Empresas Públicas de Medellín E.S.P. (hereinafter, "EPM" or the "company") is the parent company of an economic group consisting of 49 companies (the parent company, 11 Colombian subsidiaries, 37 international subsidiaries) with presence in Colombia, Chile, El Salvador, Guatemala, Mexico and Panama. Its corporate purpose is the provision of public utilities, mainly in power generation, transmission and distribution, gas, water, cleaning and waste management businesses.

The figures presented for this quarter are not audited and are expressed in millions of Colombian Pesos, according to the International Financial Reporting Standards (IFRS). The consolidation process implies inclusion of 100% of the companies where EPM has control.

CONSOLIDATION SCOPE

1. Evolution of Non-Recurrent Events

1.1 Incident at Guatapé Hydroelectric Plant

Since June 25, the Guatapé hydroelectric plant is operating at hundred percent capacity. The works to repair the technical problem happened last February 15 as a result of a fire in the power cables tunnel next to the entrance to the power house took 68 days less than as estimated.

The costs incurred for repair works, including purchase and import of parts will be covered by the all-risk policy subscribed by the company.

- Cable repairs: USD 22 million and deductible of USD 200 thousand.
- Loss of revenue: COP 600 – 650 thousand million, with deductibles of about COP 215 thousand million.

Regarding the insurance policy:

- Recoveries for USD 100 million were accrued in June.
- Pending definition of total amount with adjusters.

1.2 El Niño Phenomenon

The El Niño phenomenon has ended and we have now ENSO neutral conditions. The probability of occurrence of an event "La Niña" is greater than 61%. (Source: IRI ENSO FORECAST).

In July, EPM´s contributions were 32,0 GWh/day average versus 41,1 GWh/day historically, meaning a deficit of 9,1 GWh/day.

For the SIN (National Interconnected System), average contributions were 144,3 GWh/day versus 150,8 GWh/day historically, meaning a deficit of 6,5 GWh/day.

Given the improvement in hydrological contributions and the commissioning of all turbines at Guatapé, thermal generation requirement has dropped to less than 40 GWh/day.

As to the aggregated level of the reservoirs, at the end of July EPM was at 44% and the SIN at 56%.

Regarding the El Niño economic impact (Jan-Jun 2016):

- El Niño impact on EPM: **COP 272 thousand million thousand and** on EPM Group: **COP 314 thousand million.**

- Thermal generation **1.038 GWh** represented higher operational costs vs **5.097 GWh** of hydro generation.

Main components associated to El Niño effect 2015-2016:

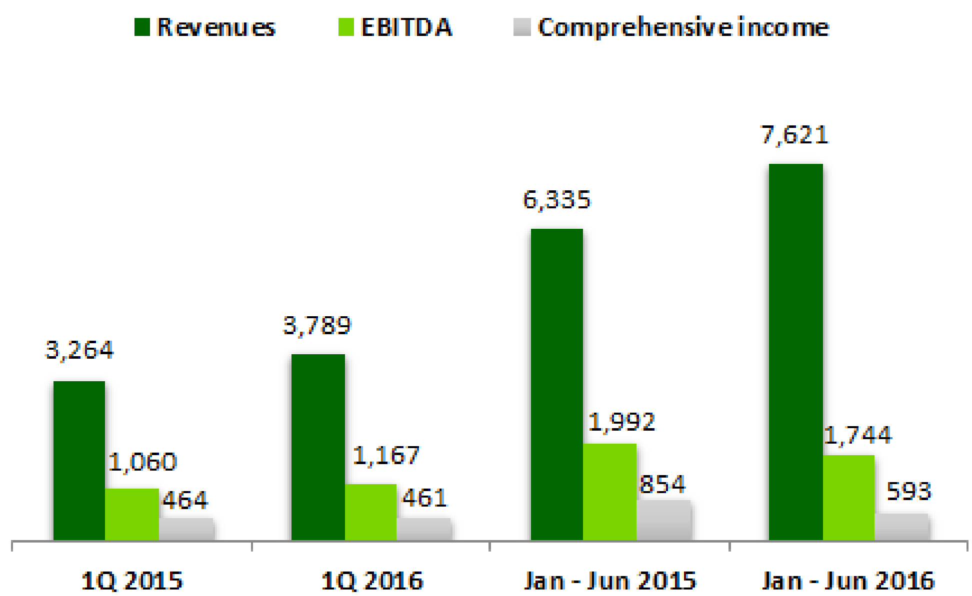
- EPM bought gas in order to operate La Sierra and La Dorada thermal plants.
- Investments were carried out to ensure liquid fuel supply for thermal plants.
- EPM generated with liquid fuel.
- Power purchases on the spot market at the highest prices recorded in the country´s history.

1.3 Transfer of the shares of Isagen held by EPM

- EPM will receive COP 1,480,000 million.
- About COP 600,000 million will be distributed to its owner, COP 150,000 million each in the next four years (2016-2019).
- Acceptance of Brookfield’s tender offer on July 26, 2016.
- Closing expected for September of 2016.

