



EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

**INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION**

Periods ended as of September 30, 2017 and December 31, 2016

Figures expressed in millions of Colombian pesos

	Notes	September 2017	December 2016
<b>Assets</b>			
<b>Non-current assets</b>			
Properties, plant and equipment, net	7	22,314,577	20,729,952
Investment properties		107,448	116,628
Goodwill		260,950	260,950
Other intangible assets		376,554	277,110
Investments in subsidiaries *	8	6,168,475	6,043,104
Investments in associates		2,434,417	2,434,417
Investments in a joint ventures		99	99
Trade and other accounts receivable		1,755,703	1,961,386
Other financial assets		1,948,518	1,522,810
Other assets		101,392	87,717
<b>Total non-current assets</b>		<b>35,468,133</b>	<b>33,434,173</b>
<b>Current assets</b>			
Inventories		108,336	115,080
Trade and other accounts receivable		1,640,946	1,365,826
Current tax assets		345	-
Other financial assets		262,078	379,000
Other assets		142,746	86,953
Cash and cash equivalents		203,519	519,078
<b>Total Current assets</b>		<b>2,357,970</b>	<b>2,465,937</b>
<b>Total assets</b>		<b>37,826,103</b>	<b>35,900,110</b>
<b>Liabilities and Equity</b>			
<b>Equity</b>			
Capital		67	67
Reserves		2,951,644	3,087,207
Other comprehensive income		2,745,441	2,378,296
Retained earnings		13,293,321	12,932,194
Profit for the year		1,378,344	1,834,792
Other components of equity		50,111	51,626
<b>Total equity</b>		<b>20,418,928</b>	<b>20,284,182</b>



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**INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION**

Periods ended as of September 30, 2017 and December 31, 2016

Figures expressed in millions of Colombian pesos

	Notes	September 2017	December 2016
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Credits and loans	9	10,497,905	9,532,101
Trade and other payables		28,315	30,275
Other financial liabilities		488,181	480,593
Employee benefits		296,910	254,884
Deferred tax liabilities		2,234,832	1,987,819
Provisions	10	179,750	209,296
Other liabilities		32,590	33,041
<b>Non-current liabilities</b>		<b>13,758,483</b>	<b>12,528,009</b>
<b>Current liabilities</b>			
Credits and loans	9	1,302,034	1,288,588
Trade and other payables		1,286,022	863,575
Other financial liabilities		325,674	304,518
Employee benefits		119,618	116,625
Income tax payable		115,301	55,665
Taxes contributions and rates payable		82,021	97,472
Provisions	10	189,396	220,762
Other liabilities		228,626	140,714
<b>Total current liabilities</b>		<b>3,648,692</b>	<b>3,087,919</b>
<b>Total liabilities</b>		<b>17,407,175</b>	<b>15,615,928</b>
<b>Total liabilities and equity</b>		<b>37,826,103</b>	<b>35,900,110</b>

Jorge Londoño De la Cuesta  
Chief Executive Officer

Jorge Andrés Tabares Ángel  
Chief Financial Officer

John Jaime Rodríguez Sosa  
Accountant  
T.P. 144842-T



EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

**INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME**

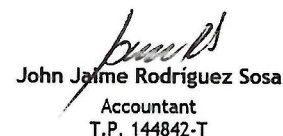
For the period from January 1 to September 30, 2017 and 2016

