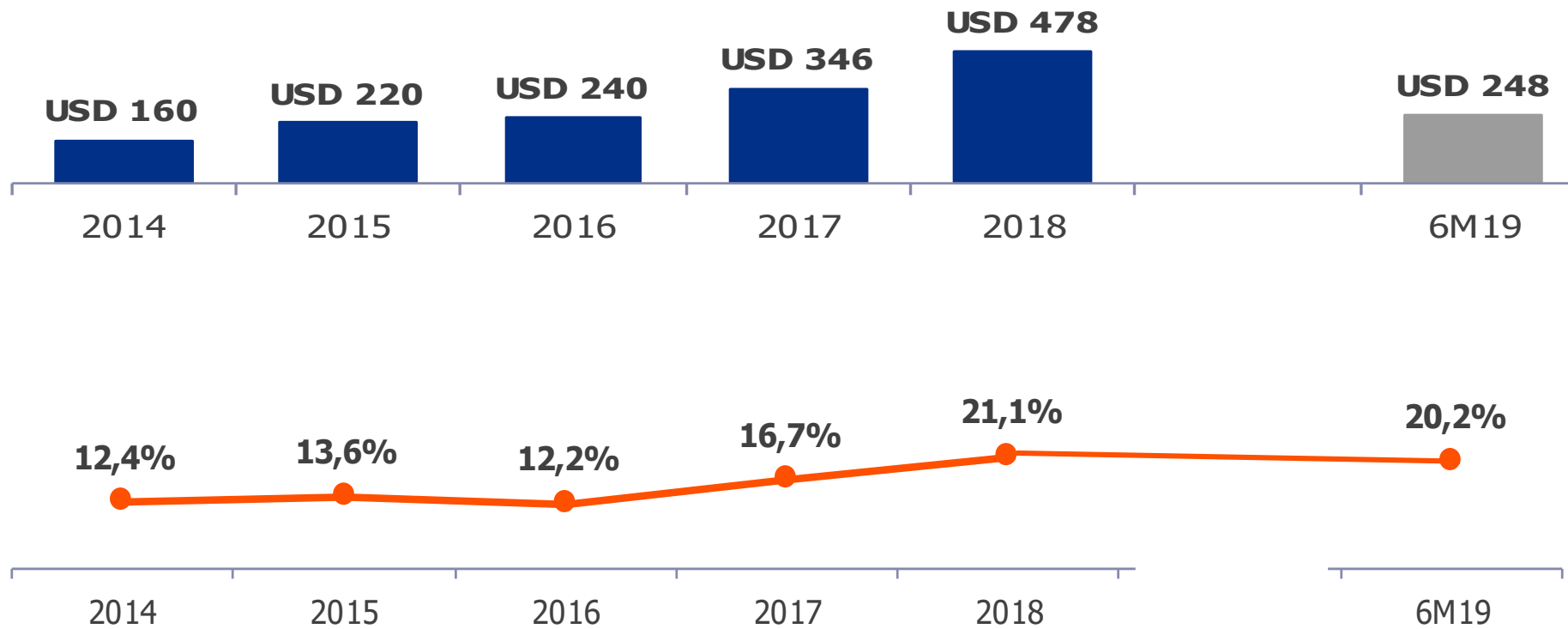
## EBITDA



# GROWING FINANCIAL RESULTS WITH FOCUS ON SUSTAINABLE VALUE

Excluding non recurring events in Brazil