2 Financial Results as of June 30,2016

2.1 Income statement



Figures in COP thousand million

Var. Jan-Jun2015 – Jan-Jun2016

- Revenues: 20%
- EBITDA: -12%
- Comprehensive Income: - 31%

Var. 2Q2015 – 2Q2016

- Revenues: 16%
- EBITDA: 10%
- Comprehensive Income : - 0.8%

Note: partial revenue of COP 294 thousand million was recognized in June corresponding to payment of loss of revenue and consequential damages related to the Guatapé loss.

Consolidated revenue totaled COP 7.6 billion with 20% growth with respect to same period of last year.

The following facts stand out:

- **Revenues of EPM parent company** were COP 729 thousand million higher due to increased revenues in the Generation and Distribution segments.

- **Then come the revenues of the Colombian power subsidiaries** which were COP 226 thousand million higher; here ESSA’s contribution of COP 99 thousand million, CHEC’s of COP 58 thousand million and CENS’ of COP 39 thousand million, stand out.
- **Revenues of Chilean subsidiaries** were COP 165 thousand million higher; ADASA's operating revenue of COP 200 thousand million stands out.
- **The revenues of Guatemalan subsidiaries** increased by COP 70 thousand million, those of the Panamanian affiliates by COP 53 thousand million, and those of **the Mexican subsidiaries** by COP 47 thousand million, with the commissioning of PEMEX project in TICSA and increased levels of water treatment due to the start of operations of the TUXTLA plant, as major causes.
- Additionally, partial revenue of COP 294 thousand million was recognized in June corresponding to payment of loss of revenue and consequential damages related to the Guatapé loss.

Operating margin as of June was 14%, 11 percentage points down.

EBITDA totaled COP 1.7 billion, 12% down on last year; here we highlight the 38% increase in costs and expenses as a result of increased commercial operation, taxes, contributions and duties, maintenance and repairs.

In the period of January to June of 2016, **EBITDA margin** was 23%.

The period’s comprehensive income was COP 593 thousand million, 31% down on last year due mainly to operations’ cost overruns.

Net margin was 8%, 5 percentage points down on same period of last year.

When comparing results of second quarter of 2015 and 2016 we see 16% increase in revenue, 10% increase in EBITDA and 0.8% decline in comprehensive income.

As of June, revaluation in Colombia was 7.41% (versus 8.05% devaluation last year) and in Chile 6.48%, yielding exchange gain of COP 299 thousand million, of which EPM parent company accounts for COP 220 thousand million and Chilean affiliates for COP 72 thousand million.

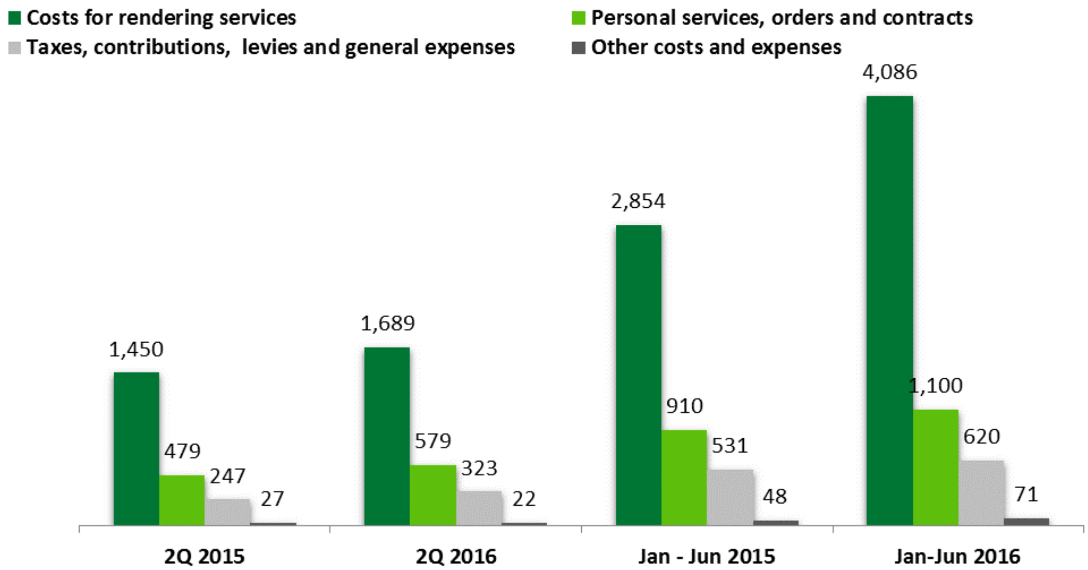
Figures in COP million

Concept	2015	2016	% Var.	2015 USD*
Net Revenues	6,335,070	7,621,455	20	2,614
Costs and administrative expenses	4,742,183	6,550,859	38	2,246
Exchange differences	(150,190)	299,343	(299)	103
Financial results, net	(220,311)	(307,619)	40	(105)
Investment results, net	61,257	23,048	(62)	8
Profit before taxes	1,283,644	1,085,369	(15)	372
Income tax provision	371,053	520,339	40	178
Regulatory accounts, net	(58,810)	27,754	(147)	10
Comprehensive Income for the period	853,781	592,784	(31)	203
Other Comprehensive Income	(169,457)	196,125	(216)	67
Total Comprehensive Income for the year	684,324	788,909	15	271
Minority Interest	67,966	68,969	1	24
Total Comprehensive Income for the year attributable to owners of the company	616,358	719,940	17	247

