



isa

# FINANCIAL RESULTS

Third Quarter 2019

Medellín, Colombia, November 6, 2019

ISA continues developing its strategy and yielding solid results. As of September 2019, the EBITDA margin reached 66,2%, net income increased by 27,1% with respect to the same period of 2018, and ROE reached 14,2%.

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



FTSE4Good

## Consolidated Results of ISA S.A. E.S.P.

**ISA S.A. E.S.P. (BVC: ISA; OTC: IESFY)** (“ISA” or “the Company”), a Multi-Latin company engaged in the Energy, Road, and Information and Telecommunication Technology businesses, announced its financial results for the third quarter of 2019.

- First nine months of 2019 operating revenues closed at COP 5,9 trillion, 15,4% higher than in September 2018. In the third quarter, revenues reached COP 2,0 trillion, an increase of 1,4% compared with the same period of the previous year.
- EBITDA reached COP 3,9 trillion, 14,3% higher than for the first nine months of 2018. EBITDA margin was 66,2%, or 71,6% excluding construction. In 3Q19, EBITDA reached COP 1,2 trillion, and the EBITDA margin reached 63,2%, or 70,5% excluding construction.
- Net income reached COP 1,2 trillion, which represented an increase of 27,1% compared to the accumulated figure as of September 2018. The Net margin was 20,3%, or 21,6% excluding construction. For the third quarter of 2019, income reached COP 405.851 million and its margin was 20,6%, or 22,8% excluding construction.
- Assets totaled COP 48,2 trillion, which was 7,3% more than in December 2018.
- As of September 2019, the consolidated financial debt reached COP 18,6 trillion, a 5,9% increase with respect to the end of 2018. The Net Debt/EBITDA and EBITDA/Financial Interest indicators as of September 2019 closed at 2,72 times and 6,17 times, respectively.
- Accumulated investments as of September 2019 reached COP 1,7 trillion.
- ISA made the first dividend payment to shareholders of COP 305.719 million.
- For the July throughout September period, ISA INTERCOLOMBIA and EITAPURA commenced business activities in two projects, which will generate annual revenues close to USD 10,2 million.
- ISA Group formally entered the Colombian road business by signing a contract agreement for the purchase of 100% of the shares of Concesión Costera Cartagena Barranquilla, thereby reaching an important milestone of the ISA2030 strategy and contributing to the Company’s business diversification as well as the development of the country.

## Relevant Events

### Road concessions in Colombia

ISA takes an important step towards its ISA2030 Strategy to consolidate itself as an important player in the road business in Colombia, after signing a contract agreement for the purchase of 100% of the shares of Concesión Costera Cartagena Barranquilla S.A.S. This Fourth Generation (4G) Concession spans 146 kilometers, connects two important cities on the northern coast, and is part of the most important international trade and tourism corridor in northern Colombia. With the completion of this transaction, ISA consolidates assets of approximately COP 2,2 trillion, financial debt of COP 1,4 trillion, and EBITDA for COP 231 billion in its 2020 financial statements.

### Adjustment to the remuneration of ISA INTERCHILE

The Independent Coordinator of the Chilean National Energy System adjusted revenues received in 2018 by ISA INTERCHILE from the Maitencillo - Nueva Maitencillo and Pan de Azúcar - Nueva Pan de Azúcar connection works, which commenced business activities earlier than expected, implying higher revenues of COP 25.678 million.

### Distribution of interest on own equity (Juros de Capital) in ISA CTEEP and ISA Capital do Brasil

ISA CTEEP and ISA Capital do Brasil approved and paid interest on own equity (Juros de Capital Propio -JCP) for COP 324.365 million and COP 106.812 million, respectively.

Effect on the distribution of JCP	
COP Millions	3Q19
Financial costs	10.320
(+) Income tax	90.151
(-) Minority interest	67.984
<b>ISA net income</b>	<b>11.847</b>

### Contractual asset in Brazil

As of December 2018, upon the entry into effect of international accounting standards IFRS 9 and IFRS 15, ISA CTEEP and TAESA changed their accounting model for the financial assets in their concessions, and adopted a methodology called "Contractual Asset" that uses ANEEL's regulatory WACC defined for each project as a discount rate.

This change in the methodology impacted the following line items of the income statement:

Effect of the contractual asset		
COP Millions	9M19	3Q19
Operating revenues	280.257	67.215
EBITDA	280.257	67.215
Net equity method	29.610	24.385
Income tax Revenue/(Expense)	(78.999)	718
(-) Minority interest	131.472	49.025
<b>ISA net income</b>	<b>99.396</b>	<b>43.293</b>

### Inflation adjustment of the tariff cycle in Brazil

In July 2018, the inflation adjustment was applied to revenues of the Jun/17-May/18 tariff cycle in Brazil. As of this month, ISA CTEEP and its companies began to recognize the inflation adjustment of the new tariff cycles on a monthly basis, in order to align with best practices

followed by other companies in the sector. As a result, 3Q18 revenues reflected 15 months of the adjustment, while 3Q19 revenues reflected 3 months. This explains a revenue decline in Brazil with respect to the third quarter of 2018. The effect is seen by discounting the Jun/17 - May/18 inflation adjustment from the 3Q18 results, and compared with 3Q19:

Inflation adjustment of the tariff cycle in Brazil					
COP millions	3Q19	3Q18	Change %	3Q18 Cleared	Change %
Revenues	1.971.349	1.944.955	1,4	1.647.439	19,7
EBITDA	1.245.466	1.393.953	-10,7	1.096.437	13,6
EBITDA margin	63,2%	71,7%		66,6%	
Operating profit	1.111.579	1.318.989	-15,7	939.073	18,4
(-) Income tax	158.852	248.362	-36,0	169.922	-6,5
(-) Minority interest	238.751	369.666	-35,4	176.174	35,5
Net income	405.851	413.028	-1,7	305.044	33,0
Net margin	20,6%	21,2%		18,5%	

## Unenforceability of the Financing Law

On October 16, 2019, the Constitutional Court determined that Financing Law (Law 1943 of 2018) was unenforceable and therefore the rules included in this law would not be applicable for 2019. As a result, ISA did not adjust its financial statements as of the end of September 2019, since the National Government filed draft legislation 522 on October 22. This tax reform seeks to restore the content of the Financing Law, and is expected to take effect as from January 2020.

Considering the declarations and actions taken by the National Government on the matter, ISA believes that there will be no impact on the Financial Statements associated with the unenforceability of Law 1943 of 2018.

## Natural Hedging

ISA's natural hedging strategy, through which each company incurs debt in the same currency as revenues, reduces the volatility of its results and therefore the impact on consolidated net income. Accumulated as of September 2019, the change was 4,3% (COP 40.581 million) of net income and for the third quarter, it was 6,8% (COP 27.931 million), which reaffirms the strategy's effectiveness.

## Macroeconomic indicators

Exchange rates for the consolidation process							Accumulated inflation			
Rates	9M19	2018	Change %	9M19	9M18	Change %	Indicator	9M19	9M18	Change %
	Closing rate			Average						
COP / USD	3.462,01	3.249,75	6,5%	3.239,00	2.886,89	12,2%	IPP COL	4,55%	1,17%	3,38%
COP / REAL	831,33	838,69	-0,9%	832,50	800,11	4,0%	IPC COL	3,26%	2,46%	0,80%
COP/ CLP	4,75	4,68	1,6%	4,72	4,60	2,8%	IGPM BRL	4,10%	6,68%	-2,58%
REAL / USD	4,16	3,87	7,5%	3,89	3,61	7,8%	IPCA BRL	2,49%	2,85%	-0,36%
CLP / USD	728,21	694,77	4,8%	685,56	628,18	9,1%	IPC Chile	1,98%	1,95%	0,03%

# Consolidated Results

## 2019 Third Quarter

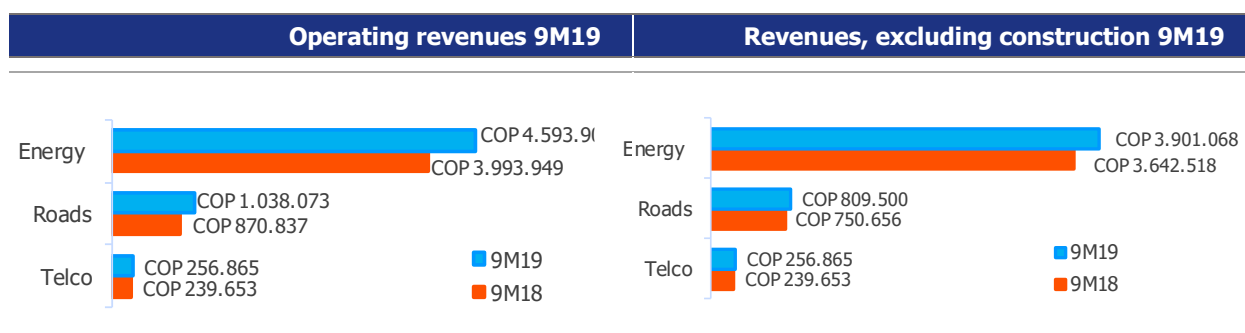
FIGURES IN COLOMBIAN PESOS, UNAUDITED

### 1. Income statement

#### Revenues

Accumulated as of September 2019, operating revenues<sup>1</sup> reached COP 5,9 trillion, that is 15,4% higher than in 2018 (see detail in Table 1). This change was mainly due to the entry into operation of several Energy Transmission projects and by higher construction-related revenues.

Construction revenues for the 9M19 period totaled COP 921.405 million, 95,4% more than in the same period of the previous year. The change included an increase in the concession construction activity and COP 301.824 million of efficiencies from the commissioning of reinforcement and improvement projects in Brazil.



