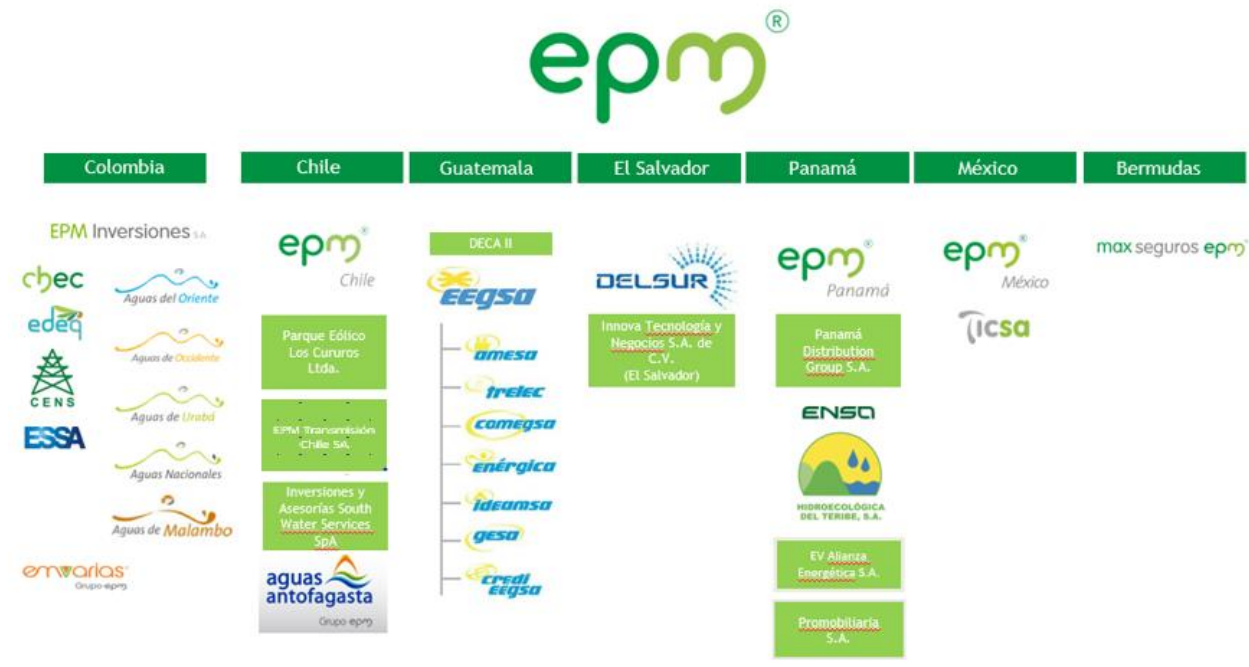


Medellin, May 15, 2017

Empresas Públicas de Medellín E.S.P. (hereinafter, "EPM Group") is the holding company of a multi-Latin enterprise group formed by 46 companies and one structured entity, that have presence in the provision of public utilities in Colombia, Chile, El Salvador, Guatemala, Mexico and Panama. Its corporate purpose is the provision of public utilities, mainly in power generation, power transmission and power distribution, gas, water supply, cleaning and waste management businesses. In this period, it is highlighted the new Chilean subsidiary EPM Transmisión Chile SA, created in compliance with the provisions of the General Law of Electric Services in Chile.

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

CONSOLIDATION SCOPE



1. RELEVANT FACTS OF THE QUARTER AND SUBSEQUENT TO THE CLOSING

During 2017, EPM will pay dividends to the Medellin Municipality for COP 1 billion (COP 550 thousand million ordinary dividends and COP 459 thousand million extraordinary dividends). As of March, COP 250 thousand million have been paid.

On March 14th 2017, Fitch Ratings has revised EPM's international rating outlook from negative to stable and affirmed rating at BBB+. This is explained by the outlook change of Colombian sovereign rating.