*Figures in COP were converted to USD at an exchange rate of COP/USD 2,916.15 (June 30, 2016)

2.2 COSTS AND EXPENSES

Group EPM:



Figures in COP thousand million

Var. Jan-Jun2015 – Jan-Jun2016

Costs for rendering services: 43%

Explained mainly by:

- EPM parent company by COP 1,029, associated to the power purchase in the spot.
- Colombian Subs. by COP 132: ESSA by COP 69 and CHEC by COP 71; due to thermal generation.
- ENSA by COP 114.

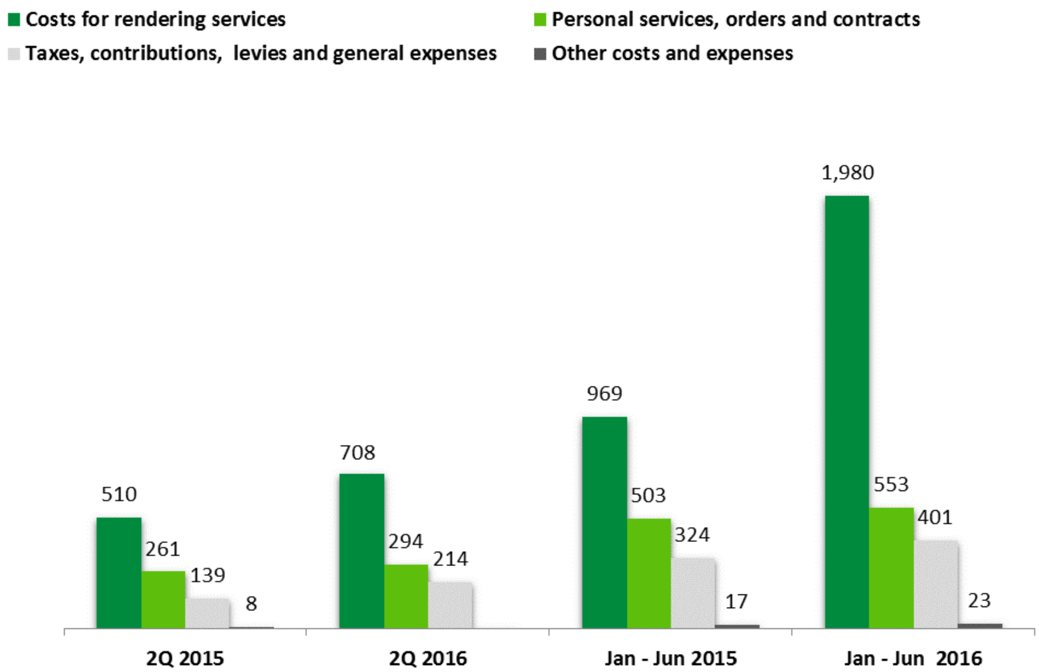
Personal services, orders and contracts: 21%

Explained mainly by:

- Inflation.
- Orders and contracts by COP 28, spare parts and maintenance, and personal services by COP 23.

Taxes, contributions, levies and general expenses: 17%

EPM Parent Company:



Figures in COP thousand million

Var. Jan-Jun2015 – Jan-Jun2016

Costs for rendering services : 104%

Explained mainly by:

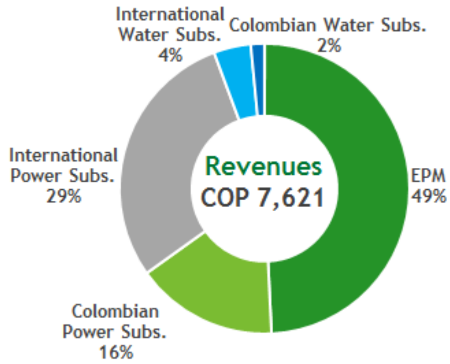
- Power purchases in the spot market by COP 651.
- Gas purchases by COP 212.
- Liquid fuel purchases by COP 165.

