



EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

**INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION**

As of March 31, 2018 and December 31, 2017

Amounts stated in millions of Colombian pesos

	Notes	March 2018	December 2017
<b>Assets</b>			
<b>Non current assets</b>			
Properties, plant and equipment, net	7	23,699,627	23,133,509
Investment properties		116,823	116,823
Goodwill		260,950	260,950
Other intangible assets		400,337	401,980
Investments in associates	8	6,706,030	6,823,153
Investments in a joint ventures		2,434,417	2,434,417
Deferred tax assets		99	99
Trade and other accounts receivables		1,902,884	2,006,350
Other financial assets		1,924,364	2,029,035
Other assets		95,910	99,130
<b>Total non current assets</b>		<b>37,541,441</b>	<b>37,305,446</b>
<b>Current assets</b>			
Inventories		111,661	116,484
Trade and other accounts receivable		1,688,335	1,523,523
Current tax assets		234,517	237,389
Other financial assets		48,132	63,024
Other assets		85,376	100,568
Cash and cash equivalents		337,389	234,526
<b>Total Current assets</b>		<b>2,505,410</b>	<b>2,275,514</b>
<b>Total assets</b>		<b>40,046,851</b>	<b>39,580,960</b>
<b>Liabilities and Equity</b>			
<b>Equity</b>			
Capital		67	67
Reserves		1,961,034	2,951,644
Other comprehensive income		2,844,591	2,926,924
Retained earnings		15,356,125	13,381,162
Profit for the year		595,510	2,188,189
Other components of equity		49,995	49,995
<b>Total equity</b>		<b>20,807,322</b>	<b>21,497,981</b>



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As of March 31, 2018 and December 31, 2017

Amounts stated in millions of Colombian pesos

		March	December
	Notes	2018	2017
<b>Liabilities</b>			
<b>Non current liabilities</b>			
Credits and loans	9	10,204,682	10,462,487
Trade and other payables		15,787	15,953
Other financial liabilities		534,207	488,247
Employee benefits		304,529	282,697
Deferred tax liabilities		2,345,445	2,321,376
Provisions	10	260,185	279,922
Other liabilities		32,409	32,499
<b>Total non current liabilities</b>		<b>13,697,244</b>	<b>13,883,181</b>
<b>Current liabilities</b>			
Credits and loans	9	2,561,072	1,984,843
Trade and other payables		2,067,168	1,363,774
Other financial liabilities		315,028	308,881
Employee benefits		131,864	131,817
Income tax payable		57,398	-
Taxes, contributions and rates payable		57,813	104,078
Provisions	10	176,568	172,173
Other liabilities		175,374	134,232
<b>Total current liabilities</b>		<b>5,542,285</b>	<b>4,199,798</b>
<b>Total liabilities</b>		<b>19,239,529</b>	<b>18,082,979</b>
<b>Total liabilities and equity</b>		<b>40,046,851</b>	<b>39,580,960</b>