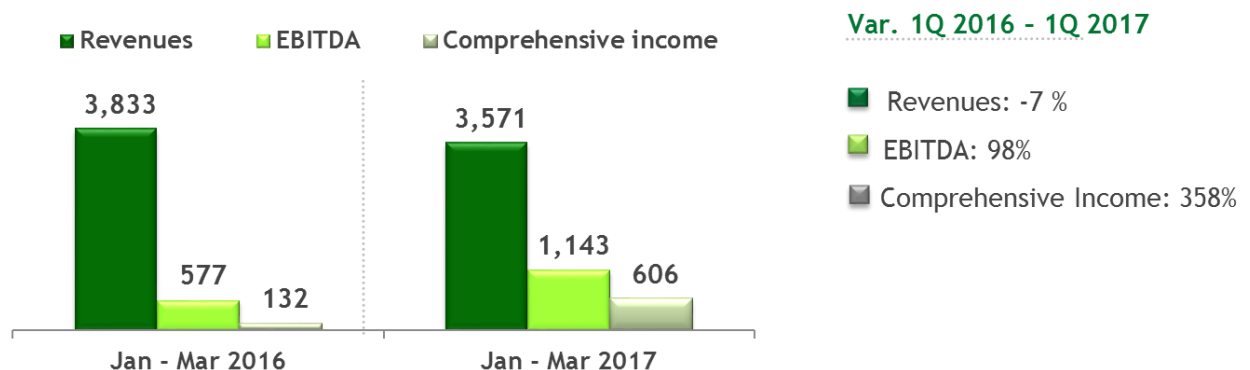
On March 30 2017, Moody's ratified EPM's financial soundness by raising its international investment rating to Baa2 with stable outlook.

On May 12, the Nueva Esperanza Power Transmission Project began to operate. Nueva Esperanza will increase the power transport capacity and reliability of the electricity system in the Central-Eastern zone of Colombia, which includes 4 departments: Cundinamarca (including Bogota), Meta, Guaviare and North-Tolima, benefiting more than 12 million people. The infrastructure of the Project is distributed in 21 municipalities.

2. FINANCIAL RESULTS AS OF MAR.31,2017

EPM Group presented the following financial performance compared to the same period of the previous year:

2.1 INCOME STATEMENT



Figures in COP thousand million

As of March 31, 2017, consolidated revenue totaled COP 3.6 billion with 7% (COP 262 thousand million) drop with respect to same period of last year, a fact that is explained by:

1) Lower revenue in **EPM parent company** for COP 168 thousand million in the Generation and Gas business units:

- **Generation revenue dropped** by COP 157 thousand million, a fact that is explained by the fall in the spot price from COP 678/KWh in 2016 to COP 131/KWh in 2017 and also by lower AGC Services and the reimbursement of the Reliability Charge due to the increased power generation due to the La Niña effect.
- **Gas revenue** dropped by COP 59 thousand million due to lower sales, mainly to thermal power plants.

2) **Revenue of Colombian Power Subsidiaries** fell by COP 53 thousand million due mainly to lower sales in the Power Generation segment at CHEC and ESSA.

3) **International Subsidiaries' revenue** was COP 48 thousand million lower, basically as a result of the translation effect due to lower exchange rate in 2017 (2017 *Market Representative Exchange Rate*, TRM COP 2,880 vs. 2016 TRM COP 3,022).

Operating margin as of March 2017 was 26%, 18 percentage points up.

EBITDA totaled COP 1.1 billion, with an increase of COP 567 thousand million or 98% with respect to last year; here we principally highlight the COP 562 thousand million contribution of EPM Parent Company followed by the Colombian Power Subsidiaries with COP 44 thousand million and ENSA in Panama with COP 7 thousand million.

EBITDA margin at 32% is 17 percentage points up on 2016.

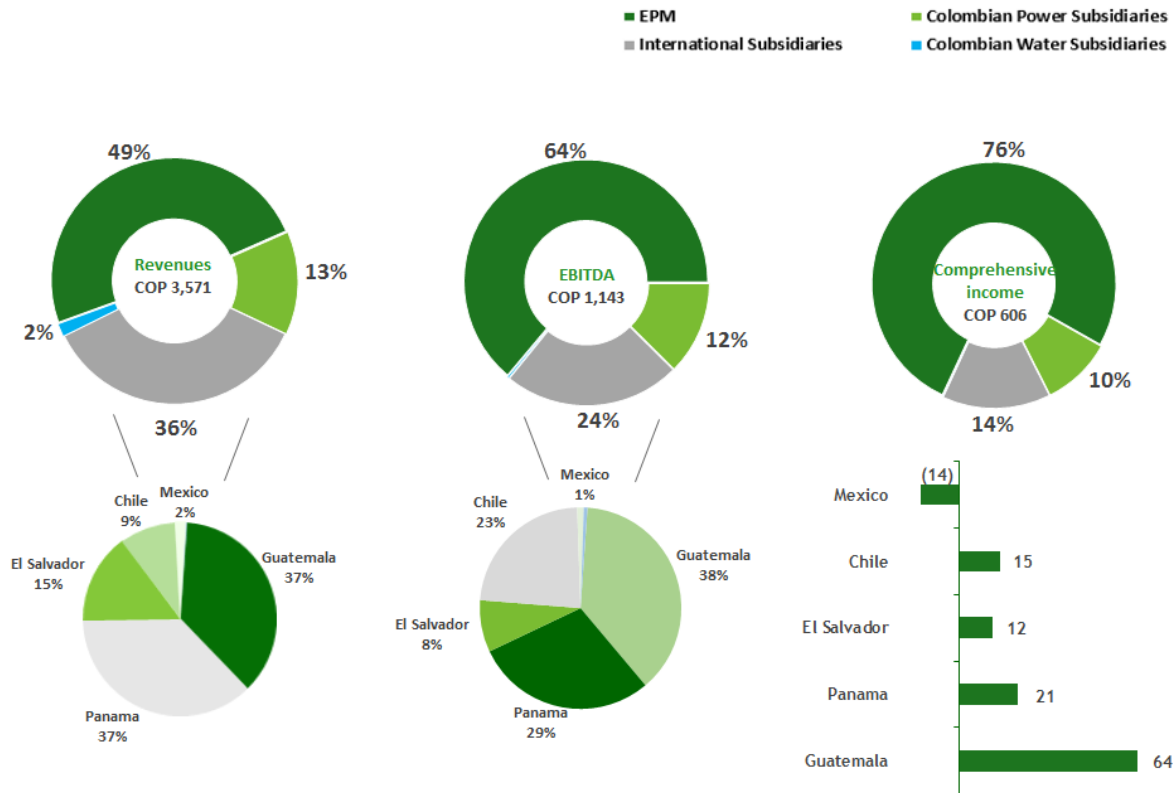
The comprehensive income for the period was COP 606 thousand million, an increase of COP 473 thousand million or 358% with respect last year due mainly to higher operating income in the amount of COP 594 thousand million. Net margin was 17%, 14 percentage points up on 2016.

