

EMPRESAS PÚBLICAS DE MEDELLÍN E.S.P.

INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

As of June 30, 2019 and December 31, 2018

Amounts stated in millions of Colombian pesos



	Notes	June 2019	December 2018
Assets			
Non current assets			
Properties, plant and equipment, net	7	26,006,703	27,040,487
Investment properties		77,829	77,829
Goodwill		260,950	260,950
Other intangible assets		493,262	477,315
Investments in subsidiaries	8	7,102,383	7,290,431
Investments in associates	9	2,434,417	2,434,417
Investments in a joint ventures		99	99
Trade and other accounts receivables		1,962,495	2,012,782
Other financial assets	10	2,727,900	2,221,695
Right of use assets	11	2,094,497	-
Other assets		104,761	100,742
Total non current assets		43,265,296	41,916,747
Current assets			
Inventories		113,239	117,334
Trade and other accounts receivable		1,869,513	1,628,488
Current tax assets		4,193	2,037
Other financial assets	10	1,379,829	990,676
Other assets		135,982	104,483
Cash and cash equivalents	11	1,169,388	835,779
Total Current assets		4,672,144	3,678,797
Total assets		47,937,440	45,595,544
Liabilities and equity			
Equity			
Capital issued		67	67
Reserves		1,704,818	1,961,034
Other comprehensive income		3,373,564	2,917,113
Retained earnings		16,689,265	15,332,345
Profit for the period		1,318,162	2,344,822
Other components of equity		49,944	49,944
Total equity		23,135,820	22,605,325

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	Notes	June 2019	December 2018
Liabilities			
Non current liabilities			
Credits and loans	12	14,529,512	12,050,033
Trade and other payables		3,501	4,483
Other financial liabilities		2,443,937	2,054,762
Employee benefits		336,871	305,695
Income tax payable		30,331	30,331
Deferred tax liabilities		2,309,390	2,156,828
Provisions	13	360,298	360,917
Other liabilities		31,955	32,136
Total non current liabilities		20,045,795	16,995,185
Current liabilities			
Credits and loans	12	2,006,773	3,794,580
Trade and other payables		1,630,306	1,017,938
Other financial liabilities		300,575	285,867
Employee benefits		131,775	139,497
Income tax payable		25,697	25,697
Taxes, contributions and rates payable		105,416	108,195
Provisions	13	442,678	489,052
Other liabilities		112,605	134,208
Total current liabilities		4,755,825	5,995,034
Total liabilities		24,801,620	22,990,219
Total liabilities and equity		47,937,440	45,595,544

The accompanying notes are an integral part of the financial statements

Jorge Londoño De la Cuesta
General Manager

Jorge Andrés Tabares Ángel
Executive Vice-president of Corporate Finance,
Risk Management and Investments

John Jaime Rodríguez Sosa
Director of Accounting and Costs
P.C. 144842-T

INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME

For the periods from January 1 to June 30, 2019 and 2018

Amounts stated in millions of Colombian pesos



	Notes	June 2019	June 2018	For the three months ended June 30, 2019	For the three months ended June 30, 2018
Continued operations					
Rendering of services	14	4,081,555	3,810,732	2,051,092	1,931,521
Leases	14	25,491	22,179	12,979	11,459
Other income	15	90,381	112,137	53,301	84,663
Income from ordinary activities		4,197,427	3,945,048	2,117,372	2,027,643
Profit in sale of assets	14	139	817	49	592
Total income		4,197,566	3,945,865	2,117,421	2,028,235
Costs for rendering services	16	(2,201,080)	(2,140,792)	(1,094,487)	(1,094,088)
Administration expenses	17	(379,786)	(520,432)	(202,275)	(366,568)
Impairment loss recognised on trade receivables		(1,941)	2,123	(8,703)	(6,948)
Other expenses	18	(135,069)	(74,370)	(121,554)	(66,159)
Financial income	19.1	182,572	113,978	93,752	47,129
Financial expenses	19.2	(543,546)	(397,354)	(254,000)	(205,434)
Net exchange difference	20	116,188	6,773	43,317	(57,681)
Equity method in subsidiaries	8	388,339	249,932	216,811	184,015
Effect by interest in equity investments		65,445	64,478	3,282	-
Profit before tax		1,688,688	1,250,201	793,564	462,501
Income tax expense		(370,526)	(361,072)	(148,984)	(168,882)
Profit of the period after taxes of continued operations		1,318,162	889,129	644,580	293,619
Profit of the period		1,318,162	889,129	644,580	293,619
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		3,647	45	2,800	562
Equity investments measured at fair value through equity		436,931	33,771	213,958	132,875
Income tax related to components that will not be reclassified		-	450	-	1,576
Equity method in subsidiaries	8	30,016	(20,586)	30,142	(20,712)
		470,594	13,680	246,900	114,301
Items that may be reclassified subsequently to the result of the period:					
Cash flow hedging		18,941	(9,647)	7,164	(3,424)
Result recognized of the period		(28,969)	(25,512)	18,586	76,249
Reclassification adjustment		47,910	15,865	(11,422)	(79,673)
Income tax related to the components that can be reclassified		4,013	675	(2,226)	(35,577)
Result recognized of the period		4,013	675	(2,226)	(35,577)
Reclassification adjustment		-	-	122,672	(122,418)
Equity method in subsidiaries	8	8,405	(134,414)	122,672	(122,418)
Result recognized of the period		8,405	(134,414)	122,672	(122,418)
		31,359	(143,386)	127,610	(161,419)
Other comprehensive income, net of taxes		501,953	(129,706)	374,510	(47,118)
Total comprehensive income for the period		1,820,115	759,423	1,019,090	246,501