Figures in COP millions

Operating revenues excluding construction amounted to COP 5,0 trillion, 7,2% higher than in September 2018. By business line, the variation was explained by the following main factors:

- In the Energy business, an increase of 7,1% (COP 258.550 million), mainly due to the projects that entered into operation between 2018 and 2019 in Colombia, Chile and Peru (COP 275.884 million); plus the 2018 revenue reliquidation in ISA Interchile, the consolidation of 100% of revenues of IESUL, and the effect of macro-economic variables on revenues in Colombia (TRM and IPP). The higher construction activity that increases the balance of the contractual asset in Brazil and, therefore, generates higher yields, also explains the variation (COP 53,798 million).

On the other hand, the aforementioned lower inflation adjustment of the 2019 tariff cycle in Brazil (COP 187.112 million), already explained, and lower financial returns from the

<sup>1</sup> Operating revenues include revenues from construction and revenues from operation. The latter include revenues from contracts with clients and other extraordinary revenues.

RBSE<sup>2</sup> (COP 44.595 million) due to installments already received, which decrease the balance. The change also includes the tax repayment on equity in 2018 (COP 60.901 million).

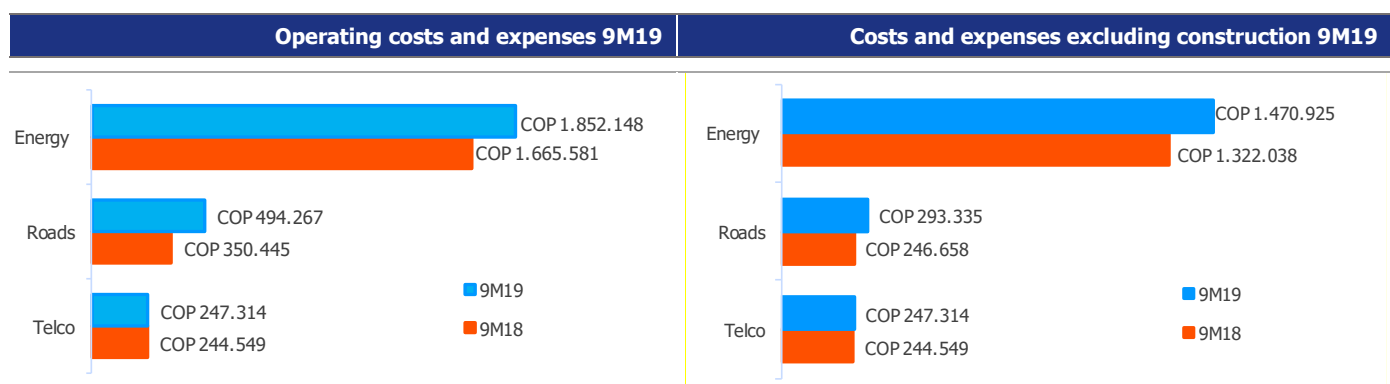
- In the Road business unit, an increase of 7,8% (COP 58.844 million), from higher revenues from maintenance services (COP 30.639 million), toll management, and the implementation of the Free Flow system in Ruta del Maipo (COP 19.868 million).
- In the Information Technology and Telecommunications business unit, an increase of 7,2% (COP 17.212 million), mainly due to the growth of the client base for connectivity services in Colombia, Chile and Peru.

During the quarter, operating revenues excluding construction were 8,8% lower than in the same period of the previous year, due to the inflation adjustment of the 2018 tariff cycle in Brazil (COP 297.516 million), without which the increase would be 19,7%.

The exchange rate effect on the operating revenues of the accumulated amount was COP 199.969 million, and COP 127.051 million in the quarter.

## Costs and Expenses

As of September 2019, accumulated operating costs and expenses totaled COP 2,6 trillion, 14,7% higher than in the same period of 2018 (see details in Table 2).



Figures in COP millions

For the period of January and September, operating costs and expenses, excluding construction for COP 582.155 million, totaled COP 2,0 trillion, or 10,9% more than in 2018.

By business line, the change in operating costs and expenses was mainly explained by:

- In the Energy Transmission business unit, an increase of 11,3% (COP 148.887 million), due to new projects that entered into operation.

In 2019, higher costs and expenses of studies associated with the growth of the company were recognized, which already began to show results with the Cartagena Barranquilla Coastal Concession, and expenses for a successful commission in a judicial process in Brazil.

<sup>2</sup> Total received in 2019: COP 858.491 million. Total received to date: COP 2.709.630 million. Account Receivable Balance: COP 7.234.986 million.

The variation also incorporates the recovery of Urban Property and Land Tax (IPTU) in ISA CTEEP for \$ 7.281 million in 2018. Discounting the non-recurring events mentioned above, the growth would be 8.5%.

- In the Road business unit, an increase of 18,9% (COP 46.677 million), due to higher costs related to toll management services, as well as the implementation of the Free Flow system (COP 12.871 million), plus a cost increases for conservation and major maintenance of COP 25.897 million, which have their corresponding revenues.
- In the Information Technology and Communication business unit, an increase of 1,1% (COP 2.765 million), especially in access and operation services costs of fiber optics and equipment.

For the third quarter of 2019, operating costs and expenses increased by 13,6% (COP 83.630 million) with respect to the same period of the previous year. The change was explained by the same reasons as for the accumulated amount.

As of September 2019, the exchange rate effect raised costs and expenses by COP 76.809 million for the first nine months of 2019 and COP 42.293 million for the quarter. Without this effect, costs and expenses would have increased by 6,7%, instead of the 10,9%.

Of total operating costs and expenses (excluding construction), management, operation and maintenance represent 70,0%, depreciations 13,0%, amortizations 14,3% and provisions 2,7%.

## **EBITDA**

As a result of the above, accumulated EBITDA as of September 2019 reached COP 3,9 trillion, an increase of 14,3% with respect to the previous year.

EBITDA for the third quarter of 2019, when compared to the same period of the previous year, decreased by 10,7%, due to the 2018 inflation adjustment of the tariff cycle in Brazil includes 12 more months, without which EBITDA would grow by 13,6%.

For 9M19, the EBITDA margin was 66,2%, or 71,6% excluding construction. For 3Q19, this margin was 63,2%, or 70,5% excluding construction.

## **Equity method<sup>3</sup> and operating income**

For 9M19, the equity method reached COP 170.996 million, 9,7% less than in the previous year, mainly due to the inflation adjustment of the 2018 tariff cycle in Brazil. For the third quarter of 2019 period, these same reasons explain the 33,1% (COP 37.221 million) decrease.

As of September 2019, operating income reached COP 3.5 trillion, which represented an increase of 13,2% compared with 2018. The margin stood at 59,2%, or 63,3% excluding construction. For the quarter, operating income was COP 1,1 trillion, 15,7% (COP 207.410 million) lower than

---

<sup>3</sup> The equity method includes the income from the companies where ISA has joint control and significant influence.

in the same period of the previous year, due to the aforementioned tariff inflation adjustment in Brazil during 2018. The operating margin reached 56,4%, or 62,3% excluding construction.

### **Net financial expenses**

Accumulated as of September 2019, financial expenses increased by 10,0% (COP 83.026 million), due to higher indebtedness to finance ISA's investments. This change was partially offset by the repurchase of preferred shares of ISA Capital do Brasil (COP 25.789 million), higher financial returns of the group's cash (COP 76.949 million), and revenues from exchange rate differences on accounts payable in foreign currency, as well as intercompany loans.

The net value of financial expenses for the quarter were COP 308.125 million, 7,0% more than in the same period of the previous year, due to the same reasons as for the accumulated amount.

### **Income tax**

Accumulated as of September 2019, income tax amounted to COP 633.625 million, 1,5% more than in 2018, due to the increase in income before taxes and the change from actual profit to presumed profit at IENNE in 2018.

For the quarter, tax totaled COP 158.852 million, 36,0% less than for the same period of the previous year, due to the inflation adjustment of the tariff cycle in Brazil in 2018 as well as tax benefits for the interest on own equity (Juros de Capital Propio) distributed in ISA CTEEP and ISA Capital do Brasil, in 2019.

### **Net Income**

At September 2019, net profit reached COP 1,2 trillion, that is 27,1% higher than the figure reported for the same period of 2018. As mentioned above, this change was due to higher revenues from the entry into operation of new projects, construction efficiencies in Brazil, reliquidation of 2018 revenues in ISA INTERCHILE, and higher revenues from road concessions. Likewise, the repurchase of the preference shares of ISA Capital do Brasil, lower expenses from exchange rate differences, and higher financial returns of the group's cash raised the income.

During the third quarter of 2019, net income decreased by COP 7.177 million (1,7%) compared with the previous year, mainly due to a higher inflation adjustment of the 2018 tariff cycle in Brazil, without which it would have increased by 33,0%.

The net margin in September reached 20,3%, or 21,6% excluding construction, and for the quarter, the margins reached 20,6% and 22,8%, respectively.

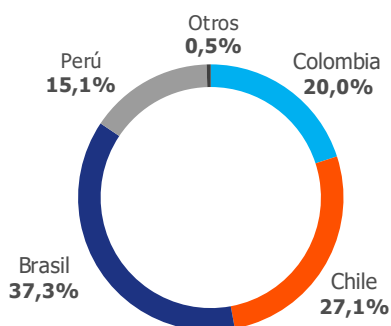


## 2. Balance sheet

### Assets

Assets of ISA and its companies totaled COP 48,2 trillion as of September, or 7,3% more than in 2018, as a result of the Company's growth through new projects in Colombia, Peru, Chile, and Brazil. This change includes the recognition of construction efficiencies in ISA CTEEP and its companies.

