

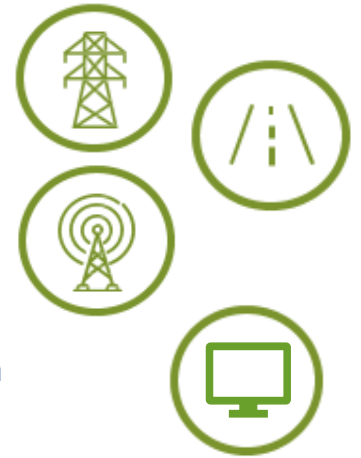
Financial Results

2018 SECOND QUARTER

Medellín, Colombia, August 13, 2018

ISA S.A. E.S.P. (BVC: ISA; OTC: IESFY) (“ISA” or “the Company”), Company engaged in the businesses of Energy Transmission, Road Concessions, Information and Communication Technologies and Real-Time Systems Management, announced its second quarter 2018 financial results.

*ISA continues growing with profitability.
Return on equity reached 13,5% in June.*



CONSOLIDATED RESULTS

2018 second quarter

Operating Revenues	EBITDA	Net Income
COP 1.528.297 million	COP 945.423 million	COP 232.256 million

Accumulated to June 2018

Operating Revenues	EBITDA	Net Income
COP 3.159.484 million	COP 2.015.702 million	COP 529.831 million

EBITDA margin for the quarter was 61,9% and 69,4%, excluding construction revenues¹. The cumulative amount for the year reached 62,8% and 70,7%, respectively. Net margin was 15,2% and 16,7%, excluding construction revenues. The cumulative amounts reached 16,8% and 18,2%, respectively.

During the second quarter of 2018, there were no extraordinary events. However, and for comparative purposes, it should be noted that the second quarter of 2017 included the adjustment of the RBSE value in Brazil from BRL 3.896 million to BRL 4,094 million (figures for 2012). This fact generated net operating revenues of COP 359.615 million, a deferred income tax of COP 122.269 million and net profits of COP 85.269 million. Because it was a non-recurring event, we will exclude it in the analysis.

Net income for the 2018 first six months amounted to COP 529.831 million, 2,3% higher than the figure for the same period of the previous year. These results included the tax recovery in Colombia and Brazil, the entry into operation of new Energy Transmission and Road projects in Peru, Colombia and Chile, and the incorporation of revenues from TAESA and IENNE. Furthermore, due to the increase in investments, these revenues also generated higher financial expenses due to a greater indebtedness.

CONSOLIDATED RESULTS

FIGURES IN MILLIONS OF COLOMBIAN PESOS, UNAUDITED

Natural Hedge

The natural hedging strategy implemented by ISA, whereby debt is contracted in the same currency in which the income is received, made it possible so that the average exchange rate variation of the Colombian peso against currencies such as the dollar, the Brazilian real and the Chilean peso, would not impact net income. For 2Q18, the variation was -3,9% (COP 14.054) of the net income, and for the cumulative amount, this value was -2,3% (COP 13.962 million). However, the conversion effect impacted various income statement items.

EXCHANGE RATES						
	June 2018 Close	2017 Close	Change %	2Q18 Average	2Q17 Average	Change %
COP / USD	2.930,80	2.984,00	-1,8%	2.840,71	2.918,63	-2,7%
COP / REAL	760,10	902,06	-15,7%	788,20	908,40	-13,2%
COP/ CLP	4,50	4,85	-7,3%	4,57	4,40	4,0%
REAL / USD	3,86	3,31	16,6%	3,61	3,21	12,3%
CLP / USD	651,21	614,75	5,9%	621,46	663,98	-6,4%

1. Income Statement

1.1. Revenues

During the second quarter of 2018, operating revenues were COP 1.528.297 million, 1,9% less than for the same period of 2017. Excluding construction revenues¹, the variation was -1,7%. Additionally, currency volatility lowered revenues by COP 58.615 million; excluding this effect revenues would have risen by 2.6%.