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INTERIM CONDENSED SEPARATE STATEMENTS OF CHANGES IN THE EQUITY

For the period from January 1 to June 30, 2019 and 2018

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	Result of the period in other comprehensive income of subsidiaries	
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	-	-	889,129	-	-	-	-	-	-	889,129
Other comprehensive income of the period net of income tax	-	-	-	-	34,221	45	(8,972)	-	(155,000)	(129,706)
Comprehensive income for the period	-	-	889,129	-	34,221	45	(8,972)	-	(155,000)	759,423
Surpluses and dividends declared	-	-	(1,203,504)	-	-	-	-	-	-	(1,203,504)
Movement of reserves	-	(990,610)	990,610	-	-	-	-	-	-	-
Equity method on variations in equity	-	-	(10,193)	-	-	-	-	-	45	(10,148)
Balance as of June 30, 2018	67	1,961,034	16,235,393	49,995	2,208,116	(7,312)	(17,641)	12,079	602,021	21,043,752
Balance as of January 1, 2019	67	1,961,034	17,677,167	49,944	2,152,465	(4,968)	(73,656)	12,079	831,193	22,605,325
Profit for the period	-	-	1,318,162	-	-	-	-	-	-	1,318,162
Other comprehensive income of the period net of income tax	-	-	-	-	436,931	3,647	22,954	-	38,421	501,953
Comprehensive income for the period	-	-	1,318,162	-	436,931	3,647	22,954	-	38,421	1,820,115
Surpluses and dividends declared	-	-	(1,289,652)	-	-	-	-	-	-	(1,289,652)
Movement of reserves	-	(256,216)	256,216	-	-	-	-	-	-	-
Equity method on variations in equity	-	-	45,534	-	-	-	-	-	(45,502)	32
Balance as of June 30, 2019	67	1,704,818	18,007,427	49,944	2,589,396	(1,321)	(50,702)	12,079	824,112	23,135,820

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INTERIM CONDENSED SEPARATE STATEMENTS OF CASH FLOWS

For the period from January 1 to June 30, 2019 and 2018

Amounts stated in millions of Colombian pesos



	Notes	2019	2018
Cash flows for operating activities:			
Results of the period		1,318,161	889,129
Adjustments to reconcile the net results for the period to the net cash flows used in operating activities:		556,197	958,567
Depreciation and amortization of property, plant and equipment, right-of-use assets and intangible assets	16 y 17	285,821	255,044
Impairment of accounts receivable		29,162	-
Impairment of financial instruments		-	22,257
Reversal of loss for impairment of accounts receivable		(27,221)	-
Reversal of loss of impairment of financial instruments		-	(24,610)
Result for exchange difference, net	20	(116,188)	95,904
Result for valuation of investment properties		-	1
Result for valuation of financial instruments and hedge accounting	19.1 y 19.2	(41,417)	352,255
Provisions, post-employment and long term defined benefit plans	17	29,934	179,682
Deferred income tax	21	156,575	104,924
Current income tax	21	213,951	256,147
Participation in the results of investments in subsidiaries	8	(388,339)	(249,932)
Interest income	19.1	(125,046)	-
Interest expenses	19.2	515,846	-
Result for disposal of properties, plant and equipment, right-of-use assets, intangibles and investment properties		(139)	959
Dividends from investments	10	(65,445)	(64,478)
Other income and expenses not effective, net		88,703	30,414
		1,874,358	1,847,696
Movements in working capital:			
Variation in inventories		4,095	4,276
Variation in debtors and other accounts receivable		(492,335)	65,429
Variation in other assets		(35,518)	(276,832)
Variation in creditors and other accounts payable		33,460	(33,893)
Variation in employee benefits		18,664	28,351
Variation in provisions		(57,106)	1,155
Variation in other liabilities		8,550	45,058
		(520,190)	(166,456)
Interest paid		(494,383)	(415,572)
Income tax paid		(216,107)	(268,914)
Net cash flows originated by operating activities		643,678	996,754
Cash flows for investment activities:			
Acquisition of subsidiaries or business, net of cash acquired	8	(12,000)	(2,453)
Acquisition of property, plant and equipment	7	(813,404)	(1,062,923)
Disposal of property, plant and equipment	7	139	-
Acquisition of intangible assets		(7,728)	(17,885)
Disposal of intangible assets		32	-
Acquisition of investments in financial instruments	10	(440,674)	(205,608)
Disposal of investments in financial instruments		11,142	(65,774)
Dividends received from subsidiaries, associates and joint business	8	621,428	314,650
Other dividends received		1,098	3,446
Loans to related parties		35,439	(111,187)
Other cash flows from investment activities		6,907	-
Net cash flows used by investment activities		(597,621)	(1,147,734)
Cash flows for financing activities:			
Obtaining of public credit and treasury	12	3,019,270	1,651,096
Payments of public credit and treasury	12	(2,314,238)	(121,083)
Transaction costs due to issuance of debt instruments	12	(934)	(5,104)
Payments of liabilities for financial leasing		(3,867)	(19,369)
Dividends or surpluses paid	6	(703,446)	(806,327)
Payments of capital of derivatives designated as cash flow hedge		4,257	-
Other cash flows from financing activities		(37,988)	-
Net cash flows originated by financial activities		(36,946)	699,213
Net cash and cash equivalents increase		9,111	548,233
Effects of variations in exchange rates in the cash and cash equivalents		324,498	7,474
Cash and cash equivalents at the beginning of period	11	835,779	234,526
Cash and cash equivalents at the end of the period		1,169,388	790,233
Restricted resources	11	92,274	93,445

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