Concept	2016	2017	% Var.	2017 USD*
Net Revenues	3,832,585	3,570,619	(7)	1,240
Costs and administrative expenses	3,508,521	2,652,944	(24)	921
Exchange differences	194,479	79,149	N.A.	27
Financial results, net	(137,539)	(183,934)	34	(64)
Investment results, net	(18,866)	59,181	(414)	21
Profit before taxes	362,138	872,071	141	303
Income tax provision	230,465	259,978	13	90
Regulatory accounts, net	474	(6,547)	N.A.	(2)
Comprehensive Income for the period	132,148	605,546	358	210
Other Comprehensive Income	248,600	119,209	(52)	41
Total Comprehensive Income for the year	380,748	724,754	90	252
Minority Interest	33,529	38,321	14	13
Total Comprehensive Income for the year attributable to owners of the company	347,219	686,434	98	238

Figures in COP million

*Figures in COP were converted to USD at an exchange rate of COP/USD 2,880,24 (Mar.31, 2017).

2.2 FINANCIAL RESULTS BY COLOMBIAN AND INTERNATIONAL SUBSIDIARIES



Figures in COP thousand million

Of the Group's total revenue, Colombia accounts for 64% and foreign subsidiaries for 36%.

EPM parent company contributed with 49%, 9% less than same period of last year. This decrease is explained by the **Power Generation segment** which had lower sales in the spot market for COP 126 thousand million due to the decline in price (rate of COP 131/KWh in 2017 vs. COP 678/KWh in 2016) and despite the increase in GWh (493 GWh in 2017 vs. 341 GWh in 2016); other causes are the COP 12 thousand million lower AGC Services given that these services are settled at the spot price and the COP 62 thousand million reimbursement of the Reliability Charge due to the increased generation in 2017 under the La Niña effects.

The Gas Segment's commercialization revenue dropped by COP 59 thousand million with a decline in the secondary market of COP 80 thousand million due to the decrease in tariffs and amounts, in contrast with 2016 where sales to thermal power plants increased as a result of the El Niño phenomenon (tariff of COP 403/m³ and 30,473 m³ in 2017 vs. tariff of COP 691/m³ and 132,187 m³ in 2016).

International Subsidiaries in turn contributed with 36% of revenue, 4% down on same period of 2016 as a result of the translation effect due to lower exchange rate in 2017. Regarding the subsidiaries, we highlight the following:

- DECA Group in Guatemala and ENSA in Panama posted growth rates of 4% and 19% respectively, due basically to higher international oil prices.
- ADASA in Chile posted 11% growth explained mainly by the 33% increase in m³ consumed in the unregulated market.
- The Cururos Subsidiary in Chile posted 35% decline due to lower power generation caused by less winds.
- TICSA in Mexico dropped by 17% due to the termination of construction projects in 2016: Tuxtla PTAR, Piedras Negras, among others.

Colombian Power Subsidiaries on the other hand contributed with 13%, 10% down; here we underscore: ESSA with COP 19 thousand million due to lower sales in the spot market for COP 13 thousand million (tariff of COP 115/KWh and 5 GWh in 2017 vs. COP 644/KWh and 22 GWh in 2016); CENS with COP 9 thousand million explained by the lower revenue in the regulated market (-17.8 GWh); and CHEC with COP 8 thousand million due to lower sales in the Power Generation Segment given that there has been no dispatch at Termodorada power plant.