OPERATING REVENUES BY BUSINESS												
millions	2Q18	2Q17	Change \$	Change %	2Q18 USD	2Q18 %	6M18	6M17	Change \$	Change %	6M18 USD	6M18 %
Energy Transmission	1.114.972	1.169.558	(54.586)	-4,7	391	73,0	2.344.386	2.360.510	(16.124)	-0,7	823	74,2
Road Concessions	297.025	270.739	26.286	9,7	104	19,4	585.614	539.952	45.662	8,5	206	18,5
Telecommunication	80.373	86.048	(5.675)	-6,6	28	5,3	160.979	169.499	(8.520)	-5,0	56	5,1
GSTR	35.927	31.867	4.060	12,7	13	2,4	68.505	62.400	6.105	9,8	24	2,2
TOTAL	1.528.297	1.558.212	(29.915)	-1,9	536	100,0	3.159.484	3.132.361	27.123	0,9	1.109	100,0

OPERATING REVENUES BY COUNTRY												
millions	2Q18	2Q17	Change \$	Change %	2Q18 USD	2Q18 %	6M18	6M17	Change \$	Change %	6M18 USD	6M18 %
Colombia	426.430	422.928	3.502	0,8	150	27,9	902.355	841.069	61.286	7,3	317	28,6
Chile	305.791	277.261	28.530	10,3	107	20,0	615.847	552.477	63.370	11,5	216	19,5
Brazil	471.781	478.889	(7.108)	-1,5	166	30,9	973.891	994.405	(20.514)	-2,1	342	30,8
Peru	303.222	355.521	(52.299)	-14,7	106	19,8	614.015	697.830	(83.815)	-12,0	215	19,4
Other	21.073	23.613	(2.540)	-10,8	7	1,4	53.376	46.580	6.796	14,6	19	1,7
TOTAL	1.528.297	1.558.212	(29.915)	-1,9	536	100,0	3.159.484	3.132.361	27.123	0,9	1.109	100,0

¹In accordance with international accounting standards, revenues related to construction costs must be recognized in concessions during the period, plus a previously established margin. The construction activity amount is connected to the programmed investment dynamics for the period. ISA has concessions for the Energy Transmission in Bolivia, Peru and Brazil, and roads in Chile.

OPERATING REVENUES BY BUSINESS (excluding construction)												
millions	2Q18	2Q17	Change	Change	2Q18	2Q18	6M18	6M17	Change	Change	6M18	6M18 %
			\$	%	USD	%			\$	%	USD	
Energy Transmission	983.325	996.825	(13.500)	-1,4	345	72,6	2.083.427	1.980.709	102.718	5,2	731	73,5
Road Concessions	254.104	260.916	(6.812)	-2,6	89	18,8	520.091	517.249	2.842	0,5	183	18,4
Telecommunication	80.373	87.025	(6.652)	-7,6	28	5,9	160.979	169.499	(8.520)	-5,0	56	5,7
GSTR	35.927	31.867	4.060	12,7	13	2,7	68.505	62.400	6.105	9,8	24	2,4
TOTAL	1.353.729	1.376.633	(22.904)	-1,7	475	100,0	2.833.002	2.729.857	103.145	3,8	994	100,0

OPERATING REVENUES BY COUNTRY (excluding construction)												
millions	2Q18	2Q17	Change	Change	2Q18	2Q18	6M18	6M17	Change	Change	6M18	6M18 %
			\$	%	USD	%			\$	%	USD	
Colombia	426.430	422.928	3.502	0,8	150	31,5	902.355	841.069	61.286	7,3	316	31,9
Chile	262.870	268.415	(5.545)	-2,1	92	19,4	550.323	529.774	20.549	3,9	193	19,4
Brazil	387.152	451.248	(64.096)	-14,2	136	28,6	822.185	895.090	(72.905)	-8,1	289	29,0
Peru	256.204	210.429	45.775	21,8	90	18,9	504.763	417.344	87.419	20,9	177	17,8
Other	21.073	23.613	(2.540)	-10,8	7	1,6	53.376	46.580	6.796	14,6	19	1,9
TOTAL	1.353.729	1.376.633	(22.904)	-1,7	475	100,0	2.833.002	2.729.857	103.145	3,8	994	100,0