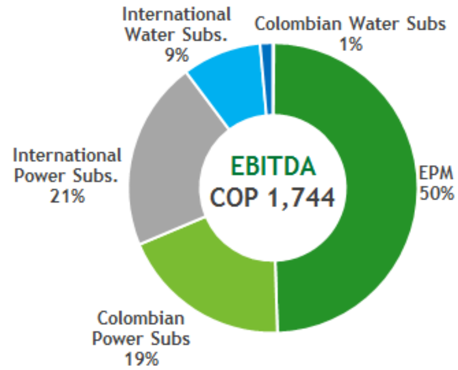
Personal services, orders and contracts: 10%

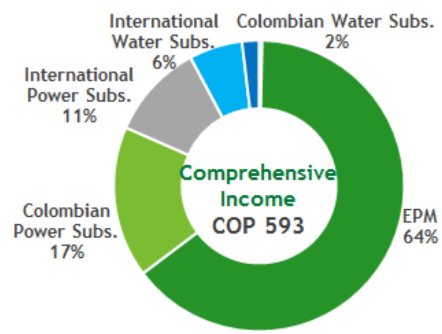
Taxes, contributions, levies and general expenses : 24%

- Taxes, contributions, levies by COP 76, due El Limón-Anorí road.

2.3 Financial Results by Colombian and International Subsidiaries







Figures in COP thousand million

Of the Group's total revenue, Colombia accounts for 67% and foreign affiliates for 33%.

- **EPM parent company** contributed with 49%, equivalent to 23% increase with respect to same period of last year, increase that obeys mainly to higher revenues from energy generation due to the increase in sales price, revenues from AGC service and reliability charges, as well as increased revenues from energy distribution owing to increased trading and construction of networks for third parties.
- **International subsidiaries**, in turn, account for 33% of revenues with 15% increase with respect to same period of 2015.
- **Colombian power subsidiaries** account for 16%, with 23% increase associated to higher average tariff, increased spot price and increased demand. The remaining 6% corresponds to the **Water subsidiaries**, with 22% increase with respect to same period of last year.

As to EBITDA, the Group's Colombian companies account for 70% and foreign companies for 30%.

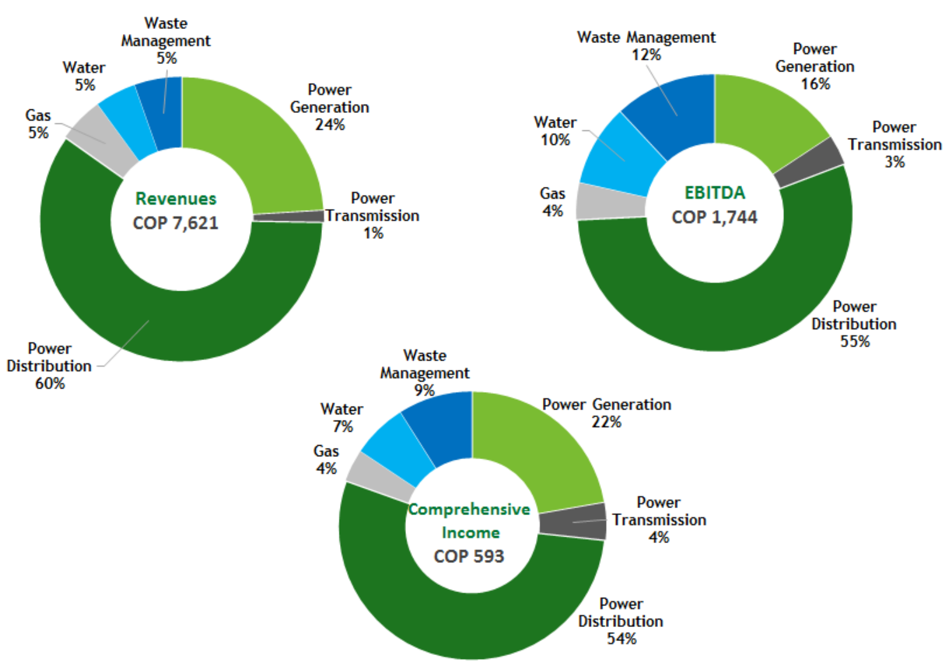
- **The participation of EPM parent company in EBITDA** is 50%, 34% lower than in same period a year ago, mainly as a result of increased costs of commercial operations for COP 1,171 million associated to purchase of power in the spot market and to higher price caused by lower generation during the period (Note: average spot price was COP 448/kWh).

- **International subsidiaries** participated with 30% of the Group's EBITDA, 28% more than in same period of last year, mainly due to the contribution of EPM Chile for COP 121 thousand million where ADASA and the contribution of DECA Group for COP 265 thousand million stand out.
- **Colombian power subsidiaries** contributed with 19%, 22% more than in last year as a result of more GWh sold by ESSA and CHEC because of the higher thermal generation of the Termobarranca and Termodorada plants during the first months of the year and also due to higher tariffs of the power traded.
- Last we have **the Colombian water subsidiaries** who contributed the remaining 1%.

Regarding net income or comprehensive income of the period we would like to draw attention to:

- Increase in revenues for COP 1.3 billion.
- Higher costs and expenses for COP 1.8 billion.
- Higher net revenues for COP 15 thousand million: Exchange difference = +COP 299 thousand million; financial = -COP 307 thousand million; associated to investments = +COP 23 thousand million.
- Increase in tax provision for COP 149 thousand million.