The accompanying notes are an integral part of the financial statements

Jorge Londoño De la Cuesta  
Chief Executive Officer

Jorge Andrés Tabares Ángel  
Chief Financial Officer

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

## INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME

For the periods from January 1 to March 31, 2018 and 2017

Amounts stated in millions of Colombian pesos

	Notes	2018	2017
<b>Continued operations</b>			
Rendering of services	11	1,879,211	1,701,955
Leases	11	10,719	9,094
Other income	12	45,734	36,332
<b>Income from ordinary activities</b>		<b>1,935,664</b>	<b>1,747,381</b>
Profit in sale of assets	11	225	51
<b>Total income</b>		<b>1,935,889</b>	<b>1,747,432</b>
Costs for rendering services	13	(1,046,704)	(943,275)
Administration expenses	14	(153,864)	(181,495)
Impairment loss recognised on trade receivables		(9,188)	(4,242)
Other expenses	15	(8,212)	(2,146)
Financial income	16	66,849	60,532
Financial expenses	16	(191,920)	(183,911)
Net exchange difference	17	64,454	67,726
Share of profit of an subsidiaries	8	65,917	118,578
Dividends on equity instruments		64,478	44,172
<b>Profit before tax</b>		<b>787,699</b>	<b>723,371</b>
Income tax expense		(192,189)	(187,934)
<b>Result of the period after taxes of continued operations</b>		<b>595,510</b>	<b>535,437</b>
<b>Profit for the year</b>		<b>595,510</b>	<b>535,437</b>
<b>Other comprehensive income, net of taxes</b>			
<b>Items that will not be reclassified subsequently to the result of the year</b>			
New measurements of defined benefit plans		(517)	4,643
Equity investments measured at fair value through equity		(99,104)	182,429
Income tax related to components that will not be reclassified		(1,126)	(18,242)
Share of other comprehensive income of subsidiaries	8	125	198
		(100,622)	169,028
<b>Items that may be reclassified subsequently to the result of the year :</b>			
<b>Cash flow hedging</b>		<b>(6,223)</b>	<b>(11,089)</b>
Result recognized of the year		(101,761)	(101,028)
Reclassification adjustment		95,538	89,939
<b>Income tax related to the components that can be reclassified</b>		<b>36,251</b>	<b>22,719</b>
Result recognized of the year		36,251	22,719
<b>Share of other comprehensive income of subsidiaries</b>	8	<b>(11,996)</b>	<b>(60,018)</b>
Results arising during the year		(11,996)	(60,018)
		18,032	(48,388)
<b>Other comprehensive income, net of taxes</b>		<b>(82,590)</b>	<b>120,640</b>
<b>Total comprehensive income for the year</b>		<b>512,920</b>	<b>656,077</b>

The accompanying notes are an integral part of the financial statements



EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

**INTERIM CONDENSED SEPARATE STATEMENTS OF CHANGES IN THE EQUITY**

For the periods from January 1 to March 31, 2018 and 2017

Amounts stated in millions of Colombian pesos

	Other comprehensive income									Total
	Capital issued	Reserves	Retained earnings	Other components of equity	Equity Investment	Defined benefit plans	Cash flow hedging	Reclassification of properties, plant and equipment to investment properties	Share of other comprehensive income of subsidiaries	
<b>Balance as of January 1, 2017</b>	<b>67</b>	<b>3,087,207</b>	<b>14,766,986</b>	<b>51,626</b>	<b>1,742,477</b>	<b>2,736</b>	<b>(11,904)</b>	<b>12,079</b>	<b>632,908</b>	<b>20,284,182</b>
Profit for the period	-	-	535,437	-	-	-	-	-	-	535,437
Other comprehensive income of the period net of income tax	-	-	-	-	164,187	4,643	11,630	-	(59,820)	120,640
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>535,437</b>	<b>-</b>	<b>164,187</b>	<b>4,643</b>	<b>11,630</b>	<b>-</b>	<b>(59,820)</b>	<b>656,077</b>
Surpluses and dividends declared	-	-	(1,009,136)	-	-	-	-	-	-	(1,009,136)
Share of other comprehensive income of subsidiaries	-	-	1,606	-	-	-	-	-	(151)	1,455
<b>Balance as of March 31, 2017</b>	<b>67</b>	<b>3,087,207</b>	<b>14,294,893</b>	<b>51,626</b>	<b>1,906,664</b>	<b>7,379</b>	<b>(274)</b>	<b>12,079</b>	<b>572,937</b>	<b>19,932,578</b>
<b>Balance as of January 1, 2018</b>	<b>67</b>	<b>2,951,644</b>	<b>15,569,351</b>	<b>49,995</b>	<b>2,173,895</b>	<b>(7,357)</b>	<b>(8,669)</b>	<b>12,079</b>	<b>756,976</b>	<b>21,497,981</b>
Profit for the period	-	-	595,510	-	-	-	-	-	-	595,510
Other comprehensive income of the period net of income tax	-	-	-	-	(100,230)	(517)	30,028	-	(11,871)	(82,590)
<b>Comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>595,510</b>	<b>-</b>	<b>(100,230)</b>	<b>(517)</b>	<b>30,028</b>	<b>-</b>	<b>(11,871)</b>	<b>512,920</b>
Surpluses and dividends declared	-	-	(1,203,504)	-	-	-	-	-	-	(1,203,504)
Movement of reserves	-	(990,610)	990,610	-	-	-	-	-	-	-
Share of other comprehensive income of subsidiaries	-	-	(332)	-	-	-	-	-	257	(75)
<b>Saldo al 31 de marzo de 2018</b>	<b>67</b>	<b>1,961,034</b>	<b>15,951,635</b>	<b>49,995</b>	<b>2,073,665</b>	<b>(7,874)</b>	<b>21,359</b>	<b>12,079</b>	<b>745,362</b>	<b>20,807,322</b>