**Assets breakdown by country**



### Liabilities

Consolidated liabilities as of September 2019 amounted to COP 28,3 trillion, 8,7% more than in December of the previous year, due to the second payment installment of ISA's dividends that is pending (COP 305.719 million) and the debt incurred to support projects under construction. The distribution of liabilities by country was: 30,8% in Chile; 26,5% in Colombia; 25,0% in Brazil, 17,5% in Peru, and 0,2% in other countries.

### ISA's equity

As of September 2019, ISA's equity reached COP 12,5 trillion which, compared with December 2018, increased by 5,3% (COP 627.708 million). This change resulted from the net effect of the income increase, the dividend distribution, and the devaluation of the Colombian peso against the U.S. dollar and the Chilean peso.

## 3. Cash flow

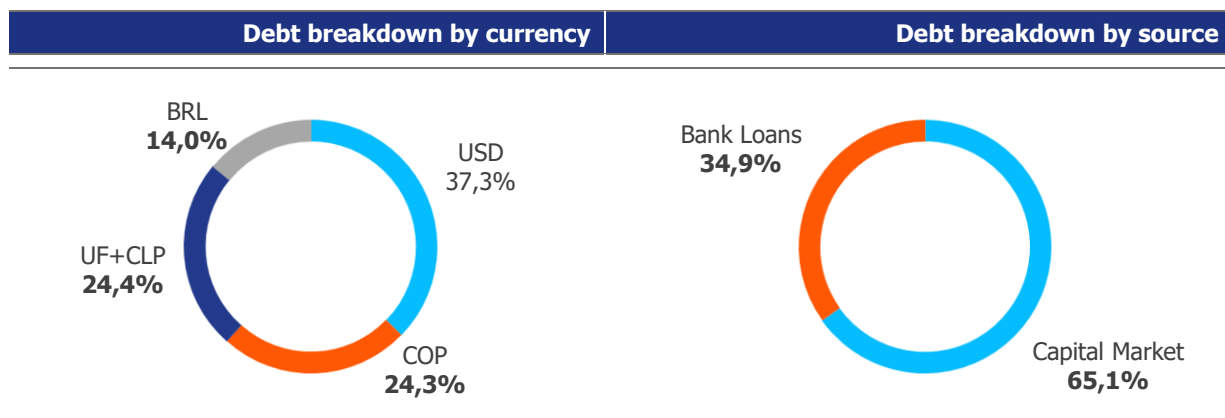
At the end of the third quarter of 2019, cash provided by the operation amounted to COP 2,9 trillion, as a result of the provision of services, 35,1% more compared to the same period of the previous year, as a result of the entry into operation of projects, the increase in road traffic and the RBSE installments for COP 858.491 million.

Operational cash flows made it possible to meet the largest investment of the period for COP 458.808 million and require less financing of COP 2,7 trillion.

Of the final cash balance for COP 1,5 trillion, 29,8% corresponds to Individual ISA resources.

## 4. Debt

At September 30, 2019, consolidated financial debt amounted to COP 18,6 trillion<sup>4</sup> equivalent to USD 5.379 million (see Table 3). 91,6% of the debt was long-term and 8,4% was short-term.



Debt was 5,9% higher than in December 2018. This change was explained by the debt increase in Chile (COP 522.991 million) to finance the additional works required by the change of the Free Flow system in Maipo, Peru (COP 32.958 million) and Brazil (COP 98.105 million), added to a net amortization in Colombia (COP 123.082 million) and Bolivia (COP 8.352 million). See details in Table 4. The exchange rate effect increased the debt by COP 518.411 million

Debt/EBITDA, Net Debt /EBITDA<sup>5</sup> and EBITDA/Interest indicators at the end of September were 3,19 times, 2,72 times and 6,17 times, respectively.

## 5. Investments and projects

### Quarterly investments

For the third quarter of 2019, investments totaled COP 688.997 million, distributed as follows: Energy business unit 86,7%, Roads 11,4%, and Telecommunications 1,9%. As of September 2019, total investments reached COP 1,7 trillion. Table 5 shows projects under construction.

Investments						
COP Millions	1Q19	2Q19	3Q19	9M19	Part %	2019(E)
Colombia	202.769	161.786	230.991	595.546	34,8	962.470
Chile	157.957	164.747	181.086	503.790	29,4	721.950
Brazil	143.175	78.593	174.400	396.168	23,1	850.382
Peru	52.292	60.693	101.793	214.778	12,5	428.210
Others	160	543	727	1.430	0,1	1.541
<b>TOTAL</b>	<b>556.353</b>	<b>466.362</b>	<b>688.997</b>	<b>1.711.712</b>	<b>100</b>	<b>2.964.553</b>

<sup>4</sup> Debt is expressed in nominal terms.

<sup>5</sup> Net debt equals the balance of the gross debt less cash-in-hand and equivalents.

## Projects that entered into operation

During the 3Q19 period, projects that entered into operation contributed estimated annual revenues of USD 10,2 million.

Projects that commenced business activities				
Company	Project	Km of circuit	Date	Revenues
CTEEP	IEITAPURA (L25)	0	27/08/2019	3,2
INTERCOLOMBIA	UPME 03-2016, San Antonio Substation and related lines	56	16/09/2019	7,0

*Annual revenues (USD millions)*

## Individual Results

FIGURES IN COLOMBIAN PESOS, UNAUDITED

### Income statement

Accumulated as of September 2019, income reached COP 1,2 trillion, 27,0% higher than in the same period of the previous year. The following events explained this change:

- Higher revenues for COP 131.999 million as a result of the beginning of commercial remuneration in the following projects: UPME 03-2014 Ituango - Medellín Substations, UPME 03-16 San Antonio Substation, and UPME 05-2014 Coast Reinforcement, plus the adjustment in PPI revenues (2019: 4,55% vs 2018: 1,17%).
- Increase in revenues from joint venture agreements (COP 49.695 million) due to the transfer of the UPME 06-13 Caracoli Substation and associated transmission lines from ISA to INTERCOLOMBIA in May 2018.
- Higher results from the equity method (COP 246.661 million), mainly due to the entry into operation of projects in Peru and Chile, construction efficiencies in Brazil, and the reassessment of revenues at ISA INTERCHILE.

In the third quarter of 2019, ISA's net income totaled COP 407.042 million, 1,7% less than in the same period of the previous year, as a result of lower exchange rate difference revenues from foreign currency assets, lower results from the equity method, and the increase in the income tax provision generated by the interest on own equity (*Juros de Capital Propio*) received from ISA Capital do Brasil.

### Balance sheet

At the end of September 2019, ISA's assets reached COP 19,0 trillion, which represented a 5% increase compared with December 2018. This change was mainly due to investments in operating assets for COP 462.790 million, contributions in companies for COP 69.640 million, higher results by participation method, and the adjustment of foreign investments (COP 511.056 million) as a result of the devaluation of the Colombian peso against the U.S. dollar and the Chilean peso.

Liabilities amounted to COP 6,5 trillion, 4,5% higher than at the end of 2018, mainly due to the installment of dividends approved at the General Shareholders' Meeting (COP 305.719 million) which is pending payment. This was partially offset by lower debt when exercising the bond prepayment option in April.

Equity reached COP 12,5 trillion, 5,3% more than in 2018, as a result of higher income in 2019, the distribution of dividends, and the devaluation of the Colombian peso against the U.S. dollar and the Chilean peso.

The solvency indicator reached 3,1 times in September 2019, which was an improvement with respect to December 2018 (2,9 times). The liquidity indicator reached 1,6 times vs. 2,1 times in

December 2018 due to the increase in financial liabilities and taxes. To calculate these indicators, dividends receivable and payable in 2019 are cleared.

## **Cash flow**

At the end of the third quarter of 2019, cash provided by the operation amounted to COP 623.997 million, COP 81.253 million more than in the same period of the previous year. This was generated mainly due to the remuneration of new projects and the effect of IPP and TRM on revenues.

Higher operational cash flows and a lower investment of COP 349,992 million, made it possible to amortize a larger debt of COP 286,476 million and require less financing of COP 344,929 million.

The closing cash balance stood at COP 460.247 million, 22,0% lower than for the same period in 2018.

## Table 1. Consolidated revenues

FIGURES IN MILLIONS OF COLOMBIAN PESOS, UNAUDITED

By business							
Total	9M19	Part. %	9M18	Part. %	Change COP	Cha nge %	9M19 USD
Energy	4.593.900	78,0	3.993.949	78,2	599.951	15,0	1.419
Roads	1.038.073	17,6	870.837	17,1	167.236	19,2	320
Telecom	256.865	4,4	239.653	4,7	17.212	7,2	79
<b>TOTAL</b>	<b>5.888.838</b>	<b>100,0</b>	<b>5.104.439</b>	<b>100,0</b>	<b>784.399</b>	<b>15,4</b>	<b>1.818</b>

Excluding construction	9M19	Part. %	9M18	Part. %	Change COP	Cha nge %	9M19 USD
Energy	3.901.068	78,5	3.642.518	78,6	258.550	7,1	1.205
Roads	809.500	16,3	750.656	16,2	58.844	7,8	250
Telecom	256.865	5,2	239.653	5,2	17.212	7,2	79
<b>TOTAL</b>	<b>4.967.433</b>	<b>100,0</b>	<b>4.632.827</b>	<b>100,0</b>	<b>334.606</b>	<b>7,2</b>	<b>1.534</b>

Total	3Q19	Part. %	3Q18	Part. %	Change COP	Chan ge %	3Q19 USD
Energy	1.524.890	77,4	1.581.059	81,3	(56.169)	-3,6	471
Roads	359.160	18,2	285.222	14,7	73.938	25,9	111
Telecom	87.299	4,4	78.674	4,0	8.625	11,0	27
<b>TOTAL</b>	<b>1.971.349</b>	<b>100,0</b>	<b>1.944.955</b>	<b>100,0</b>	<b>26.394</b>	<b>1,4</b>	<b>609</b>