2.4 Financial Results by Segments



Figures in COP thousand million

With regard to the results by segments:

- **Power services** accounted for 85% of the Group's revenues, 74% of EBITDA, and 80% of net income.
  In revenues, the **Distribution and Generation segments** stand out with 60% and 24% participation, respectively, as explained before.

- **Fuel gas services** participated with 5% of the Group's revenues and 4% of both EBITDA and net income.
  In revenues we underline the 34% increase with regard to same period of last year explained by the 84% growth in sales to the secondary market and the 7% increase in customers because of the delivery of services to more municipalities in the Province of Antioquia.

- **Provision of water and sanitation services** accounted for 10% of the Group's revenues, 22% of EBITDA, and 16% of net income; here, as mentioned before, ADASA and TICSA stand out.

2.5 Statement of Financial Position

Figures in COP million

Financial Position	2016	2015	% Var.	2016 USD
Assets				
Current	5,779,793	5,383,345	7	1,982
No Current	37,214,954	36,596,696	2	12,762
Total assets	**42,994,747**	**41,980,041**	**2**	**14,744**
Liabilities				-
Current	6,032,949	7,740,519	(22)	2,069
No Current	18,233,922	15,425,447	18	6,253
Total Liabilities	**24,266,871**	**23,165,966**	**5**	**8,322**
Equity	**18,727,876**	**18,814,075**	**(0)**	**6,422**

*Figures in COP were converted to USD at an exchange rate of COP/USD 2,916.15 (June 30, 2016)

The Group's total assets amounted to COP 43 billion, 2% up, where property, plant and equipment for COP 950 thousand million stand out associated to infrastructure projects under construction - Ituango, Aguas Claras, Nueva Esperanza, among others.

Other financial assets increased COP 425 billion due to the appreciation of variable-income securities (ISAGEN stock for COP 249 thousand million – COP 695 per share, and ISA stock for COP 175 thousand million – COP 1,560 per share).
Liabilities increased by 5% due to additional disbursements of the Club Deal for USD 360 million, for a total balance as of June of USD 560 million.

Equity remained flat- explained by the comprehensive income of the period: COP 593 thousand million and dividends declared: COP 816 thousand million.

Regarding ratios:

Ratios	2015	2016
Total debt	53%	56%
Financial debt	34%	38%
EBITDA/financial expenses	6.49	4.35
Debt/EBITDA	3.47	4.46

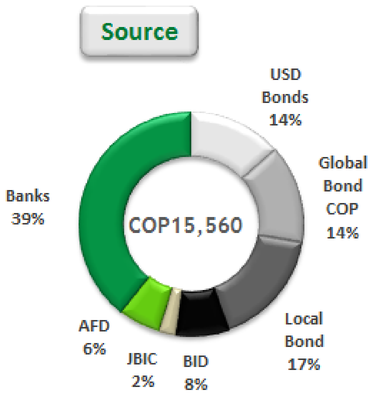
The Group's Total Debt / Total Assets was three percentage points up on 2015.
Financial Debt / Total Assets was 38% (four percentage points above 2015).

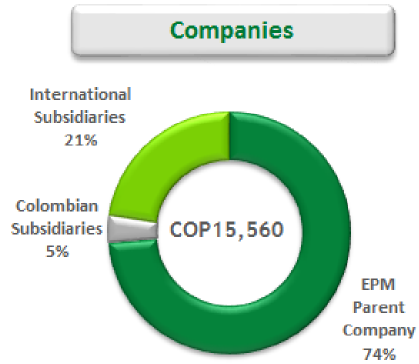
Debt coverage ratio:

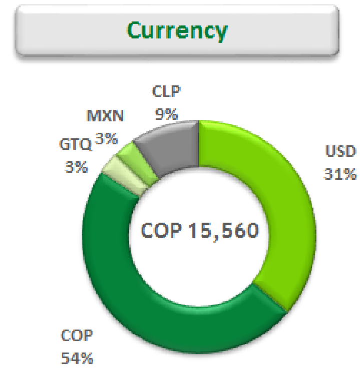
- LTM Group's EBITDA amounted COP 3.3 billion due mainly to El Niño and Guatapé effects. Without these effects, LTM Group's EBITDA would be COP 4.1 billion and Debt/EBITDA ratio: 3.61.
- Debt/EBITDA: Increase explained by: 1) Lower EBITDA, 2) more loans during the period particularly for the Ituango project of USD 560 million.
- Waiver, related to Debt/EBITDA covenant, with JBIC and AFD in process of approval for the rest of 2016 periods; with BID approved for 2016.
- EPM expects to achieve again a Debt/EBITDA ratio lower than 3.5x in 2017.