Year-over-year variations in revenues, excluding construction for the period, were due to the following factors:

- In Energy Transmission, the 1.4% decrease was due to the conversion effect of COP 65.512 million; excluding this effect, revenues would have increased 5,2%. This increase included greater revenues from projects that entered into operation in June 2017 in various countries: in Chile, the New Line Encuentro - Lagunas for its First and Second Circuit, the Expansion of Barra Nueva Cardones and the Cardones-Maitencillo Line; in Peru, the Mantaro-Montalvo, Orcotuna, Planicie-Industriales, Line Friaspata-Mollepata projects, the reinforcement of the Reactors Bank at La Niña Substation, and the Cotaruse, 13, 17 and 19 expansions; and in Brazil, the greater revenues of projects Itaúnas, Itaqueré, Itapura, Aguapeí and Tibagi, and the 75% acquisition of IENNE.
- Road Concessions decreased by 2,6% due to the COP 36.035 million decline in financial revenues of accounts receivable from concessions, as this figure declined due to the advance of concession time and/or the increase of traffic. This change was partly offset by the COP 18.621 million increase in maintenance service revenues, combined with the COP 10.286 million effect from the 4.0% devaluation of the Colombian peso against the Chilean peso.
- Information and Communications decreased by 7,6% due to the revaluation effect of the Colombian peso versus the Brazilian real (COP 3.079 million) and to fewer clients in IP services and network rights.
- Real-Time Systems Management increased by 12,7% (COP 4.060 million) due to higher revenues from services and trading operations in the Colombian Energy Market.

For the first half of 2018, in addition the effects described for the quarter, the variations also include extraordinary revenues for COP 60.901 million from tax repayments on 2011 equity in Colombia.

1.2. Costs and expenses

Operating costs and expenses for the second quarter of 2018 period amounted to COP 767.093 million, 6,8% more than the operating costs and expenses for the same quarter of the previous year. These included administration, operating, and maintenance costs for COP 598.143 million and construction costs totaling COP 168.950 million.

OPERATING COSTS AND EXPENSES BY BUSINESS												
million	2Q18	2Q17	Change \$	Change %	2Q18 USD	2Q18 %	6M18	6M17	Change \$	Change %	6M18 USD	6M18 %
Energy Transmission	529.143	540.873	(11.730)	-2,2	186	69,0	1.051.588	1.129.238	(77.650)	-6,9	370	69,7
Road Concessions	128.384	70.511	57.873	82,1	45	16,7	231.442	149.624	81.818	54,7	81	15,3
Telecommunication	75.770	77.795	(2.025)	-2,6	26	9,9	165.434	161.215	4.219	2,6	58	11,0
GSTR	33.796	29.009	4.787	16,5	12	4,4	61.039	54.838	6.201	11,3	21	4,0
TOTAL	767.093	718.188	48.905	6,8	269	100,00	1.509.503	1.494.915	14.588	1,0	530	100,00

OPERATING EXPENSES AND COSTS BY COUNTRY												
million	2Q18	2Q17	Change \$	Change %	2Q18 USD	2Q18 %	6M18	6M17	Change \$	Change %	6M18 USD	6M18 %
Colombia	232.300	223.869	8.431	3,8	82	30,3	463.964	461.973	1.991	0,4%	163	30,7%
Chile	138.856	77.796	61.060	78,5	48	18,1	250.812	165.919	84.893	51,2%	88	16,6%
Brazil	220.948	155.538	65.410	42,1	78	28,8	422.052	362.069	59.983	16,6%	148	28,0%
Peru	166.722	250.140	(83.418)	-33,3	58	21,7	344.759	483.505	(138.746)	-28,7%	121	22,8%
Other	8.267	10.845	(2.578)	-23,8	3	1,1	27.916	21.449	6.467	30,2%	10	1,8%
TOTAL	767.093	718.188	48.905	6,8	269	100,00	1.509.503	1.494.915	14.588	1,0%	530	100,00%