Excluding construction	3Q19	Part. %	3Q18	Part. %	Change COP	Chan ge %	3Q19 USD
Energy	1.279.278	78,0	1.490.586	82,8	(211.308)	-14,2	395
Roads	274.429	16,7	230.564	12,8	43.865	19,0	85
Telecom	87.299	5,3	78.674	4,4	8.625	11,0	27
<b>TOTAL</b>	<b>1.641.006</b>	<b>100,0</b>	<b>1.799.824</b>	<b>100,0</b>	<b>(158.818)</b>	<b>-8,8</b>	<b>507</b>

## By country

Total	9M19	Part. %	9M18	Part. %	Change COP	Change %	9M19 USD
Colombia	1.503.706	25,5	1.349.333	26,4	154.373	11,4	463
Chile	1.226.051	20,8	963.425	18,9	262.626	27,3	379
Brazil	2.071.955	35,2	1.782.647	34,9	289.308	16,2	640
Peru	1.013.087	17,2	920.434	18,0	92.653	10,1	313
Others	74.039	1,3	88.600	1,8	(14.561)	-16,4	23
<b>TOTAL</b>	<b>5.888.838</b>	<b>100,0</b>	<b>5.104.439</b>	<b>100,0</b>	<b>784.399</b>	<b>15,4</b>	<b>1.818</b>

Excluding construction	9M19	Part. %	9M18	Part. %	Change COP	Change %	9M19 USD
Colombia	1.503.706	30,3	1.349.333	29,1	154.373	11,4	464
Chile	997.478	20,1	843.244	18,2	154.234	18,3	308
Brazil	1.453.194	29,3	1.578.307	34,1	(125.113)	-7,9	449
Peru	939.016	18,9	773.343	16,7	165.673	21,4	290
Others	74.039	1,4	88.600	1,9	(14.561)	-16,4	23
<b>TOTAL</b>	<b>4.967.433</b>	<b>100,0</b>	<b>4.632.827</b>	<b>100,0</b>	<b>334.606</b>	<b>7,2</b>	<b>1.534</b>

Total	3Q19	Part. %	3Q18	Part. %	Change COP	Change %	3Q19 USD
Colombia	518.574	26,3	446.978	23,0	71.596	16,0	161
Chile	435.489	22,1	347.578	17,9	87.911	25,3	134
Brazil	635.177	32,2	808.756	41,6	(173.579)	-21,5	196
Peru	351.756	17,8	306.419	15,8	45.337	14,8	109
Others	30.353	1,6	35.224	1,7	(4.871)	-13,8	9
<b>TOTAL</b>	<b>1.971.349</b>	<b>100,0</b>	<b>1.944.955</b>	<b>100,0</b>	<b>26.394</b>	<b>1,4</b>	<b>609</b>

Excluding construction	3Q19	Part. %	3Q18	Part. %	Change COP	Change %	3Q19 USD
Colombia	518.574	31,6	446.978	24,8	71.596	16,0	161
Chile	350.758	21,4	292.920	16,3	57.838	19,7	108
Brazil	416.346	25,4	756.122	42,0	(339.776)	-44,9	129
Peru	324.975	19,8	268.580	14,9	56.395	21,0	100
Others	30.353	1,8	35.224	2,0	(4.871)	-13,8	9
<b>TOTAL</b>	<b>1.641.006</b>	<b>100,0</b>	<b>1.799.824</b>	<b>100,0</b>	<b>(158.818)</b>	<b>-8,8</b>	<b>507</b>

## Table 2. Consolidated costs and expenses

FIGURES IN MILLIONS OF COLOMBIAN PESOS, UNAUDITED

By business							
Total	9M19	Part. %	9M18	Part. %	Change COP	Change %	9M19 USD
Energy	1.852.148	71,4	1.665.581	73,7	186.567	11,2	572
Roads	494.267	19,1	350.445	15,5	143.822	41,0	153
Telecom	247.314	9,5	244.549	10,8	2.765	1,1	76
<b>TOTAL</b>	<b>2.593.729</b>	<b>100,0</b>	<b>2.260.575</b>	<b>100,0</b>	<b>333.154</b>	<b>14,7</b>	<b>801</b>

Excluding construction	9M19	Part. %	9M18	Part. %	Change COP	Change %	9M19 USD
Energy	1.470.925	73,1	1.322.038	72,9	148.887	11,3	454
Roads	293.335	14,6	246.658	13,6	46.677	18,9	91
Telecom	247.314	12,3	244.549	13,5	2.765	1,1	76
<b>TOTAL</b>	<b>2.011.574</b>	<b>100,0</b>	<b>1.813.245</b>	<b>100,0</b>	<b>198.329</b>	<b>10,9</b>	<b>621</b>

Total	3Q19	Part. %	3Q18	Part. %	Change COP	Change %	3Q19 USD
Energy	681.783	72,5	552.953	73,7	128.830	23,3	211
Roads	174.998	18,6	119.003	15,8	55.995	47,1	54
Telecom	84.129	8,9	79.116	10,5	5.013	6,3	26
<b>TOTAL</b>	<b>940.910</b>	<b>100,0</b>	<b>751.072</b>	<b>100,0</b>	<b>189.838</b>	<b>25,3</b>	<b>291</b>

Excluding construction	3Q19	Part. %	3Q18	Part. %	Change COP	Change %	3Q19 USD
Energy	514.227	73,5	464.964	75,5	49.263	10,6	160
Roads	101.359	14,5	72.005	11,7	29.354	40,8	31
Telecom	84.129	12,0	79.116	12,8	5.013	6,3	26
<b>TOTAL</b>	<b>699.715</b>	<b>100,0</b>	<b>616.085</b>	<b>100,0</b>	<b>83.630</b>	<b>13,6</b>	<b>217</b>



## By country

Total	9M19	Part. %	9M18	Part. %	Change COP	Chan ge %	9M19 USD
Colombia	741.827	28,6	697.873	30,9	43.954	6,3	229
Chile	576.194	22,2	384.616	17,0	191.578	49,8	178
Brazil	759.719	29,3	623.552	27,6	136.167	21,8	235
Peru	486.810	18,8	505.093	22,3	(18.283)	-3,6	150
Others	29.179	1,1	49.441	2,2	(20.262)	-41,0	9
<b>TOTAL</b>	<b>2.593.729</b>	<b>100,0</b>	<b>2.260.575</b>	<b>100,0</b>	<b>333.154</b>	<b>14,7</b>	<b>801</b>

Excluding construction	9M19	Part. %	9M18	Part. %	Change COP	Chan ge %	9M19 USD
Colombia	741.826	36,9	711.052	39,2	30.774	4,3	229
Chile	375.262	18,7	280.828	15,5	94.434	33,6	116
Brazil	445.215	22,1	403.932	22,3	41.283	10,2	137
Peru	420.092	20,9	367.992	20,3	52.100	14,2	130
Others	29.179	1,4	49.441	2,7	(20.262)	-41,0	9
<b>TOTAL</b>	<b>2.011.574</b>	<b>100,0</b>	<b>1.813.245</b>	<b>100,0</b>	<b>198.329</b>	<b>10,9</b>	<b>621</b>

Total	3Q19	Part. %	3Q18	Part. %	Change COP	Chan ge %	3Q19 USD
Colombia	251.696	26,8	238.025	31,7	13.671	5,7	78
Chile	210.478	22,4	133.804	17,8	76.674	57,3	65
Brazil	292.526	31,1	197.384	26,3	95.142	48,2	90
Peru	171.086	18,2	160.334	21,3	10.752	6,7	53
Others	15.124	1,5	21.525	2,9	(6.401)	-29,7	5
<b>TOTAL</b>	<b>940.910</b>	<b>100,0</b>	<b>751.072</b>	<b>100,0</b>	<b>189.838</b>	<b>25,3</b>	<b>291</b>

Excluding construction	3Q19	Part. %	3Q18	Part. %	Change COP	Chan ge %	3Q19 USD
Colombia	251.696	36,0	238.026	38,6	13.670	5,7	79
Chile	136.840	19,6	86.805	14,1	50.035	57,6	42
Brazil	150.183	21,5	142.585	23,1	7.598	5,3	46
Peru	145.872	20,8	127.144	20,6	18.728	14,7	45
Others	15.124	2,1	21.525	3,6	(6.401)	-29,7	5
<b>TOTAL</b>	<b>699.715</b>	<b>100,0</b>	<b>616.085</b>	<b>100,0</b>	<b>83.630</b>	<b>13,6</b>	<b>217</b>