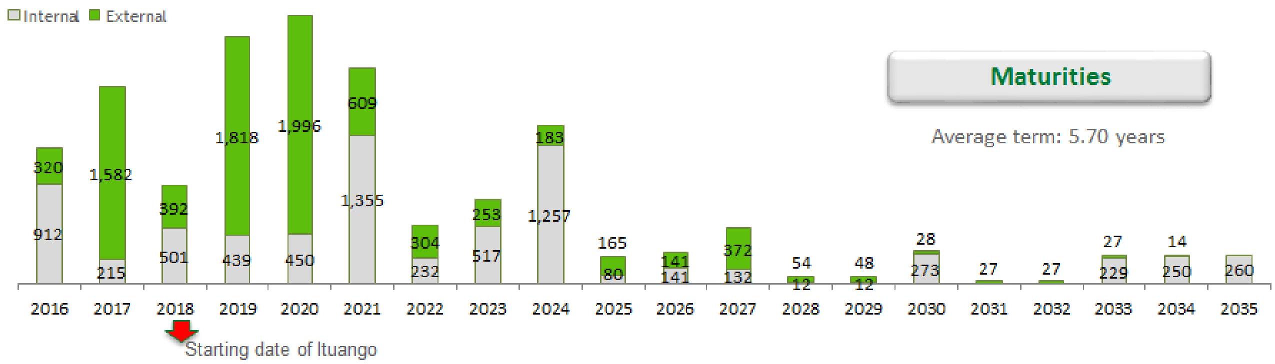
The strategies being implemented to improve such ratios are: continuous monitoring, analysis of operational improvements in EBITDA based on capturing synergies and optimizing costs and expenses after implementation of the strategy of the company's internal transformation as of 2014, and the negotiation of hedges for the latest foreign-currency loans received to mitigate the impact of changes in the Colombian Peso devaluation versus the US Dollar.

2.6 Debt Profile









EPM Group debt totaled COP 15.560 million. As to financing source, 33% of debt corresponds to domestic debt, 14% to Pesos-denominated foreign debt, and 53% to foreign debt hired in other currencies.

Of EPM Group's total debt 74% belongs to EPM parent company.

Regarding hedges: there is currently USD 246 million of natural hedging with inter-company loans granted to affiliates with revenues linked to the US Dollar. Swap contracts were closed to cover the Club Deal trenches for USD 410 million at an average hedging exchange rate of COP 3,002/USD. Authorization was received from the Ministry of Finance to translate into Pesos the balance of the IDB loan for USD 154 million.

As to maturities, EPM parent company holds three international bond issues maturing in 2019, 2021 and 2024. These values are continuously analyzed taking into account the roll-over alternative in order to adjust to needs and comply with the strategic objectives of EPM Group.

EVENTS SUBSEQUENT TO THE CLOSING

On July 7, the Medellín Mayor and President of EPM's Board of Directors, Federico Gutiérrez, designated lawyer Carlos Raúl Yepes Jiménez as independent member of EPM's Board of Directors. His last position was President of Grupo Bancolombia where he led the transformation of the entity. He has also been Vice president of Corporate Affairs, Legal Vice president, Secretary General and General Auditor of Grupo Argos.

On July 19, EPM received recognition from the National General Accounting Office for its contribution to the development of the Colombian National Public Accounting System. The company has assumed responsibly all the regulatory changes being implemented in Colombia, among them the adoption of International Financial Reporting Standards (IFRS), of which, EPM has been a ground-breaker and pioneer in the country.

On July 26, due to the change in the Nation's sovereign outlook from stable to negative, Fitch Ratings rating agency adjusted the debt rating outlook for several companies in the country, including EPM. It has to be noted that the firm maintains EPM's foreign debt rating at BBB+ investment grade, one step above that of the Nation. In this sense, the outlook adjustment results from a factor that is exogenous to the company and to which all issuers in the Colombian market with corporate international ratings equal to or above the Nation's credit ceiling, as is the case with EPM, are exposed to.

EPM cannot avoid the country's rating; however, it is important to clarify that this revision is a consequence of the evaluation of Colombia as a country and not of EPM's financial statements. Keeping Fitch Ratings rating at BBB+ for international debt is evidence of the trust in the company and recognition to the careful and transparent management of its public funds; the rating remains as investment grade. As to local debt, it remains at AAA in accordance to the company's solid financial profile.

On August 4, EPM susbcribed a credit agreement for USD300 million with the agency Export Development Canada. The credit has a disbursement limit of 12 months and constitutes another step to ensure the financing of the 2017-2019 investment plan. It is the first EPM credit operation signing with the Canadian entity.

For more information, contact:
Catalina Lopez Investor Relations investorelations@epm.com.co
http://www.epm.com.co/site/investors/Home.aspx

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period from January 1 to June 30, 2016 and 2015

