

INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

As of September 30, 2018 and December 31, 2017

Amounts stated in millions of Colombian pesos



		September	December
	Notes	2018	2017
Assets			
Non current assets			
Properties, plant and equipment, net	7	24,631,360	23,133,509
Investment properties		77,035	116,823
Goodwill		260,951	260,950
Other intangible assets		454,547	401,980
Investments in associates	8	6,712,174	6,823,153
Investments in a joint ventures		2,434,417	2,434,417
Deferred tax assets		99	99
Trade and other accounts receivables		1,977,961	2,006,350
Other financial assets		2,037,864	2,029,035
Other assets		105,361	99,130
Total non current assets		38,691,769	37,305,446
Current assets			
Inventories		111,719	116,484
Trade and other accounts receivable		1,636,531	1,523,523
Current tax assets		(65,714)	237,389
Other financial assets		424,285	63,024
Other assets		149,218	100,568
Cash and cash equivalents		1,056,056	234,526
Total Current assets		3,312,095	2,275,514
Total assets		42,003,864	39,580,960
Liabilities and Equity			
Equity			
Capital		67	67
Reserves		1,961,034	2,951,644
Other comprehensive income		2,724,911	2,926,924
Retained earnings		15,345,308	13,381,162
Profit for the year		1,471,566	2,188,189
Other components of equity		49,995	49,995
Total equity		21,552,881	21,497,981

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

As of September 30, 2018 and December 31, 2017

Amounts stated in millions of Colombian pesos



	Notes	September 2018	December 2017
Liabilities			
Non current liabilities			
Credits and loans	9	10,702,222	10,462,487
Trade and other payables		13,781	15,953
Other financial liabilities		462,913	488,247
Employee benefits		338,567	282,697
Income tax payable		56,027	-
Deferred tax liabilities		2,437,704	2,321,376
Provisions	10	263,623	279,922
Other liabilities		32,227	32,499
Total non current liabilities		14,307,064	13,883,181
Current liabilities			
Credits and loans	9	3,683,077	1,984,843
Trade and other payables		1,588,641	1,363,774
Other financial liabilities		306,718	308,881
Employee benefits		139,543	131,817
Taxes, contributions and rates payable		98,755	104,078
Provisions	10	344,842	172,173
Other liabilities		(17,657)	134,232
Total current liabilities		6,143,919	4,199,798
Total liabilities		20,450,983	18,082,979
Total liabilities and equity		42,003,864	39,580,960

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 September 30, 2018 and 2017

Amounts stated in millions of Colombian pesos



	Notes	2018	2017	For the three months ended September 30 2018	For the three months ended September 30 2017
Continued operations					
Sale of goods	11	30	-	30	-
Rendering of services	11	5,801,172	5,202,408	1,990,440	1,791,789
Leases	11	34,326	34,210	12,148	11,690
Other income	12	197,707	109,890	61,191	45,461
Income from ordinary activities		6,033,235	5,346,508	2,063,809	1,848,940
Profit in sale of assets	11	19,048	642	18,231	491
Total income		6,052,283	5,347,150	2,082,040	1,849,431
Costs for rendering services	13	(3,266,418)	(2,905,614)	(1,125,626)	(992,454)
Administration expenses	14	(697,940)	(529,153)	(177,508)	(167,271)
Impairment loss recognised on trade receivables		(35,997)	(19,728)	(13,740)	(8,086)
Other expenses	15	(80,997)	(32,860)	(6,626)	(22,338)
Financial income	16	203,687	177,699	89,708	61,078
Financial expenses	16	(607,371)	(555,466)	(210,017)	(208,980)
Net exchange difference	17	(21,656)	91,341	(28,430)	52,678
Share of profit of an subsidiaries		373,535	387,078	123,602	226,521
Dividends on equity instruments		64,478	44,176	-	-
Profit before tax		1,983,604	2,004,623	733,403	790,579
Income tax expense		(512,038)	(626,279)	(150,967)	(282,849)
Result of the period after taxes of continued operations		1,471,566	1,378,344	582,436	507,730
Profit for the year		1,471,566	1,378,344	582,436	507,730
Other comprehensive income, net of taxes					
Items that will not be reclassified subsequently to the result of the year					
New measurements of defined benefit plans		(230)	6,265	(275)	(5,778)
Equity investments measured at fair value through equity		(92,371)	416,663	(126,143)	31,542
Income tax related to components that will not be reclassified		450	(41,664)	-	(3,153)
Share of other comprehensive income of subsidiaries		(35,758)	19,575	(15,171)	18,241
		(127,909)	400,839	(141,589)	40,852
Items that may be reclassified subsequently to the result of the year :					
Cash flow hedging		(6,542)	(14,921)	3,105	17,928
Result recognized of the year		(10,029)	(112,133)	15,483	(107,114)
Reclassification adjustment		3,487	97,212	(12,378)	125,042
Income tax related to the components that can be reclassified		(29,177)	9,273	(29,852)	-
Result recognized of the year		(29,177)	9,273	(29,852)	-
Share of other comprehensive income of subsidiaries		(38,430)	(27,896)	95,984	22,446
Results arising during the year		(38,430)	(27,896)	95,984	22,446
		(74,149)	(33,544)	69,237	40,374
Other comprehensive income, net of taxes		(202,058)	367,295	(72,352)	81,226
Total comprehensive income for the year		1,269,508	1,745,639	510,084	588,956