## Table 3. Consolidated debt

FIGURES IN MILLIONS OF COLOMBIAN PESOS, UNAUDITED

	Sector	9M19	2018	Change COP	Change %	9M19 USD
<b>CHILE</b>		<b>7.109.304</b>	<b>6.288.936</b>	<b>820.368</b>	<b>13,0</b>	<b>2.054</b>
Ruta del Maipo	Roads	3.401.113	2.744.717	656.396	23,9	982
Ruta de la Araucanía	Roads	433.472	531.756	(98.284)	-18,5	125
Ruta del Bosque	Roads	351.954	425.920	(73.966)	-17,4	102
Ruta de los Ríos	Roads	199.140	193.556	5.584	2,9	58
Ruta del Loa	Roads	106.084	68.485	37.599	54,9	31
Internexa Chile	Telecom	27.791	30.270	(2.479)	-8,2	8
ISA Interchile	Energy	2.589.750	2.294.232	295.518	12,9	748
<b>COLOMBIA</b>		<b>4.863.437</b>	<b>4.975.906</b>	<b>(112.469)</b>	<b>-2,3</b>	<b>1.404</b>
ISA	Energy	4.352.417	4.486.189	(133.772)	-3,0	1.257
ISA Transelca	Energy	344.050	339.250	4.800	1,4	99
Internexa	Telecom	166.970	150.467	16.503	11,0	48
<b>BRAZIL</b>		<b>2.836.187</b>	<b>2.760.784</b>	<b>75.403</b>	<b>2,7</b>	<b>820</b>
ISA CTEEP	Energy	2.362.159	2.217.988	144.171	6,5	682
IEMG	Energy	15.080	18.415	(3.335)	-18,1	4
IEPINHEIROS	Energy	36.897	46.507	(9.610)	-20,7	11
IE Serra Do Japi	Energy	36.964	41.486	(4.522)	-10,9	11
IENNE	Energy	135.298	143.565	(8.267)	-5,8	39
IESUL	Energy	14.153	16.696	(2.543)	-15,2	4
ISA Investimentos	Energy	140.392	193.737	(53.345)	-27,5	41
Internexa Brasil	Telecom	95.244	82.390	12.854	15,6	28
<b>PERU</b>		<b>3.811.537</b>	<b>3.545.968</b>	<b>265.569</b>	<b>7,5</b>	<b>1.101</b>
ISA Perú	Energy	54.450	75.757	(21.307)	-28,1	16
ISA REP	Energy	795.914	756.087	39.827	5,3	230
Consortio Transmantaro	Energy	2.942.709	2.696.792	245.917	9,1	850
Internexa Perú	Telecom	18.464	17.332	1.132	6,5	5
<b>BOLIVIA</b>		<b>-</b>	<b>7.840</b>	<b>(7.840)</b>	<b>-100,0</b>	<b>-</b>
ISA Bolivia	Energy	-	7.840	(7.840)	-100,0	-
<b>TOTAL</b>		<b>18.620.465</b>	<b>17.579.434</b>	<b>1.041.031</b>	<b>5,9</b>	<b>5.379</b>
<b>TOTAL USD</b>		<b>5.379</b>	<b>5.078</b>	<b>301</b>	<b>5,9</b>	

## Table 4. 9M19 debt movements

FIGURES IN MILLIONS OF COLOMBIAN PESOS, UNAUDITED

<b>ISA Group Debt</b>	<b>Disbursements</b>	<b>Amortizations</b>	<b>Net</b>
ISA	173.101	(317.486)	(144.385)
ISA Transelca	4.800		4.800
Internexa Colombia	16.503		16.503
<b>COLOMBIA</b>	<b>194.404</b>	<b>(317.486)</b>	<b>(123.082)</b>
ISA Perú		(26.256)	(26.256)
ISA REP	145	(10.704)	(10.559)
Consortio Transmataro	69.773		69.773
<b>PERU</b>	<b>69.918</b>	<b>(36.960)</b>	<b>32.958</b>
CTEEP	729.581	(565.962)	163.619
IEMG		(3.173)	(3.173)
IEPINHEIROS		(9.203)	(9.203)
IE Serra Do Japi		(4.158)	(4.158)
IENNE		(7.008)	(7.008)
IESUL		(2.397)	(2.397)
ISA Investimentos e Participações		(51.647)	(51.647)
Internexa Brasil	20.727	(8.655)	12.072
<b>BRAZIL</b>	<b>750.308</b>	<b>(652.203)</b>	<b>98.105</b>
ISA Bolivia		(8.352)	(8.352)
<b>BOLIVIA</b>	<b>-</b>	<b>(8.352)</b>	<b>(8.352)</b>
Ruta del Maipo	546.516		546.516
Ruta de la Araucanía	20.847	(137.209)	(116.362)
Ruta del Bosque		(88.530)	(88.530)
Ruta de los Ríos		(1.035)	(1.035)
Rutas del Loa	35.380		35.380
Internexa Chile		(2.975)	(2.975)
Interchile	224.811	(74.814)	149.997
<b>CHILE</b>	<b>827.554</b>	<b>(304.563)</b>	<b>522.991</b>
<b>TOTAL</b>	<b>1.842.184</b>	<b>(1.319.564)</b>	<b>522.620</b>

## Table 5. Projects under construction

Affiliate	Name of the project	Date of estimated CBA <sup>6</sup>
ISA INTERCHILE	Nueva Pan de Azúcar- Polpacio TL Reactive compensation	2020
	Nueva Maitencillo and Nuevo Pan de Azúcar Substations Expansion	2020
	Cardones, Maitencillo and Pan de Azúcar Substations Second bench	2021
ISA INTERCOLOMBIA	UPME 08-2017 Sogamoso Third transformer	2019
	UPME 01-2018 Ocaña Second transformer	2020
	UPME 03-2014 Ituango Substation and 500 and 230 kV TL	2020
	UPME 05-2014 Cerromatoso-Chinú-Copey	2020
	UPME 09-2016 Copey - Cuestecitas – Fundación TL	2020
	UPME 07-2017 Sabanalarga - Bolívar 500 kV	2022
	UPME 06-2018 El Río 220 kV Substation and associated TL	2022
ISA TRANSELCA	Conexión Ternium - Sabanalarga 220 kV	2019
	Electricaribe - Copey 34.5 kV Connection	2020
ISA CTEEP	IEITAÚNAS (L21)	2022
	IEAIMORÉS(L3)	2022
	IEPARAGUAÇU (L4)	2022
	IWAÍ(L1)	2022
	IETIBAGI(L5)	2022
	IEITAQUERÉ(L6)	2022
	IEAGUAPEÍ(L29)	2022
	IE BIGUAÇU	2022
ISA REP	IEITAPURA(SE LORENA)	2020
	Expansion 20	2020
CTM	Nueva Mantaro - Nueva Yanango and Carapongo Connection	2021
	Moquegua - Papujune (Quellaveco) Connection	2020
	Talara (Petroperú) Connection	2020
ISA INTERVIAL	Tranche III and Ruta del Maipo Normative Safety Works	2020
	Maule Normative Safety Works	2019/2020
	Araucanía, Bosque, Rios Normative Safety Works	2020/2023
	Rutas del Loa	2023/2024

<sup>6</sup> CBA = Commencement of Business Activity

## Table 6. Consolidated income statement

For the periods ended September 30, 2019 and 2018

FIGURES IN MILLIONS OF COLOMBIAN PESOS, UNAUDITED

	9M19	9M18	Change COP	Change %	9M19 USD	3Q19	3Q18	Change COP	Change %	3Q19 USD
Energy transmission services	3.557.570	3.258.190	299.380	9,2	1.100	1.158.270	1.378.425	(220.155)	-16,0	358
Connection charges	181.833	172.268	9.565	5,6	56	62.983	59.056	3.927	6,6	19
Roads	809.024	749.937	59.087	7,9	250	274.916	230.163	44.753	19,4	85
Dispatch and coordination CND–MEM	69.115	64.316	4.799	7,5	21	23.273	21.604	1.669	7,7	7
MEM Services (STN, SIC, SDI)	36.153	27.516	8.637	31,4	11	12.416	9.911	2.505	25,3	4
Telecommunications	257.483	239.627	17.856	7,5	79	87.360	78.648	8.712	11,1	27
Other operating revenues	56.255	60.072	(3.817)	-6,4	17	21.788	22.017	(229)	-1,0	7
Construction	921.405	471.612	449.793	95,4	284	330.343	145.131	185.212	127,6	102
<b>Revenues from contracts with customers</b>	<b>5.888.838</b>	<b>5.043.538</b>	<b>845.300</b>	<b>16,8</b>	<b>1.818</b>	<b>1.971.349</b>	<b>1.944.955</b>	<b>26.394</b>	<b>1,4</b>	<b>609</b>
Administration, sales and operation costs	2.069.505	1.752.328	317.177	18,1	639	899.841	584.662	315.179	53,9	278
<b>Gross profit on sales</b>	<b>3.819.333</b>	<b>3.291.210</b>	<b>528.123</b>	<b>16,0</b>	<b>1.179</b>	<b>1.071.508</b>	<b>1.360.293</b>	<b>(288.785)</b>	<b>-21,2</b>	<b>331</b>
Administrative expenses	524.224	508.247	15.977	3,1	162	41.069	166.410	(125.341)	-75,3	13
Other extraordinary revenues	-	60.901	(60.901)	-100,0	-	-	-	-	0,0	-
Other net revenues/(expenses)	17.660	43.567	(25.907)	-59,5	6	5.987	12.732	(6.745)	-53,0	2
Net equity method revenues/(expense)	170.996	189.443	(18.447)	-9,7	53	75.153	112.374	(37.221)	-33,1	23
<b>Income from operating activities</b>	<b>3.483.765</b>	<b>3.076.874</b>	<b>406.891</b>	<b>13,2</b>	<b>1.076</b>	<b>1.111.579</b>	<b>1.318.989</b>	<b>(207.410)</b>	<b>-15,7</b>	<b>343</b>
Net financial income/(expenses)	(911.068)	(828.042)	(83.026)	10,0	(282)	(308.125)	(287.933)	(20.192)	7,0	(95)
<b>Income before taxes</b>	<b>2.572.697</b>	<b>2.248.832</b>	<b>323.865</b>	<b>14,4</b>	<b>794</b>	<b>803.454</b>	<b>1.031.056</b>	<b>(227.602)</b>	<b>-22,1</b>	<b>248</b>
Income tax provision	633.625	624.286	9.339	1,5	195	158.852	248.362	(89.510)	-36,0	49
<b>Year-end income</b>	<b>1.939.072</b>	<b>1.624.546</b>	<b>314.526</b>	<b>19,4</b>	<b>599</b>	<b>644.602</b>	<b>782.694</b>	<b>(138.092)</b>	<b>-17,6</b>	<b>199</b>
Minority interest	741.006	681.688	59.318	8,7	229	238.751	369.666	(130.915)	-35,4	74
<b>Net income</b>	<b>1.198.066</b>	<b>942.858</b>	<b>255.208</b>	<b>27,1</b>	<b>370</b>	<b>405.851</b>	<b>413.028</b>	<b>(7.177)</b>	<b>-1,7</b>	<b>125</b>
<b>EBITDA</b>	<b>3.897.731</b>	<b>3.409.656</b>	<b>488.075</b>	<b>14,3</b>	<b>1.203</b>	<b>1.245.466</b>	<b>1.393.953</b>	<b>(148.487)</b>	<b>-10,7</b>	<b>385</b>
EBITDA margin	66,2%	66,8%				63,2%	71,7%			
Operating margin	59,2%	60,3%				56,4%	67,8%			
Net margin before minority interest	32,9%	31,8%				32,7%	40,2%			
Net margin	20,3%	18,5%				20,6%	21,2%			
<b>Excluding construction</b>										
Excluding construction	71,6%	73,1%				70,5%	76,9%			
Operating margin	63,3%	65,9%				62,3%	72,7%			
Net margin	21,6%	20,4%				22,8%	22,8%			