The remaining 2% corresponds to the **Water Subsidiaries in Colombia** with 14% increase with respect to same period of last year.

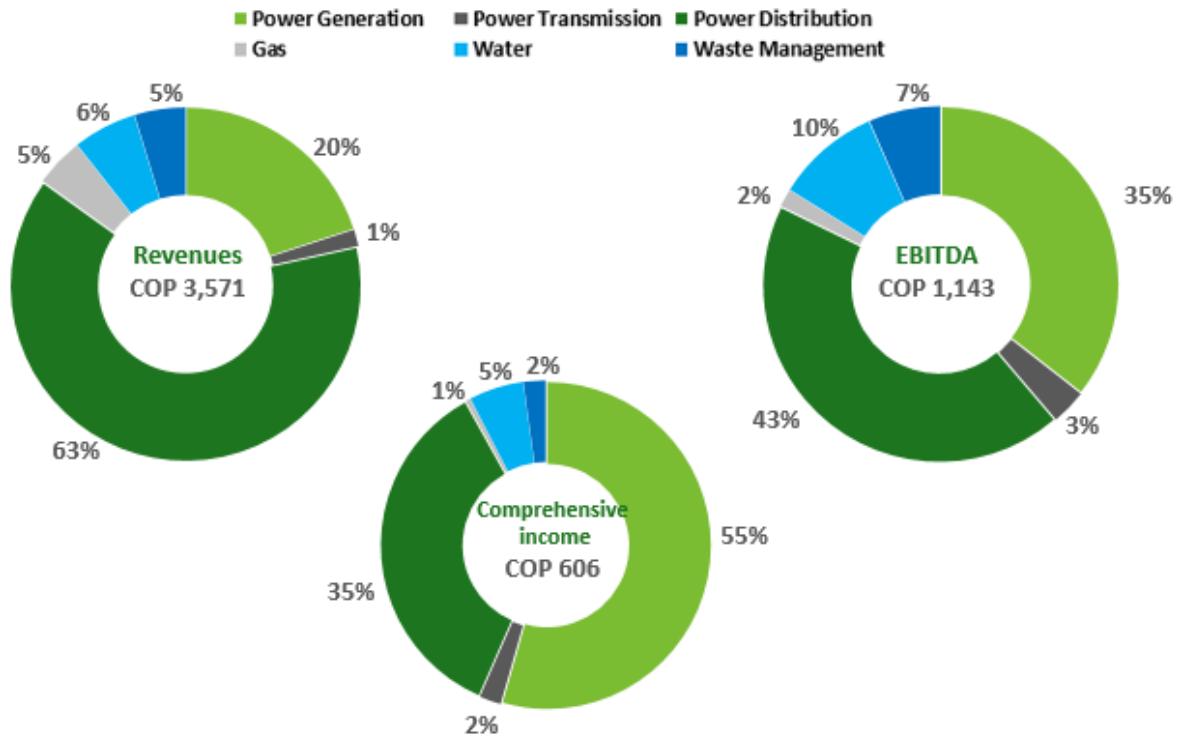
As to EBITDA, the Group's Colombian companies account for 76% and foreign companies for 24%.

- **EPM parent company** accounted for 64% of EBITDA, COP 562 thousand million and 328% more than last year mainly due to the contribution of the **Power Generation Segment** for COP 504 thousand million and the **Power Distribution Segment** for COP 59 thousand million. These results contrast with last year's when commercial operation costs were higher as a result of the impact of the El Niño phenomenon, the higher purchases to compensate the loss at the Guatapé generation plant, and the higher consumption and transport of gas and diesel fuel due to increased generation at La Sierra thermal plant.
- **Colombian Power Subsidiaries** accounted for 12% with 45% growth with respect to last year due to the increased costs of commercial operation during the first quarter of 2016 of Termobarranca and Termodorada thermal plants in order to meet the effects of the El Niño phenomenon.
- **International Subsidiaries** contributed with 24% to the Group's EBITDA, 10% down on same period a year ago.

Regarding net income, we would like to draw attention to:

- Decrease in revenue of COP 262 thousand million.
- Decrease in costs and expenses of COP 856 thousand million.
- Decrease in net revenue of COP 115 thousand million, due to foreign exchange effects.

2.3 FINANCIAL RESULTS BY SEGMENTS



Figures in COP thousand million

With regard to the results by segments:

- **Energy services** accounted for 84% of the Group's revenue, 81% of EBITDA, and 92% of net income.

In revenue, the Power Distribution and Power Generation segments stood out with 63% and 20% participation, respectively.

