

# EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

## Statement of comprehensive income

For the period from January 1 and September 30, 2015 and 2014; and the three months ended September 30, 2015 and 2014

(Amounts stated in millions of Colombian pesos)

	2015	2014	2015	2014
	September	September	For the three months ended September 30	For the three months ended September 30
<b>Continuing operations</b>				
Rendering of services	4,684,051	4,239,115	1,664,916	1,453,849
Lease	23,626	23,878	7,947	7,836
<b>Net revenues</b>	<b>4,707,677</b>	<b>4,262,993</b>	<b>1,672,863</b>	<b>1,461,685</b>
Cost of sales	(2,628,576)	(2,299,866)	(1,007,834)	(773,725)
Other revenues	1,456,575	245,645	1,155,255	139,011
Administrative expenses	(609,962)	(460,430)	(203,597)	(164,199)
Other expenses	(588,381)	(65,974)	(552,631)	(12,741)
Financial revenues	230,933	175,559	121,837	(2,264)
Financial expenses	(1,498,871)	(521,484)	(960,394)	(209,371)
Equity Investments effects	392,423	1,299,509	(15,223)	986,835
<b>Profit before taxes</b>	<b>1,461,818</b>	<b>2,635,952</b>	<b>210,276</b>	<b>1,425,231</b>
Income tax provision	(293,710)	(410,024)	(68,708)	(147,842)
<b>Profit for the year from continuing operations</b>	<b>1,168,108</b>	<b>2,225,928</b>	<b>141,568</b>	<b>1,277,389</b>
<b>Profit for the year</b>	<b>1,168,108</b>	<b>2,225,928</b>	<b>141,568</b>	<b>1,277,389</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified subsequently to profit or loss</b>				
Remeasurement of defined benefit obligation	(6,667)	1,752	(5,863)	(709)
Equity investments measured at fair value through equity	(197,126)	(160,957)	31,881	(115,197)
Income tax relating to items that will not be reclassified subsequently to	(1,418)	(14,843)	(1,423)	121
	(205,211)	(174,048)	24,595	(115,785)
<b>Items that may be reclassified subsequently to profit or loss</b>				
Cash flow hedges	-	(935)	23,080	(3,698)
Profit (loss) recognized for the of the period	-	1,482	(23,323)	33,866
Reclassification adjustment	-	(2,417)	46,403	(37,564)
Income tax related with the components that may be reclassified	2,821	8,203	26,335	-
	2,821	7,268	49,415	(3,698)
<b>Other comprehensive income, net of income tax</b>	<b>(202,390)</b>	<b>(166,780)</b>	<b>74,010</b>	<b>(119,483)</b>
<b>Total comprehensive income for the year</b>	<b>965,718</b>	<b>2,059,148</b>	<b>215,578</b>	<b>1,157,906</b>

**JUAN ESTEBAN CALLE RESTREPO**

Chief Executive Officer

**DIANA RÚA JARAMILLO**

Chief Financial Officer

**CARLOS MARIO TOBÓN OSORIO**

Accountant

T.P 62449-T

# EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

## Statement of Financial Position

At september 30 and december 31, 2015 and 2014

(Amounts stated in millions of Colombian pesos)

	2015	2014
	September	December
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	17,856,416	16,611,956
Investment property	138,212	138,212
Goodwill	260,950	260,950
Other intangible assets	228,349	234,576
Investments in subsidiaries	5,464,413	4,786,511
Investments in associates	2,431,939	2,431,939
Trade and other receivables	2,161,714	1,105,973
Other financial assets	2,270,503	2,437,551
Other assets	77,609	77,059
<b>Total non-current assets</b>	<b>30,890,105</b>	<b>28,084,727</b>
<b>Current assets</b>		
Inventories	94,282	107,518
Trade and other receivables	1,657,501	1,102,549
Amounts due from customers under construction contracts	-	2,549
Advance payments	42,081	24,436
Income tax asset	28,880	-
Other financial assets	219,413	1,793,824
Other assets	116,619	108,659
Cash and cash equivalent	543,487	284,923
<b>Total current assets</b>	<b>2,702,263</b>	<b>3,424,458</b>

<b>Total assets</b>	<b>33,592,368</b>	<b>31,509,185</b>
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#### Liabilities and equity

##### Equity

Capital	67	67
Reserves	3,452,499	3,093,359
Comprehensive income for the year	1,652,369	1,854,759
Retained earnings	12,231,134	10,173,991
Profit for the year	1,168,108	2,472,421
	<b>18,504,177</b>	<b>17,594,597</b>