## Table 7. Consolidated income statement

For the periods ended September 30, 2019 and 2018

FIGURES IN MILLIONS OF COLOMBIAN PESOS, UNAUDITED

	9M19	9M18	Change COP	Change %	3Q19	3Q18	Change COP	Change %
Construction revenues	921.405	471.612	449.793	95,4	330.343	145.131	185.212	127,6
Construction cost	582.155	447.330	134.825	30,1	241.195	134.987	106.208	78,7
<b>Construction EBITDA</b>	<b>339.250</b>	<b>24.282</b>	<b>314.968</b>	<b>1297,1</b>	<b>89.148</b>	<b>10.144</b>	<b>79.004</b>	<b>778,8</b>
<b>Construction EBITDA margin</b>	<b>36,8%</b>	<b>5,1%</b>		<b>31,7</b>	<b>27,0%</b>	<b>7,0%</b>		<b>20,0</b>
Operating revenues	4.967.433	4.632.827	334.606	7,2	1.641.006	1.799.824	(158.818)	-8,8
Operating AOM	1.408.952	1.247.453	161.499	12,9	484.688	416.015	68.673	16,5
<b>Operating EBITDA</b>	<b>3.558.481</b>	<b>3.385.374</b>	<b>173.107</b>	<b>5,1</b>	<b>1.156.318</b>	<b>1.383.809</b>	<b>(227.491)</b>	<b>-16,4</b>
<b>Operating EBITDA margin</b>	<b>71,6%</b>	<b>73,1%</b>		<b>-1,4</b>	<b>70,5%</b>	<b>76,9%</b>		<b>-6,4</b>
<b>Total EBITDA</b>	<b>3.897.731</b>	<b>3.409.656</b>	<b>488.075</b>	<b>14,3</b>	<b>1.245.466</b>	<b>1.393.953</b>	<b>(148.487)</b>	<b>-10,7</b>
<b>EBITDA margin</b>	<b>66,2%</b>	<b>66,8%</b>		<b>-0,6</b>	<b>63,2%</b>	<b>71,7%</b>		<b>-8,5</b>
(-)Provisions, depreciation and amortizations	602.622	565.792	36.830	6,5	215.027	200.070	14.957	7,5
Other income / (expenses) net	188.656	233.010	(44.354)	-19,0	81.140	125.106	(43.966)	-35,1
<b>Income from operating activities</b>	<b>3.483.765</b>	<b>3.076.874</b>	<b>406.891</b>	<b>13,2</b>	<b>1.111.579</b>	<b>1.318.989</b>	<b>(207.410)</b>	<b>-15,7</b>
<b>Operating margin</b>	<b>59,2%</b>	<b>60,3%</b>		<b>-1,1</b>	<b>56,4%</b>	<b>67,8%</b>		<b>-11,4</b>
Net financial income / (expenses)	(911.068)	(828.042)	(83.026)	10,0	(308.125)	(287.933)	(20.192)	7,0
<b>Income before taxes</b>	<b>2.572.697</b>	<b>2.248.832</b>	<b>323.865</b>	<b>14,4</b>	<b>803.454</b>	<b>1.031.056</b>	<b>(227.602)</b>	<b>-22,1</b>
Income tax provision	633.625	624.286	9.339	1,5	158.852	248.362	(89.510)	-36,0
<b>Year-end income</b>	<b>1.939.072</b>	<b>1.624.546</b>	<b>314.526</b>	<b>19,4</b>	<b>644.602</b>	<b>782.694</b>	<b>(138.092)</b>	<b>-17,6</b>
Minority interest	741.006	681.688	59.318	8,7	238.751	369.666	(130.915)	-35,4
<b>Net income</b>	<b>1.198.066</b>	<b>942.858</b>	<b>255.208</b>	<b>27,1</b>	<b>405.851</b>	<b>413.028</b>	<b>(7.177)</b>	<b>-1,7</b>
<b>Net margin</b>	<b>20,3%</b>	<b>18,5%</b>		<b>1,9</b>	<b>20,6%</b>	<b>21,2%</b>		<b>-0,6</b>

## Table 8.

# Consolidated statement of financial position

As of September 30, 2019 (unaudited) and 2018 (audited)

FIGURES IN COP MILLIONS

	9M19	Part. %	2018	Change COP	Change %	9M19 USD
<b>Current assets</b>						
Cash and cash equivalents	1.542.056	3,2	1.522.060	19.996	1,3	445
Financial assets	6.229.279	12,9	4.589.834	1.639.445	35,7	1.800
Current tax	479.061	1,0	317.589	161.472	50,8	138
Inventories - net	93.743	0,2	98.271	(4.528)	-4,6	27
Other non-financial assets	264.265	0,5	246.622	17.643	7,2	76
<b>Current assets</b>	<b>8.608.404</b>	<b>17,8</b>	<b>6.774.376</b>	<b>1.834.028</b>	<b>27,1</b>	<b>2.486</b>
<b>Non-current assets</b>						
Restricted cash	114.913	0,2	339.007	(224.094)	-66,1	33
Non-current tax	30.994	0,1	27.241	3.753	13,8	9
Investments in joint ventures and associates	3.079.648	6,4	2.871.781	207.867	7,2	890
Financial instruments	15.478	0,0	15.478	-	0,0	4
Financial assets	17.313.342	35,9	17.142.800	170.542	1,0	5.001
Inventories - net	66.037	0,1	63.359	2.678	4,2	19
Property, plant, and equipment -net	10.687.625	22,2	10.217.628	469.997	4,6	3.087
Intangibles - net	7.331.560	15,2	6.827.341	504.219	7,4	2.118
Other non-financial assets	96.536	0,2	93.676	2.860	3,1	28
Deferred tax assets	834.493	1,7	591.278	243.215	41,1	241
Financial lease assets	61.386	0,1	-	61.386	0,0	18
<b>Non-current assets</b>	<b>39.632.012</b>	<b>82,2</b>	<b>38.189.589</b>	<b>1.442.423</b>	<b>3,8</b>	<b>11.448</b>
<b>TOTAL ASSETS</b>	<b>48.240.416</b>	<b>100,0</b>	<b>44.963.965</b>	<b>3.276.451</b>	<b>7,3</b>	<b>13.934</b>
<b>Current liabilities</b>						
Financial liabilities	1.787.726	3,7	1.751.345	36.381	2,1	516
Accounts payable	887.644	1,8	644.662	242.982	37,7	257
Employee benefits	117.996	0,2	99.330	18.666	18,8	34
Current tax	589.799	1,2	262.168	327.631	125,0	170
Provisions	146.155	0,3	103.787	42.368	40,8	42
Other non-financial liabilities	117.632	0,2	89.753	27.879	31,1	34
<b>Current liabilities</b>	<b>3.646.952</b>	<b>7,6</b>	<b>2.951.045</b>	<b>695.907</b>	<b>23,6</b>	<b>1.053</b>
<b>Non-current liabilities</b>						
Financial liabilities	16.604.521	34,4	15.439.241	1.165.280	7,5	4.796
Accounts payable	921.570	1,9	884.368	37.202	4,2	267
Non-current tax	991.260	2,1	1.003.992	(12.732)	-1,3	286
Employees benefits	416.175	0,9	390.147	26.028	6,7	120
Provisions	269.538	0,6	240.565	28.973	12,0	78
Other non-financial liabilities	483.475	1,0	499.634	(16.159)	-3,2	140
Deferred tax liabilities	4.945.150	10,3	4.613.146	332.004	7,2	1.428
<b>Non-current liabilities</b>	<b>24.631.689</b>	<b>51,1</b>	<b>23.071.093</b>	<b>1.560.596</b>	<b>6,8</b>	<b>7.115</b>
<b>TOTAL LIABILITIES</b>	<b>28.278.641</b>	<b>58,6</b>	<b>26.022.138</b>	<b>2.256.503</b>	<b>8,7</b>	<b>8.168</b>
<b>Equity</b>						
Subscribed and paid-in capital	36.916	0,1	36.916	-	0,0	12
Premium for placement of shares	1.428.128	3,0	1.428.128	-	0,0	476
Reserves	5.346.023	11,1	4.428.306	917.717	20,7	1.795
Retained earnings	3.212.454	6,7	3.217.227	(4.773)	-0,1	1.055
Year-end income	1.198.066	2,5	1.524.382	(326.316)	-21,4	370
Other comprehensive year-end income	1.275.494	2,6	1.234.415	41.079	3,3	(98)
<b>Equity attributable to holders of controlling interest</b>	<b>12.497.081</b>	<b>25,9</b>	<b>11.869.374</b>	<b>627.707</b>	<b>5,3</b>	<b>3.610</b>
<b>Non-controlling interest</b>	<b>7.464.694</b>	<b>15,5</b>	<b>7.072.453</b>	<b>392.241</b>	<b>5,5</b>	<b>2.156</b>
<b>TOTAL EQUITY</b>	<b>19.961.775</b>	<b>41,4</b>	<b>18.941.827</b>	<b>1.019.948</b>	<b>5,4</b>	<b>5.766</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>48.240.416</b>	<b>100,0</b>	<b>44.963.965</b>	<b>3.276.451</b>	<b>7,3</b>	<b>13.934</b>
ROE=Net income/Equity without minority interest	14,2%		12,8%			
ROA=Income before minority interests/assets	6,0%		5,8%			