- **Fuel gas services** participated with 5% of the Group's revenue, 2% of EBITDA and 2% of net income.
- **Water supply services** accounted for 6% of the Group's revenue, 10% of EBITDA, and 5% of net income.
- **Sanitation and cleaning services** accounted for 5% of the Group's revenue, 7% of EBITDA, and 2% of net income.

2.4 STATEMENT OF FINANCIAL POSITION

Financial Position	2017	2016	% Var.	2017 USD
Assets				
Current	4,776,478	5,221,494	(9)	1,658
No Current	38,266,611	37,732,776	1	13,286
Total assets	43,043,090	42,954,270	0	14,944
Liabilities				-
Current	6,402,670	5,562,500	15	2,223
No Current	17,222,822	17,608,464	(2)	5,980
Total Liabilities	23,625,491	23,170,964	2	8,203
Equity	19,417,598	19,783,306	(2)	6,742

Figures in COP million

*Figures in COP were converted to USD at an exchange rate of COP/USD 2,880.24 (Mar.31, 2017).

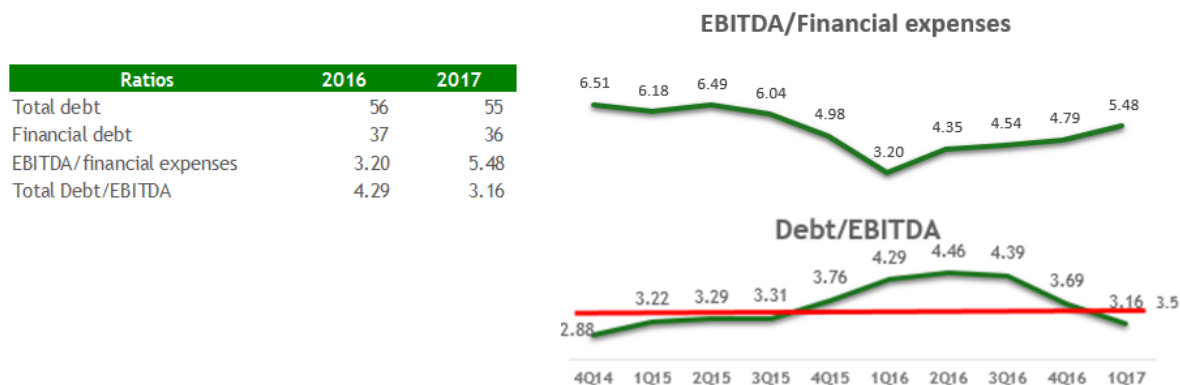
As to the balance sheet we have:

Equity totaled **COP 19.4 billion**, 2% down due to the recognition of surpluses to the Medellin Municipality for COP 1 billion (COP 550 thousand million regular surpluses and COP 459 thousand million special surpluses). As of March, COP 250 thousand million have been paid.

Liabilities amounted to **COP 23.6 billion**, 2 % up on last year; here the increase in surpluses to be paid to the Municipality during 2017 needs to be highlighted.

The Group's **total assets** amounted to **USD 43 billion** with COP 89 thousand million increase.

Regarding ratios:



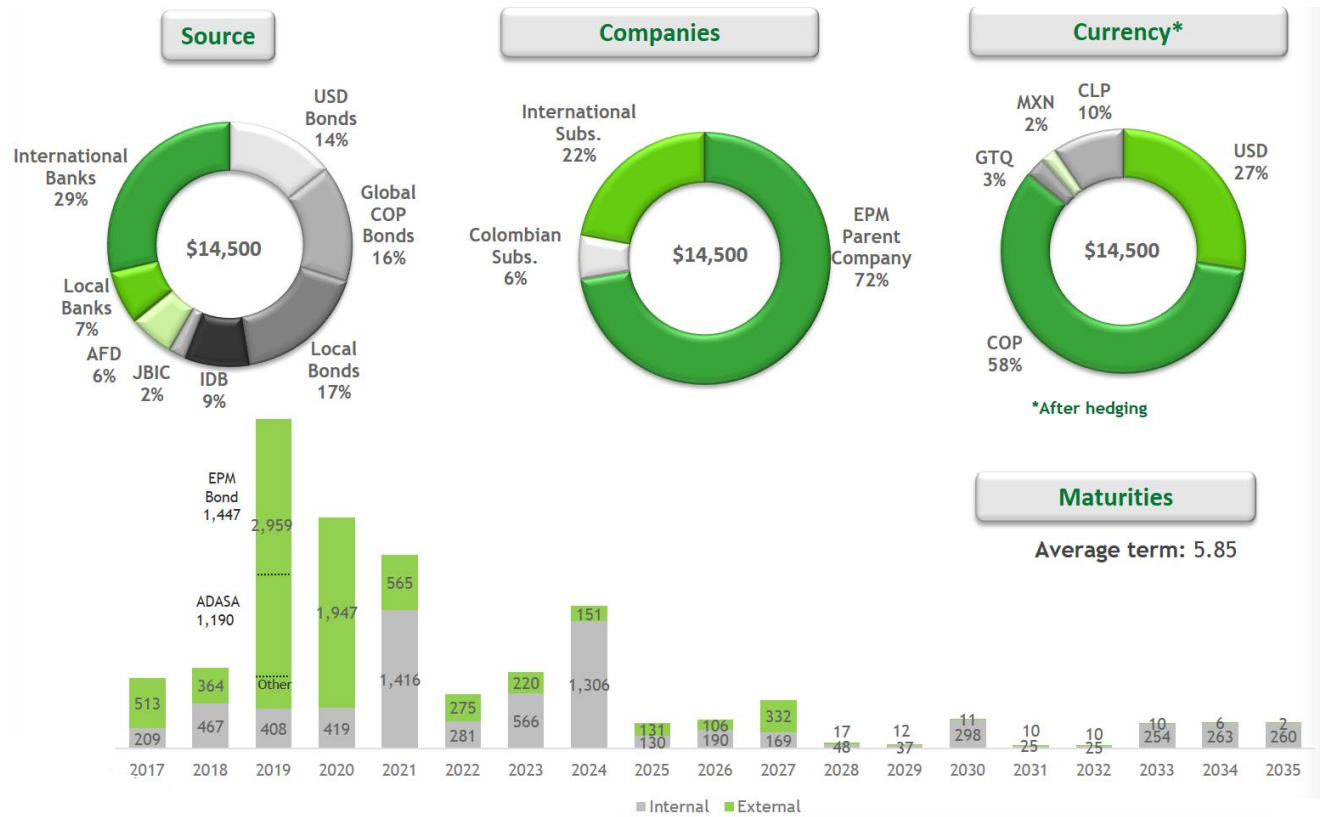
As to debt coverage ratios:

The Group's Total Debt / Total Assets fell one percentage point with respect to 2016.

As to **debt coverage ratios**:

- EBITDA/Financial expenses was 5.48.
- Debt/EBITDA was 3.16, better than that of 2016 (4.29) and 0.79 above the goal of 3.5.

2.5 DEBT PROFILE



The debt of EPM Group totaled COP 14.5 billion. As to financing source, 24% of debt corresponds to domestic debt, 16% to Pesos-denominated foreign debt, and 60% to foreign debt hired in other currencies.

Of EPM Group's total debt 72% belongs to EPM parent company.

As to Natural hedging, from inter-company loans granted to international subsidiaries with revenue linked to the US Dollar, EPM has a balance of USD 216 million.

At the quarter's close, accumulated foreign-exchange financial hedges totaled USD 715 million. Swap transactions for USD 296 million were closed during the period, at average exchange rate of COP 2,861, of which, USD 155 million minimize exchange risk during five years.

As to maturities, EPM parent company holds three international bond issues maturing in 2019, 2021 and 2024. Years 2019 and 2020 correspond to loans with international banking (ADASA – loan with Scotia Bank and Banco del Estado for USD 408 million and EPM's Club Deal loan for USD 560 million). 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.

2.6 SIGNED CREDIT CONTRACTS – AMOUNT TO BE DISBURSED USD 722 MILLION

Figures in USD million

<div style="background-color: #008000; color: white; padding: 5px; text-align: center; width: 100px; height: 40px; margin-bottom: 10px;">EDC</div>	<p>Amount: USD 300 MM Balance to be disbursed: USD 300 MM Availability period: 1 year Until: 4-Aug-2017 (*) Initial tenor: 5 years (*) (*) Amendment under negotiation for an extension of one year more. Use of proceeds: 45% Ituango Project - 55% Investment Plan.</p>	<div style="background-color: #008000; color: white; padding: 5px; text-align: center; width: 100px; height: 40px; margin-bottom: 10px;">CAF</div>	<p>Amount: USD 200 MM Balance to be disbursed: USD 200 MM Availability period: 2 years Until: 3-Oct-2018 Tenor: 18 years Use of proceeds: Investment Plan.</p>
<div style="background-color: #008000; color: white; padding: 5px; text-align: center; width: 100px; height: 40px; margin-bottom: 10px;">BID 2120</div>	<p>Amount: USD 450 MM Balance to be disbursed: USD 120 MM Availability period: 9 years Until: 22-Sep-2018 Tenor: 25 years Use of proceeds: Aguas Claras Park-Waste-Water Treatment Plant in Bello.</p>	<div style="background-color: #008000; color: white; padding: 5px; text-align: center; width: 100px; height: 40px; margin-bottom: 10px;">BNDES</div>	<p>Amount: USD 112 MM Balance to be disbursed: USD 102 MM Availability period: 6.5 years Until: Dec-2022 Tenor: 23.5 years Use of proceeds: turbines and generators for the Ituango Project.</p>