Figures expressed in millions of Colombian pesos

	Notes	June 2016	June 2015	For the three months ended June 30, 2016	For the three months ended June 30, 2015
Continued operations					
Sale of goods		27,664	7,383	5,899	3,983
Rendering of services		7,129,357	6,196,762	3,402,093	3,179,166
Leases		30,537	27,259	15,452	13,617
Other income		430,501	83,302	364,956	48,638
Income from ordinary activities		**7,618,059**	**6,314,706**	**3,788,400**	**3,245,404**
Profit in sale of assets		3,397	20,364	471	19,035
Total income	13	**7,621,456**	**6,335,070**	**3,788,871**	**3,264,439**
Costs for rendering services	14	(5,739,609)	(4,059,154)	(2,662,423)	(2,075,759)
Administration expenses	15	(775,040)	(656,627)	(369,585)	(284,064)
Other expenses	16	(36,210)	(26,402)	(10,330)	(15,714)
Financial income	17	169,013	138,638	81,830	55,271
Financial expenses	17	(476,632)	(358,949)	(251,910)	(182,073)
Net exchange difference	18	299,343	(150,190)	104,864	(109,566)
Equity method in associates and joint business		(11,892)	(31,991)	42,071	7,076
Other gains and losses		34,940	93,248	(156)	(201)
Result for the period before tax		**1,085,369**	**1,283,643**	**723,232**	**659,409**
Income tax		(520,339)	(371,053)	(289,874)	(172,124)
Result of the period after taxes of continued operations		**565,030**	**912,590**	**433,358**	**487,285**
Discontinued operations		-	-	-	-
Net result of period before net movement in balances of deferred regulatory accounts		**565,030**	**912,590**	**433,358**	**487,285**
Net movement in balances of net regulatory accounts related to the result of the period		39,928	(72,756)	38,972	(33,902)
Net movement in deferred tax related to deferred regulatory accounts related to the results of the period		(12,174)	13,946	(11,692)	10,946
Net result of the period and net movement in balances of deferred regulatory accounts		**592,784**	**853,780**	**460,638**	**464,329**
Other comprehensive income, net of taxes					
Items that are not subsequently reclassified to the result of the period:					
Reclassification of properties, plant and equipment to investment		-	3,731	-	-
New measurements of defined benefit plans		9,034	1,265	9,424	(342)
Equity investments measured at fair value through equity		411,368	(228,250)	87,203	(123,574)
Income tax related to components that will not be reclassified		(25,879)	90	(941)	334
Equity method in associties and joint ventures business		3,611	-	3,611	-
		398,134	**(226,895)**	**99,297**	**(123,582)**
Items that may be reclassified subsequently to the result of the period :					
Cash flow hedging		21,603	(23,080)	21,603	(43,026)
Result recognized of the period		(17,336)	23,323	(17,336)	(44,371)
Reclassification adjustment		38,940	(46,403)	38,940	1,345
Exchange differences for conversion of business abroad		(224,116)	104,040	(173,879)	(530)
Profit (loss) recognized in the period		(224,116)	104,040	(173,879)	(530)
Income tax related to the components that can be reclassified		505	(23,514)	505	28,819
		(202,008)	**57,446**	**(151,771)**	**(14,737)**
Other comprehensive income, net of taxes		**196,126**	**(169,449)**	**(52,474)**	**(138,319)**
Total comprehensive income for the period		**788,910**	**684,331**	**408,164**	**326,010**
Result of the period attributable to:					
Owners of of the company		521,142	786,292	422,501	363,142
Non controlling interest		71,642	67,488	38,137	101,187
		592,784	**853,780**	**460,638**	**464,329**
Total comprehensive income attributable to:					
Controlling interests		719,941	616,357	372,724	225,878
Non controlling interests		68,969	67,974	35,440	100,132
		788,910	**684,331**	**408,164**	**326,010**

The accompanying notes are an integral part of the financial statements

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Periods ended as of June 30, 2016 and December 31, 2015

Figures expressed in millions of Colombian pesos

	Notes	June 2016	December 2015
Assets			
Non-current assets			
Properties, plant and equipment, net	7	26,733,107	25,783,576
Investment properties		164,909	165,488
Goodwill		2,955,135	3,124,194
Other intangible assets		1,698,283	1,758,576
Investments in subsidiaries	8	-	-
Investments in associates		1,902,860	1,908,319
Investments in joint ventures		99	99
Asset for deferred tax		115,808	170,421
Trade debtors and other accounts receivables		549,481	1,028,590
Other financial assets		2,921,751	2,459,117
Other assets		92,359	93,316
Total non-current assets		**37,133,792**	**36,491,696**
Current assets			
		-	-
Inventories		362,157	351,251
Trade debtors and other accounts receivable		3,275,941	2,663,051
Assets for current taxes		316,925	290,255
Other financial assets		264,446	511,516
Other assets		203,665	315,679
Cash and cash equivalents		1,433,026	1,338,626
Total current assets		**5,856,160**	**5,470,378**
Total assets		**42,989,952**	**41,962,074**
Debit balances of deferred regulatory accounts		-	-
Deferred tax assets related to balances of deferred regulatory accounts		4,795	**17,967**
Total assets and debit balances of deferred regulatory accounts		**42,994,747**	**41,980,041**
Liabilities and Equity			
Equity			
Capital		67	67
Premium on placement of shares		(12,247)	(2,700)
Treasury shares		-	-
Reserves		3,603,813	3,836,190
Other accumulated comprehensive income		2,870,781	2,671,869
Accumulated results		10,919,340	10,533,254
Net result of the period		521,142	931,422
		17,902,896	**17,970,102**
Equity attributable to controlling interests		**17,902,896**	**17,970,102**
Non controlling interests		824,980	843,974
Total equity		**18,727,876**	**18,814,076**