## Table 9. Consolidated cash flow statement

For the periods ended September 30, 2019 and 2018

FIGURES IN MILLIONS OF COLOMBIAN PESOS, UNAUDITED

	9M19	9M18	Change COP	Change %	9M19 USD
<b>Cash flows from operating activities</b>					
Collections from loans and operations portfolio	29.396	25.517	3.879	15,2	8
Collections from deposits and requirements	3.165	1.422	1.743	122,6	1
Collections from accounts receivable from insurance companies	469	(500)	969	-193,8	-
Collections from the sale of goods and provision of services	6.304.884	5.404.296	900.588	16,7	1.821
Other collections from operating activities	60.341	111.912	(51.571)	-46,1	17
Collections (Payments) from Secr da Fazenda Ações - Lei 4819	(76.473)	(83.647)	7.174	-8,6	(22)
Payments for accounts payable from the insurance activity	-	(488)	488	-100,0	-
Payments to suppliers of goods and services	2.041.813	812.444	1.229.369	151,3	590
Payments from contracts held for intermediation	-	618.934	(618.934)	-100,0	-
Payments to and on behalf of employees	605.057	534.545	70.512	13,2	175
Payments for premiums and benefits, annuities and other obligations	-	10.786	(10.786)	-100,0	-
Other payments for operating activities	77.528	176.694	(99.166)	-56,1	21
<b>Net cash flows from operations</b>	<b>3.597.384</b>	<b>3.306.085</b>	<b>291.299</b>	<b>8,8</b>	<b>1.039</b>
Interest paid	125.317	107.846	17.471	16,2	36
Interest received	17.284	23.739	(6.455)	-27,2	5
Income tax reimbursed (paid)	742.163	827.029	(84.866)	-10,3	214
Other cash inflows (outflows)	105.388	(212.379)	317.767	-149,6	30
Payments to suppliers of goods and services	(74.230)	15.820	(90.050)	-569,2	(21)
<b>Net cash flows from operations</b>	<b>2.926.806</b>	<b>2.166.750</b>	<b>760.056</b>	<b>35,1</b>	<b>845</b>
<b>Cash flows from investment activities</b>					
Cash flows used to obtain control of subsidiaries and other interests	37.537	-	37.537	100,0	11
Other collections from the sale of equity or instruments	23.820	6.354	17.466	274,9	7
Other payments to acquire equity or debt instruments	-	-	-	0,0	-
Other payments to acquire stakes in joint ventures	61.311	22.252	39.059	175,5	18
Amounts from the sale of property, plant and equipment	(2.822)	1.263	(4.085)	-323,4	(1)
Purchase of property, plant and equipment	1.490.685	1.575.624	(84.939)	-5,4	431
Purchase of intangible assets	126.714	198.035	(71.321)	-36,0	37
Cash advances and loans granted to third parties	24.671	19.745	4.926	24,9	7
Collections from repayment of advances and loans	(35.261)	29.360	(64.621)	-220,1	(10)
Payments derived from future, fixed-term and/or option contracts	41.184	(25.903)	67.087	-259,0	12
Dividends received, classified as investment activities	49.790	63.788	(13.998)	-21,9	14
Interest received, classified as investment activities	45.563	804.513	(758.950)	-94,3	13
Other cash inflows (outflows)	(158.290)	(516.019)	357.729	-69,3	(44)
<b>Net cash flows used in investment activities</b>	<b>(1.859.302)</b>	<b>(1.400.494)</b>	<b>(458.808)</b>	<b>32,8</b>	<b>(537)</b>
<b>Cash flows from financing activities</b>					
Amounts from the issuance of shares	-	-	-	0,0	-
Amounts from the issuance of equity instruments	3.891	-	3.891	100,0	1
Amounts from loans	3.228.507	5.949.922	(2.721.415)	-45,7	933
Repayment of loans	2.926.825	4.068.040	(1.141.215)	-28,1	845
Payment of financial lease liabilities	765	6.359	(5.594)	-88,0	-
Dividends paid	597.977	832.609	(234.632)	-28,2	173
Interest paid	708.139	606.853	101.286	16,7	205
Income tax reimbursed (paid)	1.057	3.121	(2.064)	-66,1	-
Other cash inflows (outflows)	(70.152)	(795.510)	725.358	-91,2	(21)
<b>Net cash provided by (used in) financing activities</b>	<b>(1.072.517)</b>	<b>(362.570)</b>	<b>(709.947)</b>	<b>195,8</b>	<b>(310)</b>
<b>Cash and cash equivalents, with no exchange rate effect</b>	<b>(5.013)</b>	<b>403.686</b>	<b>(408.699)</b>	<b>-101,2</b>	<b>(2)</b>
Effects of the change in the exchange rate on cash	25.009	(143.948)	168.957	-117,4	7
<b>Net cash and cash equivalents</b>	<b>19.996</b>	<b>259.738</b>	<b>(239.742)</b>	<b>-92,3</b>	<b>5</b>
Cash and equivalents at the beginning of the period	1.522.060	1.541.551	(19.491)	-1,3	440
<b>CASH AND EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>1.542.056</b>	<b>1.801.289</b>	<b>(259.233)</b>	<b>-14,4</b>	<b>445</b>



## Table 10. Separated income statement

For the periods ended September 30, 2019 and 2018

FIGURES IN MILLIONS OF COLOMBIAN PESOS, UNAUDITED

	9M19	9M18	Change COP	Change %	9M19 USD	3Q19	3Q18	Change COP	Change %	3Q19 USD
Income from joint venture agreements	664.897	615.202	49.695	8,1	204	230.258	209.060	21.198	10,1	71
Energy transmission services	186.380	54.381	131.999	242,7	58	65.691	26.749	38.942	145,6	20
Connection charges	1.722	1.660	62	3,7	1	584	556	28	5,0	-
Infrastructure projects	5.263	3.326	1.937	58,2	2	721	543	178	32,8	-
Telecommunications	1.214	627	587	93,6	-	405	202	203	100,5	-
Other revenues	5.519	8.032	(2.513)	-31,3	2	1.938	3.437	(1.499)	-43,6	1
<b>Revenues from contracts with customers</b>	<b>864.995</b>	<b>683.228</b>	<b>181.767</b>	<b>26,6</b>	<b>267</b>	<b>299.597</b>	<b>240.547</b>	<b>59.050</b>	<b>24,6</b>	<b>92</b>
Operating costs	171.731	166.725	5.006	3,0	53	54.525	52.507	2.018	3,8	18
<b>Gross income</b>	<b>693.264</b>	<b>516.503</b>	<b>176.761</b>	<b>34,2</b>	<b>214</b>	<b>245.072</b>	<b>188.040</b>	<b>57.032</b>	<b>30,3</b>	<b>76</b>
Administrative expenses	73.991	61.928	12.063	19,5	23	26.187	21.074	5.113	24,3	8
Other extraordinary revenues	-	60.901	(60.901)	-100,0	-	-	-	-	0,0	-
Net equity method revenues/(expense)	969.248	722.587	246.661	34,1	299	332.630	344.397	(11.767)	-3,4	102
Other net revenues/(expenses)	(956)	1.730	(2.686)	-155,3	-	(182)	1.641	(1.823)	-111,1	-
<b>Net income from operating activities</b>	<b>1.587.565</b>	<b>1.239.793</b>	<b>347.772</b>	<b>28,1</b>	<b>490</b>	<b>551.333</b>	<b>513.004</b>	<b>38.329</b>	<b>7,5</b>	<b>170</b>
Net financial income/(expenses)	(251.890)	(192.686)	(59.204)	30,7	(78)	(91.660)	(70.599)	(21.061)	29,8	(28)
<b>Income before taxes</b>	<b>1.335.675</b>	<b>1.047.107</b>	<b>288.568</b>	<b>27,6</b>	<b>412</b>	<b>459.673</b>	<b>442.405</b>	<b>17.268</b>	<b>3,9</b>	<b>142</b>
Income tax provision	134.030	100.667	33.363	33,1	41	52.631	28.184	24.447	86,7	16
<b>Net income</b>	<b>1.201.645</b>	<b>946.440</b>	<b>255.205</b>	<b>27,0</b>	<b>371</b>	<b>407.042</b>	<b>414.221</b>	<b>(7.179)</b>	<b>-1,7</b>	<b>126</b>
<b>EBITDA</b>	<b>753.801</b>	<b>647.440</b>	<b>106.361</b>	<b>16,4</b>	<b>233</b>	<b>267.269</b>	<b>210.518</b>	<b>56.751</b>	<b>27,0</b>	<b>83</b>
EBITDA margin	87,1%	87,0%				89,2%	87,5%			
Operating margin <sup>7</sup>	86,6%	84,5%				87,2%	87,7%			
Net margin <sup>8</sup>	65,5%	64,5%				64,4%	70,8%			