Figures expressed in millions of Colombian pesos

	Notes	2017	2016	For the three months ended September 30 2017	For the three months ended September 30 2016
<b>Continued operations</b>					
Rendering of services	11	5,202,408	5,259,004	1,791,789	1,759,615
Leases	11	34,210	26,220	11,690	9,165
Other Income	12	109,890	452,692	45,461	73,794
<b>Income from ordinary activities</b>		<b>5,346,508</b>	<b>5,737,916</b>	<b>1,848,940</b>	<b>1,842,574</b>
Profit in sale of assets	11	642	827	491	405
<b>Total income</b>		<b>5,347,150</b>	<b>5,738,743</b>	<b>1,849,431</b>	<b>1,842,979</b>
Costs for rendering services	13	(2,905,614)	(3,701,219)	(992,454)	(975,715)
Administration expenses	14	(529,153)	(675,048)	(167,271)	(205,139)
Impairment loss recognised on trade receivables		(19,728)	(27,815)	(8,086)	(21,903)
Other expenses	15	(32,860)	(26,188)	(22,338)	(8,951)
Financial income	16	177,699	197,663	61,078	72,180
Financial expenses	16	(555,466)	(506,101)	(208,980)	(189,178)
Net exchange difference	17	91,341	240,005	52,678	19,969
Participation in the profit or loss of subsidiaries		387,078	324,276	226,521	214,918
Equity method in associates and joint business		44,176	44,818	0	12,542
<b>Profit before tax</b>		<b>2,004,622</b>	<b>1,609,135</b>	<b>790,579</b>	<b>761,702</b>
Income tax		(626,279)	(431,754)	(282,849)	(118,781)
<b>Profit for the year after taxes of continued operations</b>		<b>1,378,344</b>	<b>1,177,380</b>	<b>507,730</b>	<b>642,921</b>
<b>Profit for the period</b>		<b>1,378,344</b>	<b>1,177,380</b>	<b>507,730</b>	<b>642,921</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified subsequently to the result of the period:</i>					
New measurements of defined benefit plans		6,265	11,993	(5,778)	4,516
Equity investments measured at fair value through equity		416,663	515,932	31,542	91,208
Income tax related to components that will not be reclassified		(41,664)	(22,438)	(3,153)	3,532
Equity method in subsidiaries		19,575	(46,231)	18,241	9,134
		400,839	459,256	40,852	108,390
<i>Items that may be reclassified subsequently to the result of the period:</i>					
<b>Cash flow hedging</b>					
Result recognized of the period		(14,921)	(40,934)	17,928	(64,165)
Reclassification adjustment		(112,133)	(126,083)	(107,114)	(110,375)
<b>Income tax related to the components that can be reclassified</b>					
Result recognized of the period		9,273	-	-	-
Reclassification adjustment		9,273	-	-	-
<b>Equity method insubsidiaries</b>					
Result recognized of the period		(27,896)	(158,729)	22,446	(93,666)
Reclassification adjustment		(27,896)	(158,729)	22,446	(93,666)
		(33,544)	(199,663)	40,374	(157,831)
<b>Other comprehensive income, net of taxes</b>		<b>367,295</b>	<b>259,593</b>	<b>81,226</b>	<b>(49,441)</b>
<b>Total comprehensive income for the period</b>		<b>1,745,639</b>	<b>1,436,973</b>	<b>588,956</b>	<b>593,480</b>

  
**Jorge Londoño De la Cuesta**  
 Chief Executive Officer

  
**Jorge Andrés Tabares Ángel**  
 Chief Financial Officer

  
**John Jaime Rodríguez Sosa**  
 Accountant  
 T.P. 144842-T



**EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.**  
**INTERIM CONDENSED SEPARATE STATEMENTS OF CHANGES IN THE EQUITY**

Periods ended on September 30, 2017 and 2016  
 Figures expressed in millions of Colombian pesos

	Other comprehensive income									
	Capital issued	Reserves	Retained earnings	Other components of equity	Equity investment	Defined benefits plans	Cash flow hedging	Reclassification of properties, plant and equipment to investment properties	Result of the year in other comprehensive income of subsidiaries	Total
Balance as of January 1, 2016	67	3,452,499	13,056,702	58,312	1,762,516	21,233	-	3,335	863,491	19,218,155
Profit for the period	-	-	1,177,380	-	-	-	-	-	-	1,177,380
Other comprehensive income of the year net of income tax	-	-	-	-	493,494	11,993	(40,934)	-	(204,960)	259,593
Comprehensive income for the period	-	-	1,177,380	-	493,494	11,993	(40,934)	-	(204,960)	1,436,973
Surpluses and dividends declared	-	-	(816,521)	-	-	-	-	-	-	(816,521)
Movement of reserves	-	(365,292)	365,292	-	(472,658)	-	-	-	-	-
Transfers to accumulated results	-	-	472,662	-	-	-	-	-	-	472,662
Balance as of September 30, 2016	67	3,087,207	14,255,515	58,312	1,783,352	33,226	(40,934)	3,335	658,527	19,838,607
Profit for the period	67	3,087,207	14,266,986	51,626	1,742,477	2,216	(11,904)	12,079	632,908	20,284,182
Other comprehensive income of the year net of income tax	-	-	1,378,344	-	374,999	6,285	(5,648)	-	(8,321)	1,378,344
Comprehensive income for the period	-	-	1,378,344	-	374,999	6,285	(5,648)	-	(8,321)	367,295
Surpluses and dividends declared	-	-	(1,607,136)	-	-	6,285	(5,648)	-	(8,321)	(1,609,136)
Movement of reserves	-	(135,563)	135,563	-	-	-	-	-	-	-
Participation in other components of equity of subsidiaries	-	-	(92)	(1,515)	-	-	-	-	(150)	(1,757)
Balance as of September 30, 2017	67	2,951,644	14,671,665	50,111	2,117,476	9,001	(17,552)	12,079	634,437	20,418,928

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EMPRESAS PÚBLICAS DE MEDELLÍN E. S. P.