Figures in USD million



**CAGR**  
2014-2018  
**31,5%**

**Net  
Income**

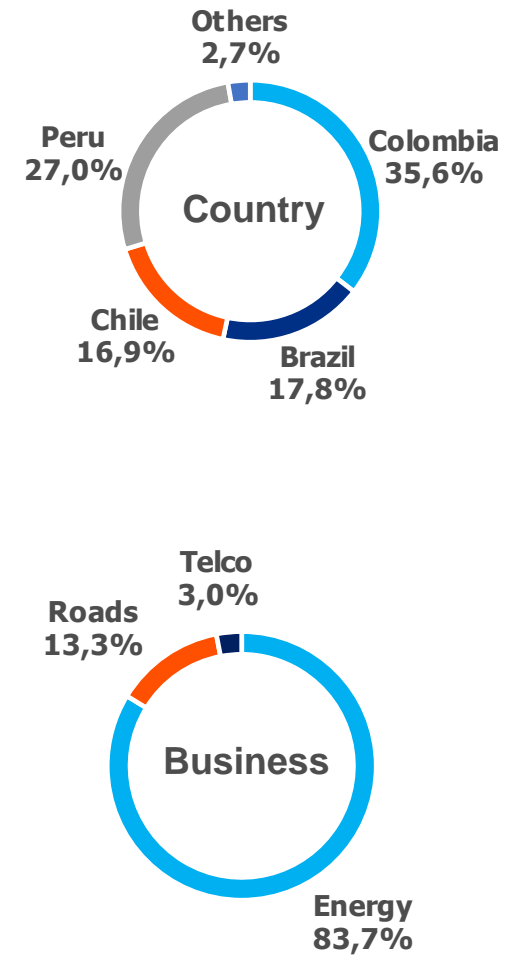
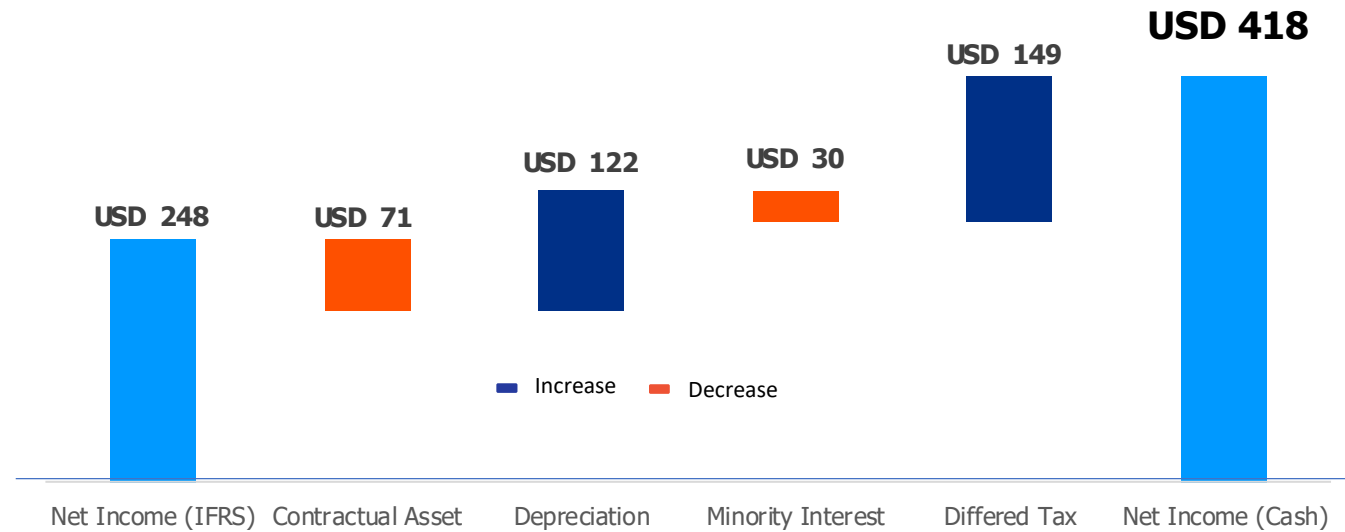
**Net  
Margin**