Liabilities			
Non current liabilities			
Credits and loans	10 y 11	13,149,954	10,380,634
Creditors and other accounts payable		370,919	444,617
Other financial liabilities		539,177	549,117
Employee benefits		757,092	737,178
Net liability for deferred tax		2,812,103	2,675,636
Provisions	12	480,352	506,309
Other liabilities		124,325	131,956
Non current liabilities		**18,233,922**	**15,425,447**
Current liabilities			
Credits and loans	10 y 11	2,396,288	4,258,238
Creditors and other accounts payable		2,604,790	2,301,370
Other financial liabilities		285,156	238,478
Employee benefits		166,806	177,941
Income tax payable		86,769	213,359
Taxes contributions and rates payable		175,492	159,420
Provisions	12	134,914	122,747
Other liabilities		166,752	209,074
Total current liabilities		**6,016,967**	**7,680,627**
Total liabilities		**24,250,889**	**23,106,074**
Credit balances of deferred regulatory accounts		15,982	**59,891**
Total liabilities and credit balances of deferred regulatory accounts		**24,266,871**	**23,165,965**
Total liabilities and equity		**42,994,747**	**41,980,041**

The accompanying notes are an integral part of the financial statements

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the period from January 1 to June 30, 2016 and 2015

Figures expressed in millions of Colombian pesos

	2016	2015
Cash flows for operating activities:		
Results of the period attributable to controlling interests	**521,142**	**786,294**
Adjustments to reconcile the net result of the period to the net cash flows used in operating activities:		
Depreciation and amortization of properties, plant and equipment and intangible assets	452,009	360,628
Impairment of property, plant and equipment and intangibles	183,856	2,444
Impairment of financial instruments	22,994	13,533
Reversal of loss for impairment of financial instruments	(3,291)	-
(Profit) loss for exchange difference	(130,626)	199,026
(Profit) loss for valuation of financial instruments and hedge accounting	412,009	-
Provisions, post-employment and long term defined benefit plans	60,742	28,983
Government subsidies applied	(530)	(600)
Deferred income tax	195,034	2,173
Current income tax	309,116	305,099
Participation in the profit (loss) of investments in associates and joint business	11,892	-
Interest income	(88,588)	(97,445)
Interest expense	75,569	58,650
(Profit) loss for disposal of properties, plant and equipment, intangibles and investment properties	43,048	(5,906)
Profit (loss) for disposal of non-current assets held for sale and other assets	(3,397)	-
Non-controlling interests	68,969	4,583
Dividends from investments	(3,914)	(93,248)
Other income and expenses not effective	(545,475)	143,254
	1,580,559	**1,707,468**
Net changes in operating assets and liabilities:		
(Increase)/decrease in inventories	(11,696)	(30,541)
(Increase)/decrease in debtors and other accounts receivable	65,648	223,417
(Increase)/decrease in other assets	(72,038)	115,271
Increase/(decrease) in creditors and other accounts payable	(128,368)	120,532
Increase/(decrease) in labor obligations	(38,006)	(3,694)
Increase/(decrease) in other liabilities	(90,047)	(39,134)
Interest paid	(537,088)	(387,502)
Income tax paid and equity tax	(208,343)	(273,570)
Net cash flows originated by operating activities	**560,621**	**1,432,247**
Cash flows for investment activities:		
Acquisition of subsidiaries or business, net of cash acquired	-	(2,357,145)
Disposal of subsidiaries or business	(5,871)	(4,946)
Acquisition of property, plant and equipment	(1,776,389)	(1,417,953)
Disposal of property, plant and equipment	3,397	-
Acquisition of intangible assets	(61,252)	(15,731)
Disposal of investment properties	-	1,076
Acquisition of investments in financial instruments	(11,199)	(50,001)
Disposal of investments in financial instruments	216,913	1,579,489
Interest received	88,588	97,445
Dividends received from subsidiaries, associates and joint business	-	70,614
Other cash flows from investment activities	(21,904)	72,624
Net cash flows originated by investment activities	**(1,567,717)**	**(2,024,528)**
Cash flows for financing activities:		
Obtaining of public credit and treasury	3,599,072	2,017,407
Payments of public credit and treasury	(2,083,882)	(824,423)
Payments of liabilities for financial leasing	16,832	-
Dividends or surpluses paid	(445,375)	(540,621)
Capital Subsidies	115	1,473
Net cash flows originated by financial activities	**1,086,762**	**653,836**
Net cash and cash equivalent increase/(decrease)	**79,666**	**61,555**
Effects of variations in exchange rates in the cash and cash equivalents	14,734	88,947
Cash and cash equivalent at the beginning of period	1,338,626	1,023,734
Cash and cash equivalent at the end of the period	**1,433,026**	**1,174,236**
Restricted resources	190,200	157,555

The accompanying notes are an integral part of the financial statements