**INTERIM CONDENSED SEPARATE STATEMENTS OF CASH FLOWS**


For the period from January 1 to September 30, 2017 and 2016

Figures expressed in millions of Colombian pesos

	Notes	2017	2016
<b>Cash flows for operating activities:</b>			
<b>Results of the period</b>			
		1,378,344	1,177,380
<b>Adjustments to reconcile the net result of the period to the net cash flows used in operating activities:</b>			
Depreciation and amortization of properties, plant and equipment and intangible assets	13 y 14	1,009,846	691,639
Impairment of financial instruments		370,327	350,492
Reversal of loss for impairment of financial instruments		19,728	27,815
(Profit) loss for exchange difference		(27,622)	(3,109)
(Profit) loss for valuation of financial instruments and hedge accounting		(76,815)	(200,047)
Provisions, post-employment and long term defined benefit plans		450,490	532,469
Deferred income tax		90,774	59,624
Current income tax		214,623	146,854
(Income) or interest expense		397,723	284,900
(Profit) loss for disposal of financial instruments		-	(155,504)
Dividends from investments		-	(12,542)
(Profit) loss for equity method		(44,157)	(32,433)
Other income and expenses not effective		(387,078)	(324,276)
		1,853	17,395
		<u>2,388,190</u>	<u>1,869,019</u>
<b>Movements in working capital:</b>			
(Increase)/decrease in inventories		6,744	(1,898)
(Increase)/decrease in debtors and other accounts receivable		(24,966)	(187,902)
(Increase)/decrease in other assets		(372,728)	(158,133)
Increase/(decrease) in creditors and other accounts payable		159,705	102,062
Increase/(decrease) in labor obligations		50,112	67,766
Increase/(decrease) in provisions		(98,951)	(56,294)
Increase/(decrease) in other liabilities		39,065	(192,232)
		<u>(241,019)</u>	<u>(426,631)</u>
Interest paid		(659,452)	(726,818)
Income taxes paid		(296,690)	(323,486)
<b>Net cash flows originated by operating activities</b>			
		<u>1,191,029</u>	<u>392,084</u>
<b>Cash flows for investment activities:</b>			
Acquisition of subsidiaries or business, net of cash acquired	8	(14,757)	(9,000)
Acquisition of property, plant and equipment		(1,911,921)	(1,668,558)
Disposal of property, plant and equipment		16,141	22,951
Acquisition of intangible assets		(27,845)	(13,528)
Disposal of intangible assets		1,585	-
Acquisition of investments in financial instruments		-	(66,486)
Disposal of investments in financial instruments		128,159	1,479,911
Dividends received from subsidiaries, associates and joint business		285,364	177,573
Other dividends received		22,086	16,218
Loans to related parties		58,047	9,759
Other cash flows from investment activities		(986)	184,216
<b>Net cash flows used by investment activities</b>			
		<u>(1,444,127)</u>	<u>133,056</u>
<b>Cash flows for financing activities:</b>			
Obtaining of public credit and treasury		1,513,075	2,025,778
Payments of public credit and treasury		(402,186)	(1,421,557)
Payments of liabilities for financial leasing		(672)	(616)
Dividends or surpluses paid		(1,105,235)	(670,375)
Other cash flows from financial activities	6	(83,569)	(19,740)
<b>Net cash flows (used) / originated by financial activities</b>			
		<u>(78,587)</u>	<u>(86,510)</u>
<b>Net cash and cash equivalents increase</b>			
Effects of variations in exchange rates in the cash and cash equivalents		(331,685)	438,630
Cash and cash equivalents at the beginning of period		16,126	5,636
<b>Cash and cash equivalents at the end of the period</b>			
		<u>203,519</u>	<u>931,448</u>
<b>Restricted resources</b>			
		<u>83,753</u>	<u>113,951</u>

  
**Jorge Londoño De la Cuesta**  
 General Manager

  
**Jorge Andrés Tabares Ángel**  
 Executive Vice President, Corporate Finance,  
 Risk and Investments

  
**John Jaime Rodríguez Sosa**  
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