



PRESS RELEASE

EDESUR RECORDS LOSSES FOR THE THIRD CONSECUTIVE QUARTER

“The electricity sector is in a critical situation and urgently needs regulatory solutions that allow it to sustain an essential service in a pandemic period. Without tariff, without subsidies and without rules, miracles cannot be performed”, said Nicola Melchiotti, Country Manager for Enel in Argentina.

MAIN FINANCIAL HIGHLIGHTS

The figures corresponding to the previous period have been restated to consider the changes in the purchasing power of the peso, in accordance with the provisions of IAS 29 and General Resolution No. 777/2018 of the CNV.

(millions of Argentine Pesos, ARS)	Jan/Sep 2020	Jan/Sep 2019	Change
Revenues	45,907	61.790	(26%)
EBITDA	68	19.519	(100%)
EBIT	(3,114)	16.661	(119%)
Net Income	(3,509)	14.914	(124%)
Net Debt	6,880	8.339*	(17%)
Capex	6,216	11,053	(44%)

*As of December the 31st, 2019.

Buenos Aires, November 3, 2020 - The Directory of Distribuidora Sur S.A. (“Edesur”) approved its interim financial statements as of September 30, 2020.

Revenues registered a 26% decrease in the first nine months of the year compared to the same period of 2019, as a consequence of the current rate freeze and various measures imposed by decree during the pandemic (COVID 19).

EBITDA in the period is affected by the freezing of rates (fall in revenues), accumulating in 9 months only 68 million pesos.

EBIT worsened in line with the decrease in EBITDA and falling revenues.

Net Income decrease in profit for the period is mainly explained by the operating loss recorded and a lower gain due to inflation adjustment, partially offset by lower financial costs and a lower income-tax charge.

Net Debt decreased 17% compared to December 2019.

As in the last 10 years, Edesur still does not distribute dividends and reinvests all available resources.

Capex reached 6,216 million pesos which, added to the more than 700 million dollars invested in the last four years (2016-2019), have allowed continuous improvement in the reduction of the average duration of the cuts by 26% compared to 2019. The fall in investments compared to the same period in 2019 is due to the lower cash available due to the rate freeze and limitations imposed by decree during the quarantine.

MAIN OPERATIONAL HIGHLIGHTS



Demand for the first nine months of 2020 registered a slight fall of the order of 0.4%. It should be noted that since the beginning of the social, preventive and compulsory isolation measures, despite the increase in the consumption of residential demand, the fall in consumption of medium and large demands (businesses /small and large industries) has not been offset. Likewise, there is a migration of consumption from areas such as the micro-center of Buenos Aires to residential areas, preferably in the Province, with a notable increase. Sales for the January-September 2020 period fell to 11,880 GWh (-5.2%) compared to the 12,529 GWh sold during the same period of the previous year.

- The average duration of power outages (SAIDI) has had an improvement of 26% compared to the same period of 2019
- The number of clients registered a slight increase, of the order of 0.6%, due to the growth of clients of the T1 rate - small demands for residential use.