# OPERATING CASH RESULT

Excluding concepts that do not represent cash from the income statement

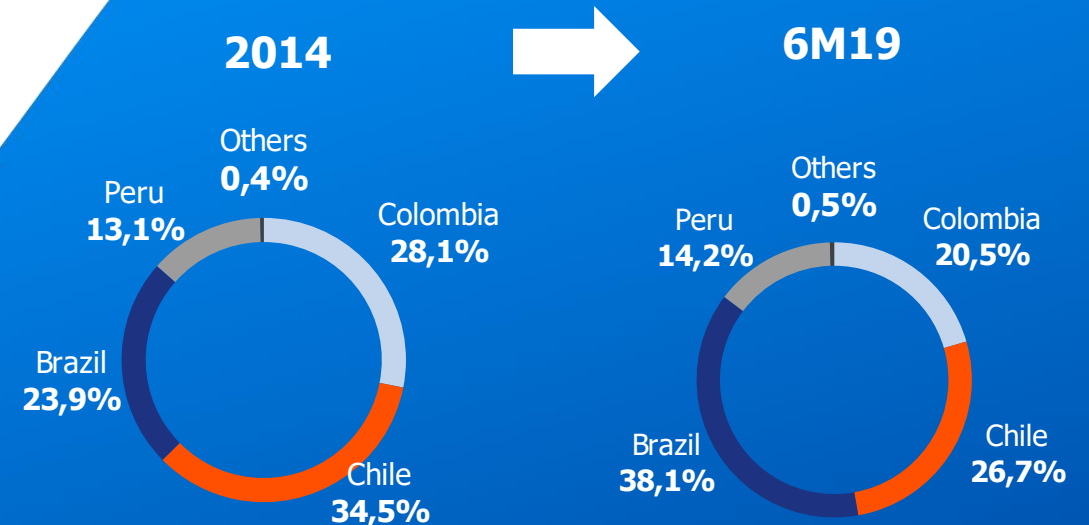
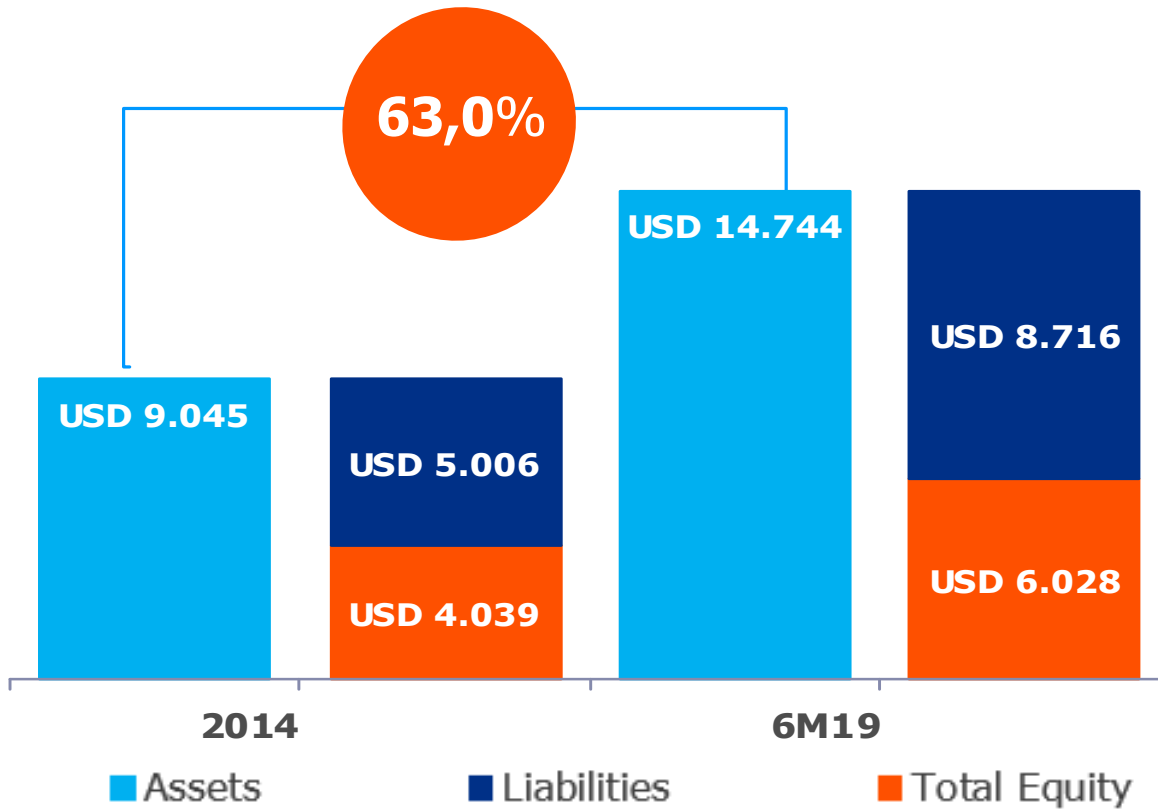
Figures in USD million