<sup>7</sup> Operating Margin = Net income from operating activities/ (Operating revenues + Other extraordinary revenues + Revenues from equity method)

<sup>8</sup> Net Margin = Net Income / (Operating revenues + Other extraordinary revenues + Revenues from equity method)

## Table 11. Separate statement of financial position

As of September 30, 2019 (unaudited) and 2018 (audited)

FIGURES IN COP MILLIONS

	9M19	Part. %	2018	Change COP	Change %	9M19 USD
<b>Current assets</b>						
Cash and cash equivalents	460.247	2,4	433.807	26.440	6,1	133
Accounts receivable	70.643	0,4	50.606	20.037	39,6	20
Current tax	66.939	0,4	37.166	29.773	80,1	19
Other non-financial assets	13.428	0,1	15.188	(1.760)	-11,6	4
<b>Current assets</b>	<b>611.257</b>	<b>3,3</b>	<b>536.767</b>	<b>74.490</b>	<b>13,9</b>	<b>176</b>
<b>Non-current assets</b>						
Restricted cash	12.190	0,1	10.461	1.729	16,5	4
Other non-financial assets	1.025	0,0	1.100	(75)	-6,8	-
Financial assets	118.939	0,6	163.446	(44.507)	-27,2	34
Investments in subsidiaries, joint ventures and associates	11.593.893	61,0	11.013.197	580.696	5,3	3.349
Investments in financial instruments	12.524	0,1	12.524	-	0,0	4
Property, plant, and equipment - net	6.487.079	34,1	6.211.045	276.034	4,4	1.874
Investment property - net	7.870	0,0	7.936	(66)	-0,8	2
Intangibles - net	141.132	0,7	122.692	18.440	15,0	41
Non-current tax	28.677	0,2	24.955	3.722	14,9	8
<b>Non-current assets</b>	<b>18.403.329</b>	<b>97</b>	<b>17.567.356</b>	<b>835.973</b>	<b>21</b>	<b>5.316</b>
<b>TOTAL ASSETS</b>	<b>19.014.586</b>	<b>100,0</b>	<b>18.104.123</b>	<b>910.463</b>	<b>5,0</b>	<b>5.492</b>
<b>Current liabilities</b>						
Financial liabilities	189.054	1,0	137.339	51.715	37,7	55
Current tax	124.779	0,7	12.590	112.189	891,1	36
Accounts payable	363.131	1,9	86.081	277.050	321,8	105
Provisions	8.772	0,0	9.306	(534)	-5,7	3
Employee benefits	10.434	0,1	8.405	2.029	24,1	3
Other non-financial liabilities	3.716	0,0	3.983	(267)	-6,7	1
<b>Current liabilities</b>	<b>699.886</b>	<b>3,7</b>	<b>257.704</b>	<b>442.182</b>	<b>171,6</b>	<b>203</b>
<b>Non-current liabilities</b>						
Financial liabilities	4.217.812	22,2	4.382.795	(164.983)	-3,8	1.218
Deferred tax liabilities	841.597	4,4	848.216	(6.619)	-0,8	243
Accounts payable to related parties	318.585	1,7	310.675	7.910	2,5	92
Employee benefits	239.009	1,3	226.206	12.803	5,7	69
Other non-financial liabilities	160.879	0,8	173.232	(12.353)	-7,1	46
Accounts payable	5.744	0,0	5.465	279	5,1	2
Provisions	6.547	0,0	6.590	(43)	-0,7	2
<b>Non-current liabilities</b>	<b>5.790.173</b>	<b>30,5</b>	<b>5.953.179</b>	<b>(163.006)</b>	<b>-2,7</b>	<b>1.672</b>
<b>TOTAL LIABILITIES</b>	<b>6.490.059</b>	<b>34,1</b>	<b>6.210.883</b>	<b>279.176</b>	<b>4,5</b>	<b>1.875</b>
<b>Equity</b>						
Subscribed and paid-in capital	36.916	0,2	36.916	-	0,0	11
Premium for placement of shares	1.428.128	7,5	1.428.128	-	0,0	413
Reserves	5.346.023	28,1	4.428.306	917.717	20,7	1.544
Retained earnings	3.236.320	17,0	3.236.320	-	0,0	935
Year-end income	1.201.644	6,3	1.529.155	(327.511)	-21,4	347
Other comprehensive income	1.275.496	6,7	1.234.415	41.081	3,3	367
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>12.524.527</b>	<b>65,9</b>	<b>11.893.240</b>	<b>631.287</b>	<b>5,3</b>	<b>3.618</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>19.014.586</b>	<b>100,0</b>	<b>18.104.123</b>	<b>910.463</b>	<b>5,0</b>	<b>5.492</b>

## Table 12. Separate cash flow statement

For the periods ended September 30, 2019 and 2018

FIGURES IN MILLIONS OF COLOMBIAN PESOS, UNAUDITED

	3Q19	3Q18	Change COP	Change %	3Q19 USD
<b>Cash flows from operating activities</b>					
Collections from the sale of goods and services	188.982	658.040	(469.058)	-71,3	54
Other collections from operating activities	(1.716)	61.009	(62.725)	-102,8	-
Collections from current contract for intermediation or for negotiation	645.660	-	645.660	100,0	186
Payments to suppliers of goods and services	101.138	63.985	37.153	58,1	29
Payments to and on behalf of employees	60.757	58.942	1.815	3,1	18
Other payments from operating activities	373	2.908	(2.535)	-87,2	-
Interest paid	1.467	204	1.263	619,1	-
Interest received	13.093	19.341	(6.248)	-32,3	4
Income tax payments	58.287	69.607	(11.320)	-16,3	17
Other cash inflows					
<b>Net cash flow from operating activities</b>	<b>623.997</b>	<b>542.744</b>	<b>81.253</b>	<b>15,0</b>	<b>180</b>
<b>Cash flows from investment activities</b>					
Cash flows used to gain control of subsidiaries or other businesses	69.640	32.286	37.354	115,7	20
Other collections from the sale of equity or debt instruments of other entities		3	(3)	-100,0	
Purchase of property, plant and equipment	358.988	569.695	(210.707)	-37,0	104
Purchase of intangible assets	16.933	24.171	(7.238)	-29,9	5
Collections from repayment of advances and loans granted to third parties	50.875	59.456	(8.581)	-14,4	15
Payments derived from future, fixed-term, option, and financial swap contracts		645	(645)	-100,0	
Dividends received	481.610	301.665	179.945	59,7	139
Interest received	4.041	5.062	(1.021)	-20,2	1
Other cash inflows (outflows)	(1.663)	(79)	(1.584)	2.005,1	
<b>Net cash flows provided by (used in) investing activities</b>	<b>89.302</b>	<b>(260.690)</b>	<b>349.992</b>	<b>-134,3</b>	<b>26</b>
<b>Cash flows from financing activities</b>					
Amounts from loans	155.071	500.000	(344.929)	-69,0	45
Loan repayments	317.486	70.157	247.329	352,5	92
Payment of liabilities from financial leases	-	5.250	(5.250)	-100,0	
Dividends paid	305.732	300.181	5.551	1,8	88
Interest paid	223.359	184.212	39.147	21,3	65
<b>Net cash flows used in financing activities</b>	<b>(691.506)</b>	<b>(59.800)</b>	<b>(631.706)</b>	<b>1.056,4</b>	<b>(200)</b>
<b>Cash and cash equivalents, with no exchange rate effect</b>	<b>21.793</b>	<b>222.254</b>	<b>(200.461)</b>	<b>-90,2</b>	<b>6</b>
Effects of the change in the exchange rate on cash	4.647	6.857	(2.210)	-32,2	1
<b>Net increase in cash and cash equivalents</b>	<b>26.440</b>	<b>229.111</b>	<b>(202.671)</b>	<b>-88,5</b>	<b>8</b>
Cash and cash equivalents at the beginning of the period	<b>433.807</b>	<b>361.188</b>	<b>72.619</b>	<b>20,1</b>	<b>125</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>460.247</b>	<b>590.299</b>	<b>(130.052)</b>	<b>-22,0</b>	<b>133</b>

*This report may contain forward-looking statements regarding the performance of ISA and should be taken in good faith by institutions; said forward-looking statements reflect management's views and are based on currently-available information, which assumes risks and uncertainties, including economic conditions and those from other markets, as well as the exchange rate changes and other financial variables with respect to which ISA S.A. E.S.P. may not be held responsible, directly or indirectly, for financial operations that the public may conduct in reliance of the information herein presented.*

*The consolidation process means the inclusion of 100% of the companies where ISA has control through the global integration method, pursuant to the application of the Colombian Financial Reporting and Accounting Standards -NCIF- enacted by Law 1314 of 2009, regulated by Decree 2420 of 2015, modified by decrees 2496 of 2015, 2131 of 2016 and 2170 of 2017, the latter complied in Decree 2483 of 2018, and all the legal provisions in force adopted by the Colombia's National General Accounting Office. These accounting and financial reporting standards correspond to the International Financial Reporting Standards -IFRS-, officially translated, and authorized by the International Accounting Standards Board -IASB-.*

*The figures expressed in millions of dollars in this report are only for informative purposes and do not reflect the accounting conversion standards usually used. As of September 30, 2019, the exchange rate used for the rendering of figures in dollars of the statement of financial position was USD 1.00 = COP 3.239,00 (closing rate) and the rate used for the income statement was USD 1.00 = COP 3.340,13 (cumulative average rate) (source: Banco de la República).*