<b>Total equity</b>	<b>18,504,177</b>	<b>17,594,597</b>
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##### Non-current liabilities

Borrowings	8,737,039	7,711,595
Other financial liabilities	-	12,032
Provisions	402,218	372,724
Retirement benefit obligation	484,644	430,367
Deferred tax liabilities	2,064,809	1,951,336
Advance payments	3,632	874
Other liabilities	250,971	234,811
<b>Non-current liabilities</b>	<b>11,943,313</b>	<b>10,713,739</b>

##### Current liabilities

Accounts payable	942,943	1,531,447
Amount due to customers under construction contracts	17,980	13,834
Borrowings	1,694,948	976,854
Other financial liabilities	-	8,913
Income tax	(35,349)	154,359

Advance payments	33,236	27,710
Provisions	41,334	37,011
Other liabilities	449,786	450,721
	<u>3,144,878</u>	<u>3,200,849</u>
<b>Total current liabilities</b>	<u><b>3,144,878</b></u>	<u><b>3,200,849</b></u>
<b>Total liabilities</b>	<u><b>15,088,191</b></u>	<u><b>13,914,588</b></u>
<b>Total liabilities and equity</b>	<u><b>33,592,368</b></u>	<u><b>31,509,185</b></u>

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# EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

## Statement of Cash Flow

From January 1 to September 30, 2015 and 2014  
(Amounts stated in millions of Colombian pesos)

	2015 September	2014 September
<b>Cash flows from operating activities</b>		
<b>Net income</b>	<b>1,168,108</b>	<b>2,225,928</b>
<b>Adjustments for:</b>	1,119,779	(167,713)
Depreciation and amortisation of property, plant and equipment	336,289	322,965
Impairment of property, plant and equipment and intangible assets	-	329
Impairment of financial instruments	(5,488)	(1)
Impairment of investments in subsidiaries, jointly controlled entities and associates	15,223	-
Reversal of impairment of financial instruments	47	6,704
Foreign exchange gain (loss)	688,568	124,261
Gain (Loss) of valuation of financial instrumentos and cash flow hedges	259,128	327,878
Provisions and pension plan	30,520	1,134
Deferred income tax	114,876	88,085
Tax expense	178,834	321,939
Finance income	(127,863)	(95,944)
Dividends	(407,646)	(1,399,538)
Other incomes and expenses	37,291	134,475
	<b>2,287,887</b>	<b>2,058,215</b>
<b>Changes in operational concepts:</b>		
Variance in inventories	13,236	4,990
Variance in receivables	(621,954)	(159,368)
Variance in other assets	(50,332)	91,663
Variance in accounts payable	(294,522)	(166,233)
Variance in labor obligations	22,762	18,469
Variance in provisions	(8,679)	(21,052)
Variance in other liabilities	2,373	3,329
	<b>(937,116)</b>	<b>(228,202)</b>
Interes paid	(545,178)	(347,092)
Income taxes paid	(435,984)	(64,960)

<b>Net cash flows from operating activities</b>	<b>369,609</b>	<b>1,417,961</b>
Cash flows from investing activities:		
Acquisition of subsidiary	(687,919)	(69,572)
Disposal of subsidiary	-	2,465,040
Purchases of property, plant and equipment	(1,561,066)	(1,075,059)
Disposal of property, plant and equipment	13,743	10,930
Purchase of intangibles	(13,003)	(10,936)
Acquisition of jointly controlled entities and associates	-	(2,342,488)
Acquisition of financial instruments	(13,180)	(797,268)
Disposal of financial instruments	1,758,702	30,528
Interest received	121,261	92,049
Dividends received from subsidiary companie	309,576	1,451,016
Other dividends received	78,361	52,669
Other incomes and expenses	(14,197)	4,674
<b>Net cash used in investing activities</b>	<b>(7,722)</b>	<b>(188,417)</b>
Cash flows from financing activities:		
Disbursement public credit and treasury	1,516,385	1,744,367
Capital amortizations	(930,646)	(532,613)
Leasing payments	(565)	(518)
Payments of surplus to the Municipality of Medellín	(765,880)	(1,998,855)
<b>Net cash flows from financing activities</b>	<b>(180,706)</b>	<b>(787,619)</b>
<b>Increase of cash and cash equivalents, net</b>	<b>181,181</b>	<b>441,925</b>
Effect of exchange rate fluctuations of cash held	77,383	25,803
Cash and cash equivalents at beginning of period	284,923	351,023
<b>Cash and cash equivalents at period end</b>	<b>543,487</b>	<b>818,751</b>

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