## Net income as of June 2019



# ASSETS GROWTH SUSTAINED IN PROFITABILITY AND DIVERSIFICATION

Figures in USD million

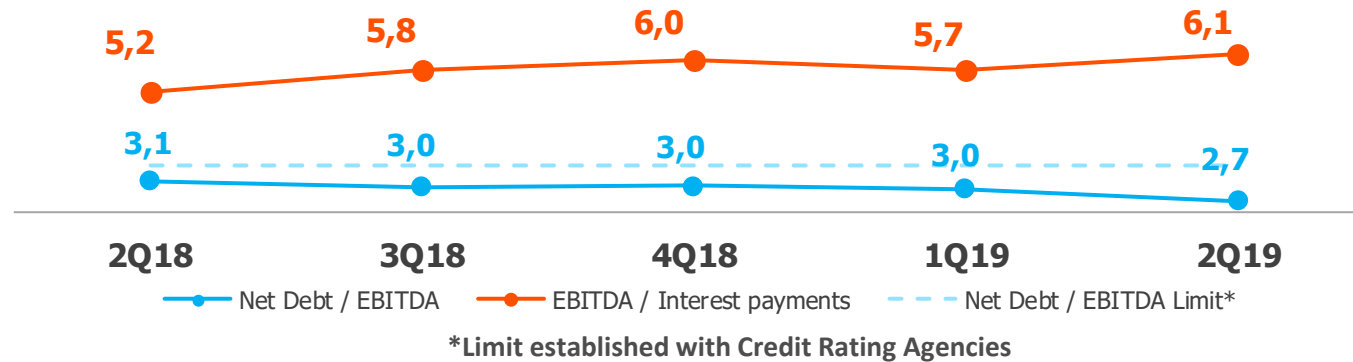


## ASSETS BY COUNTRY

Change of mix due to:  
 Acquisition of companies, new greenfield projects and compensation of the RBSE in Brazil.  
 The period of Tool Road concessions is running in Chile.



# SOLID FINANCIAL STRUCTURE THAT SUPPORTS CREDIT RATING



## CREDIT RATINGS

ISA's credit ratings reflect the company's **low risk** profile and **predictable cash flows**.

### Moody's

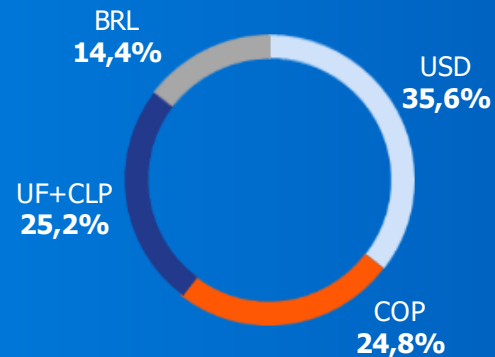
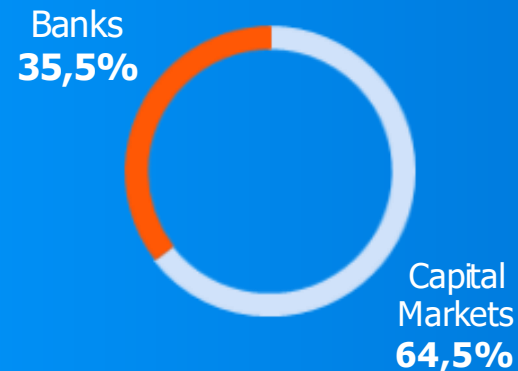
International Corporate Ratings  
Baa2, stable outlook. May. 2019

### S&P

International Corporate Ratings BBB-, stable outlook. August 2018

### Fitch

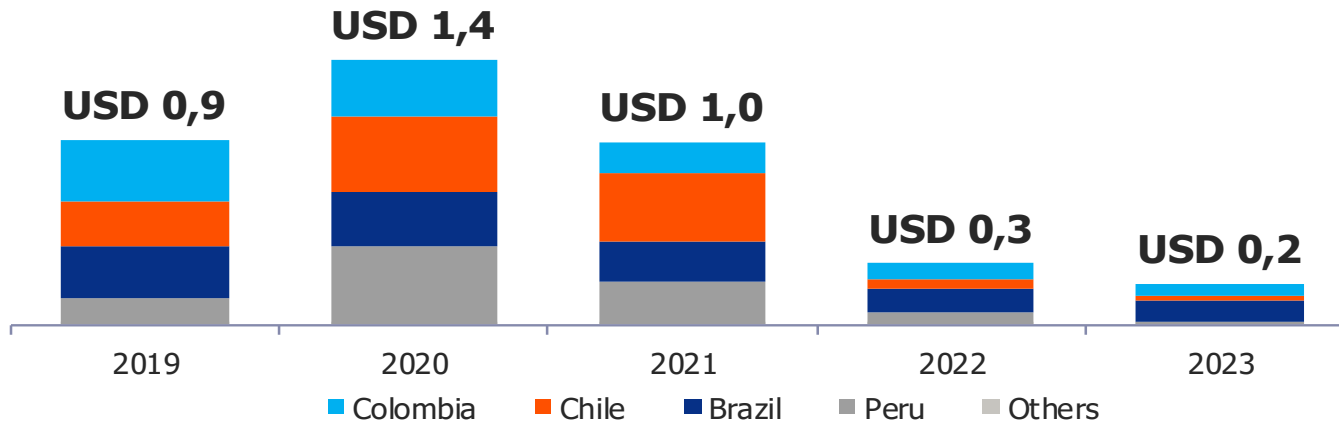
Rating for bonds issued AAA(col). International Corporate Ratings BBB+, stable outlook. May 2019