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 March 31, 2017 and 2016

Amounts stated in millions of Colombian pesos

	Notes	2017	2016
Continued operations			
Sale of goods	11	4,030	21,765
Rendering of services	11	3,496,454	3,727,264
Leases	11	16,131	15,085
Other income	12	53,871	65,545
Income from ordinary activities		3,570,486	3,829,659
Profit in sale of assets	11	133	2,926
Total income		3,570,619	3,832,585
Costs for rendering services	13	(2,298,949)	(3,077,186)
Administration expenses	14	(317,970)	(387,181)
Impairment loss recognised on trade receivables		(19,916)	(18,274)
Other expenses	15	(16,109)	(25,880)
Financial income	16.1	69,785	87,183
Financial expenses	16.2	(253,718)	(224,722)
Net exchange difference	17	79,149	194,479
Equity method in associates and joint business		10,129	(53,963)
Dividends on equity instruments		49,053	35,096
Profit before tax		872,073	362,137
Income tax expense		(259,978)	(230,465)
Profit for the period before net movement in balances of deferred regulatory accounts		612,095	131,672
Net movement in balances of net regulatory accounts related to the result of the period		(9,396)	956
Net movement in deferred tax related to deferred regulatory accounts related to the results of the period		2,848	(482)
Profit for the period and net movement in balances of deferred regulatory accounts		605,547	132,146
Other comprehensive income, net of taxes			
Items that will not be reclassified subsequently to the result of the period:			
New measurements of defined benefit plans		6,146	(390)
Equity investments measured at fair value through equity		182,429	324,165
Income tax related to components that will not be reclassified		(18,242)	(24,938)
		170,333	298,837
Items that may be reclassified subsequently to the result of the period:			
Cash flow hedging		(12,620)	-
Result recognized of the period		(102,558)	-
Reclassification adjustment		89,939	-
Exchange differences for conversion of business abroad		(61,668)	(50,237)
Profit (loss) recognized in the period		(61,668)	(50,237)
Income tax related to the components that can be reclassified		23,163	-
		(51,125)	(50,237)
Other comprehensive income, net of taxes		119,208	248,600
Total comprehensive income for the period		724,755	380,746
Profit for the period attributable to:			
Owners of the company		567,252	98,641
Non controlling interest		38,295	33,505
		605,547	132,146
Total comprehensive income attributable to:			
Controlling interests		686,434	347,217
Non controlling interests		38,321	33,529
		724,755	380,746

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of March 31, 2017 and December 31, 2016

Amounts stated in millions of Colombian pesos

	Notes	March 2017	December 2016
Assets			
Non current assets			
Properties, plant and equipment, net	7	28,732,666	28,266,110
Investment properties		115,106	124,589
Goodwill		2,860,469	2,918,817
Other intangible assets		1,796,487	1,870,379
Investments in associates		1,836,438	1,826,273
Investments in joint ventures		93	93
Deferred tax assets		203,051	188,293
Trade and other accounts receivables		830,434	816,128
Other financial assets		1,780,750	1,602,495
Other assets		105,233	103,786
Total non current assets		38,260,727	37,716,963
Current assets			
Other intangible assets		3,631	-
Inventories		389,868	393,861
Trade and other accounts receivable		2,554,525	2,522,136
Current tax assets		171,954	139,582
Other financial assets		324,816	758,094
Other assets		210,360	213,322
Cash and cash equivalents		1,121,325	1,194,499
Total Current assets		4,776,479	5,221,494
Total assets		43,037,206	42,938,457
Debit balances of deferred regulatory accounts		5,884	15,813
Deferred tax assets related to balances of deferred regulatory accounts		-	-
Total assets and debit balances of deferred regulatory accounts		43,043,090	42,954,270

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of March 31, 2017 and December 31, 2016