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INTERIM CONDENSED SEPARATE STATEMENTS OF CHANGES IN THE EQUITY

For the periods from January 1 to September 30, 2018 and 2017

Amounts stated in millions of Colombian pesos



	Other comprehensive income									Total
	Capital emitido	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	
Balance as of January 1, 2017	67	3,087,207	14,766,986	51,626	1,742,477	2,736	(11,904)	12,079	632,908	20,284,182
Profit for the period	-	-	1,378,344	-	-	-	-	-	-	1,378,344
Other comprehensive income of the period net of income tax	-	-	-	-	374,999	6,265	(5,648)	-	(8,321)	367,295
Comprehensive income for the period	-	-	1,378,344	-	374,999	6,265	(5,648)	-	(8,321)	1,745,639
Surpluses and dividends declared	-	-	(1,609,136)	-	-	-	-	-	-	(1,609,136)
Movement of reserves	-	(135,563)	135,563	-	-	-	-	-	-	-
Share of other comprehensive income 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	624,437	20,418,928
Balance as of January 1, 2018	67	2,951,644	15,569,351	49,995	2,173,895	(7,357)	(8,669)	12,079	756,976	21,497,981
Profit for the period	-	-	1,471,566	-	-	-	-	-	-	1,471,566
Other comprehensive income of the period net of income tax	-	-	-	-	(91,921)	(230)	(35,719)	-	(74,188)	(202,058)
Comprehensive income for the period	-	-	1,471,566	-	(91,921)	(230)	(35,719)	-	(74,188)	1,269,508
Surpluses and dividends declared	-	-	(1,203,504)	-	-	-	-	-	-	(1,203,504)
Movement of reserves	-	(990,610)	990,610	-	-	-	-	-	-	-
Share of other comprehensive income of subsidiaries	-	-	(11,149)	-	-	-	-	-	45	(11,104)
Balance as of September 30, 2018	67	1,961,034	16,816,874	49,995	2,081,974	(7,587)	(44,388)	12,079	682,833	21,552,881

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INTERIM CONDENSED SEPARATE STATEMENTS OF CASH FLOWS

For the period from January 1 to September 30, 2018 and 2017

Figures expressed in millions of Colombian pesos

	Notes	2018	2017
Cash flows for operating activities:			
Results of the period			
		1,471,564	1,378,344
Adjustments to reconcile the net result of the period to the net cash flows used in operating activities:			
		1,318,812	1,009,846
Depreciation and amortization of properties, plant and equipment and intangible assets	13 y 14	385,692	370,327
Impairment of accounts receivable		35,997	19,728
Reversal of loss for impairment of accounts receivable		(26,890)	(27,622)
Result for exchange difference		113,812	(76,815)
Result for valuation of financial instruments and hedge accounting		507,421	450,490
Provisions, post-employment and long term defined benefit plans		188,246	90,774
Deferred income tax		87,601	214,623
Current income tax		424,437	397,723
Result for disposal of properties, plant and equipment, intangibles and investment properties		41,441	-
Dividends from investments		(64,478)	(44,157)
Result for equity method		(373,535)	(387,078)
Other income and expenses not effective		(932)	1,853
		2,790,376	2,388,190
Movements in working capital:			
Variation in inventories		4,765	6,744
Variation in debtors and other accounts receivable		(143,461)	(24,966)
Variation in other assets		(135,015)	(372,728)
Variation in creditors and other accounts payable		69,387	159,705
Variation in labor obligations		43,749	50,112
Variation in provisions		(8,047)	(98,951)
Variation in other liabilities		(109,644)	39,065
		(278,266)	(241,019)
Interest paid		(709,556)	(659,452)
Income taxes paid		(174,985)	(296,690)
Net cash flows originated by operating activities		1,627,569	1,191,029
Cash flows for investment activities:			
Acquisition and capitalization of subsidiaries or business, net of cash acquired	8	-	(14,757)
Restitution of capital and premium on placement of shares		12,547	-
Acquisition of property, plant and equipment		(1,691,481)	(1,911,921)
Disposal of property, plant and equipment		-	16,141
Acquisition of intangible assets		(28,483)	(27,845)
Disposal of intangible assets		-	1,585
Acquisition of investments in financial instruments		(367,532)	-
Disposal of investments in financial instruments		(48,152)	128,159
Dividends received from subsidiaries, associates and joint business		383,796	285,364
Other dividends received		33,962	22,086
Loans to related parties		(175,999)	58,047
Other cash flows from investment activities		-	(986)
Net cash flows used by investment activities		(1,881,342)	(1,444,127)
Cash flows for financing activities:			
Obtaining of public credit and treasury		2,127,256	1,513,075
Payments of public credit and treasury		(224,001)	(402,186)
Transaction costs due to issuance of debt instruments		(5,296)	-
Payments of liabilities for financial leasing		(29,053)	(672)
Dividends or surpluses paid	6	(806,457)	(1,105,235)
Other cash flows from financial activities		-	(83,569)
Net cash flows (used) / originated by financial activities		1,062,449	(78,587)
Net cash and cash equivalents increase		808,676	(331,685)
Effects of variations in exchange rates in the cash and cash equivalents		12,854	16,126
Cash and cash equivalents at the beginning of period		234,526	519,078
Cash and cash equivalents at the end of the period		1,056,056	203,519
Restricted resources		75,675	83,753

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