# ISA PLAYS A KEY ROLE IN THE REGION'S INVESTMENT METRICS

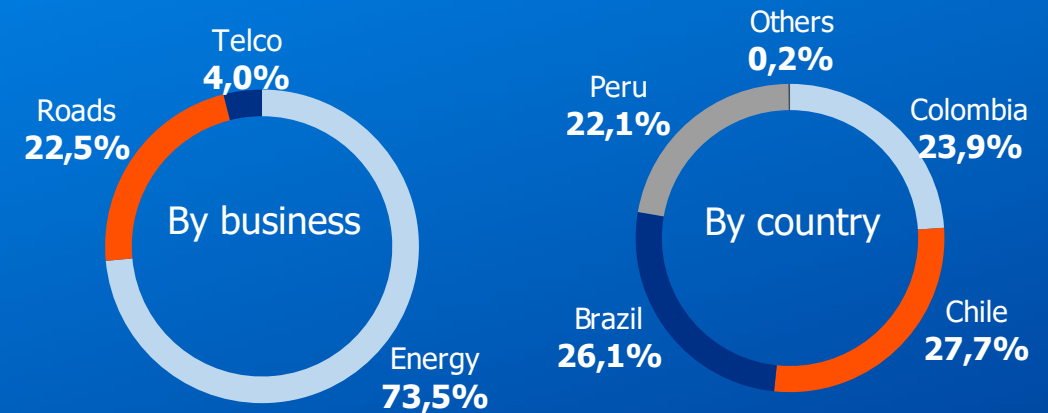
Figures in USD billion

Investment amount for the period  
**USD 3,8 billion**



CAPEX includes only projects awarded to ISA and its companies

CAPEX 2019 - 2023





# WHY INVEST IN ISA?

ISA is a company that is working towards growth with sustainable value creation.

# ESG

A photograph of three people sitting on a large, mossy log in a forest. From left to right: a man with a beard wearing a maroon shirt, a woman wearing a colorful striped sweater (blue, green, orange, and black), and a man wearing a blue denim shirt. They are all looking towards the right side of the frame. The background is a dense forest of tall, thin trees. The image is overlaid with a dark blue semi-transparent rectangle on the left and a white curved line on the bottom left.





## RECOGNITIONS

ISA is recognized by the **KEY SUSTAINABILITY** indexes in the world

MEMBER OF

**Dow Jones  
Sustainability Indices**

In Collaboration with RobecoSAM 

- For the **fourth year in a row**
- **One of the three Latin American companies** in the category of Public Service Energy
- **Maximum score** in terms of cyber security and in matters related to transmission businesses

Second year in a row on the following indices



FTSE4Good



**MILA**  
MERCADO INTEGRADO  
LATINOAMERICANO

ISA, ISA  
INTERCOLOMBIA,  
XM y REP are  
carbon neutral

**+ 802  
Acres** = **1.604**  
of protected forests  
and restored  
Soccer  
fields

**USD 15,6 million**  
invested in Latin America  
in 2018



## MANAGEMENT ENVIRONMENTAL

Biodiversity, Climate change,  
Environmental management plans



# CONEXIÓN JAGUAR

## PROGRAM

### Goals:

9 million tCO2e reduced  
20 projects  
400,000 Ha protected

Protection of more than  
**60 species of fauna**

42 families benefited  
in Peru

250 families  
benefited in  
Colombia

4 current projects:

**Colombia:** Scimitarra and Tierralta

**Peru:** Huayabamba and Ucayali

Allies



# DISCLAIMER

ISA has elaborated the following report for information purposes. The company is not responsible for any investment decision made from this report. The statements included therein reflect our current points of view in relation to future events; they are based on assumptions and subject to risks and factors that may cause results, performance and achievements of the company to change at any moment. These factors include general changes in the energy sector, financial conditions, government policies (national and international), as well as variations in interest rates, inflation, volatility in exchange rates, and levels of taxes.

As a result of these risks and factors, current results may differ materially from estimates provided. The company does not accept responsibility for any change or information provided by official sources. The user is solely responsible for the use of this information.





A man with dark hair and a beard, wearing a brown jacket, is shown in profile on the left side of the image. He is looking towards the right, where a blurred background of city lights at night is visible. The lights are out of focus, creating a bokeh effect with many small, glowing circles of light in various colors, primarily warm tones like yellow and orange.

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