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EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

**INTERIM CONDENSED SEPARATE STATEMENTS OF CASH FLOWS**

For the periods from January 1 to March 31, 2018 and 2017

Amounts stated in millions of Colombian pesos

	Notes	2018	2017
<b>Cash flows for operating activities:</b>			
<b>Results of the period</b>			
		595,510	535,437
<b>Adjustments to reconcile the net result of the period to the net cash flows used in operating activities:</b>			
		508,837	607,827
Depreciation and amortization of properties, plant and equipment and intangible assets	13 y 14	126,582	124,075
Impairment of accounts receivable		9,188	4,242
Reversal of loss for impairment of accounts receivable		(18,287)	(15,676)
Result for exchange difference, net		173,644	(57,663)
Result for valuation of investment properties		1	-
Result for valuation of financial instruments and hedge accounting		143,395	185,097
Provisions, post-employment and long term defined benefit plans		13,084	18,910
Deferred income tax		59,193	36,790
Current income tax		132,996	408,678
Result for disposal of properties, plant and equipment, intangibles and investment properties		533	-
Dividends from investments		(64,478)	(43,943)
Result for equity method		(65,917)	(118,578)
Other income and expenses not effective		(1,097)	65,895
		<b>1,104,347</b>	<b>1,143,264</b>
<b>Movements in working capital:</b>			
Variation in inventories		4,823	1,149
Variation in debtors and other accounts receivable		(206,835)	39,988
Variation in other assets		(55,183)	(60,789)
Variation in creditors and other accounts payable		(32,490)	(346,056)
Variation in labor obligations		16,164	20,349
Variation in provisions		(14,679)	(15,485)
Variation in other liabilities		(42,326)	(80,136)
		<b>(330,526)</b>	<b>(440,980)</b>
Interest paid		(333,453)	(310,504)
Income taxes paid		(70,803)	(68,928)
<b>Net cash flows originated by operating activities</b>			
		<b>369,565</b>	<b>322,852</b>
<b>Cash flows for investment activities:</b>			
Acquisition of property, plant and equipment		(499,791)	(547,179)
Disposal of property, plant and equipment		-	115
Acquisition of intangible assets		(6,773)	(4,708)
Disposal of investments in financial instruments		(7,502)	289,192
Dividends received from subsidiaries, associates and joint business		20,400	28,318
Other dividends received		4	-
Loans to related parties		6,287	(8,623)
Other cash flows from investment activities		-	19,625
<b>Net cash flows used by investment activities</b>			
		<b>(487,375)</b>	<b>(223,260)</b>
<b>Cash flows for financing activities:</b>			
Obtaining of public credit and treasury		756,705	184,186
Payments of public credit and treasury		(97,352)	(197,642)
Transaction costs due to issuance of debt instruments		(1,449)	-
Payments of liabilities for financial leasing		(239)	(219)
Dividends or surpluses paid	6	(436,050)	(250,000)
Other cash flows from financial activities		-	(1,812)
<b>Net cash flows (used) / originated by financial activities</b>			
		<b>221,615</b>	<b>(265,487)</b>
<b>Net cash and cash equivalents increase</b>			
		<b>103,805</b>	<b>(165,895)</b>
Effects of variations in exchange rates in the cash and cash equivalents		(942)	(2,954)
Cash and cash equivalents at the beginning of period		234,526	519,078
<b>Cash and cash equivalents at the end of the period</b>			
		<b>337,389</b>	<b>350,229</b>
Restricted resources		<b>94,671</b>	<b>118,234</b>

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