Amounts stated in millions of Colombian pesos

	Notes	March 2017	December 2016
Liabilities and Equity			
Equity			
Capital		67	67
Premium on placement of shares		(25,014)	(25,014)
Treasury shares		-	-
Reserves		3,636,820	3,604,789
Other comprehensive income		2,559,399	2,440,216
Retained earnings		11,918,089	11,235,786
Profit for the period		567,252	1,724,000
Equity attributable to controlling interests		18,656,613	18,979,844
Non controlling interests		760,986	803,461
Total equity		19,417,599	19,783,305
Liabilities			
Non current liabilities			
Credits and loans	9	12,402,784	12,954,621
Trade and other payables		470,664	329,791
Other financial liabilities		561,832	534,823
Employee benefits		837,616	826,621
Deferred tax liabilities		2,526,985	2,488,658
Provisions	10	294,396	335,552
Other liabilities		126,779	133,654
Total non current liabilities		17,221,056	17,603,720
Current liabilities			
Credits and loans	9	2,081,477	1,893,387
Trade and other payables		2,785,746	2,328,612
Other financial liabilities		387,394	358,961
Employee benefits		209,365	219,485
Income tax payable		266,231	132,305
Taxes contributions and rates payable		159,973	164,618
Provisions	10	292,820	279,209
Other liabilities		219,664	185,924
Total current liabilities		6,402,670	5,562,501
Total liabilities		23,623,726	23,166,221
Deferred tax liabilities related to balances of deferred regulatory accounts		1,765	4,744
Total liabilities and credit balances of deferred regulatory accounts		23,625,491	23,170,965
Total liabilities and equity		43,043,090	42,954,270

First Quarter 2017 Financial Report

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P. AND SUBSIDIARIES INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the periods from January 1 to March 31, 2017 and 2016

Amounts stated in millions of Colombian pesos

	2017	2016
Cash flows for operating activities:		
Profit of the period attributable to controlling interests	605,547	98,643
Adjustments to reconcile the net profit for the period to the net cash flows used in operating activities:		
Depreciation and amortization of properties, plant and equipment and intangible assets	230,711	219,891
Impairment of property, plant and equipment and intangibles	-	17
Impairment of financial instruments	19,916	18,274
Reversal of loss for impairment of financial instruments	(20,435)	(783)
Profit for exchange difference, net	(79,149)	(107,977)
Loss for valuation of financial instruments and hedge accounting	29,590	174,773
Provisions, post-employment and long term defined benefit plans	12,822	29,418
Government subsidies applied	(255)	(277)
Deferred income tax	35,328	138,534
Current income tax	224,650	87,494
Participation in the profit (loss) of investments in associates and joint business	(10,128)	53,963
Interest income	(45,529)	(56,404)
Interest expense	206,865	37,399
Loss for disposal of properties, plant and equipment, intangibles and investment properties	307	14,599
Profit for disposal of financial instruments	(21)	-
Profit for disposal of non-current assets held for sale and other assets	-	(2,926)
Non-controlling interests	-	33,505
Dividends from investments	(49,032)	(35,096)
Other income and expenses not effective	(5,372)	(397,257)
	1,155,815	305,790
Net changes in operating assets and liabilities:		
Decrease /(increase) in inventories	3,983	(7,883)
(Increase)/decrease in debtors and other accounts receivable	(109,738)	271,802
Increase in other assets	(30,421)	(47,504)
(Decrease) / Increase in creditors and other accounts payable	(156,102)	86,069
Decrease in labor obligations	(5,801)	(22,888)
(Decrease)/Increase in provisions	(40,250)	-
Increase/(decrease) in other liabilities	42,780	(48,903)
	(336,507)	(364,542)
Interest paid	(356,107)	(364,542)
Income tax paid and equity tax	(111,060)	(70,297)
	(467,167)	(434,839)
Net cash flows originated by operating activities	393,099	101,644
Cash flows for investment activities:		
Disposal of subsidiaries or business	-	(5,871)
Acquisition of property, plant and equipment	(751,731)	(851,253)
Disposal of property, plant and equipment	9,135	2,926
Acquisition of intangible assets	(7,299)	(3,930)
Disposal of intangible assets	21	-
Acquisition of investments in financial instruments	-	(79,973)
Disposal of investments in financial instruments	288,208	277
Interest received	-	56,404
Dividends received from subsidiaries, associates and joint business	-	1
Other cash flows from investment activities	339,637	12,597
	(122,029)	(868,822)
Cash flows for financing activities:		
Obtaining of public credit and treasury	291,598	1,437,287
Payments of public credit and treasury	(270,322)	(597,421)
Transaction costs for issuance of debt instruments	(3,883)	-
Payments of liabilities for financial leasing	(219)	(298)
Dividends or surpluses paid	(250,000)	(186,982)
Dividends or surplus paid to non-controlling interests	(63,902)	-
Capital Subsidies	-	63
Other cash flows from financing activities	(40,122)	-
	(336,850)	652,649
Net cash flows (used) / originated by financial activities	(65,780)	(114,529)
Effects of variations in exchange rates in the cash and cash equivalents	(7,394)	13,994
Cash and cash equivalent at the beginning of period	1,194,499	1,338,626
Cash and cash equivalent at the end of the period	1,121,325	1,238,091
Restricted resources	190,729	200,462