OPERATING COSTS AND EXPENSES BY BUSINESS (excluding construction)												
million	2Q18	2Q17	Change \$	Change %	2Q18 USD	2Q18 %	6M18	6M17	Change \$	Change %	6M18 USD	6M18 %
Energy Transmission	397.807	363.104	34.703	9,6	140	66,5	796.034	753.238	42.796	5,7	280	66,5
Road Concessions	90.770	62.228	28.542	45,9	32	15,2	174.653	130.544	44.109	33,8	61	14,6
Telecommunication	75.770	77.795	(2.025)	-2,6	26	12,7	165.434	161.215	4.219	2,6	58	13,8
GSTR	33.796	29.009	4.787	16,5	12	5,7	61.039	54.838	6.201	11,3	21	5,1
TOTAL	598.143	532.136	66.007	12,4	210	100,00	1.197.160	1.099.835	97.325	8,8	420	100,00

OPERATING COSTS AND EXPENSES BY COUNTRY (excluding construction)												
million	2Q18	2Q17	Change \$	Change %	2Q18 USD	2Q18 %	6M18	6M17	Change \$	Change %	6M18 USD	6M18 %
Colombia	232.300	223.869	8.431	3,8	82	38,8	463.964	461.973	1.991	0,4	163	38,8
Chile	101.242	69.513	31.729	45,6	35	16,9	194.023	146.839	47.184	32,1	68	16,2
Brazil	136.134	121.063	15.071	12,4	48	22,8	270.409	262.729	7.680	2,9	94	22,6
Peru	120.200	106.846	13.354	12,5	42	20,1	240.848	206.845	34.003	16,4	85	20,1
Other	8.267	10.845	(2.578)	-23,8	3	1,4	27.916	21.449	6.467	30,2	10	2,3
TOTAL	598.143	532.136	66.007	12,4	210	100,00	1.197.160	1.099.835	97.325	8,8	420	100,00

Operating costs and expenses, excluding construction costs, amounted to COP 598.143 million, 12,4% more than in 2Q17. This growth was explained by the following:

- Energy Transmission increased by 9,6% (COP 34.703 million) which included a lower expense base in 2017 due to the recovery of provisions for COP 23.254 million, and in 2018, higher costs and expenses of projects entering operation.
- Road Concessions increased 45,9% (COP 28.542 million) explained by higher preservation and maintenance costs for COP 18.598 million, which generated their corresponding revenue, and higher costs related to safety services and study of new projects for COP 6.414 million.
- Information and Communications decreased by 2,6% (COP 2.025 million), mainly from a lower effect of currency conversion (COP 3.558 million), partially offset by a higher provision of client portfolio for COP 1.463 million.
- Real-Time Systems Management rose by 16,5% (COP 4.787 million) compared with 2Q17 due to the amortization of licenses and insurance policies, which are expenses covered by regulated revenues.

Of the total operating costs and expenses (excluding construction costs), administration, operation and maintenance represented 69,2%, depreciation 11,9%, amortization 13,9%, and provisions 5,0%.



For the first half of 2018, the operating costs and expenses increased 8,8% (COP 97.325 million) when compared to the same period in 2017. In addition to the factors mentioned regarding the quarter, this variation includes the net register of accidents in incidents for COP 7.376 million, which generates its corresponding revenues and the recovery of the Urban Land & Property Tax (IPTU) in ISA CTEEP for COP 7.281 million.

1.3. EBITDA

EBITDA for the second quarter of 2018 declined by 3,8% compared with the same period of the previous year. Excluding the currency conversion effect of COP 41.456 million, EBITDA remained unchanged. The factors that impacted this result were: the entry into operation of new projects in Peru, Chile, Colombia, and Brazil, and the consolidation of 75% of IENNE's results, offset by lower revenues from road concession and the lower value of the RBSE update, given the partial collection of the account receivable of COP 1,1 trillion.

EBITDA for the first six months of 2018 increased 6,5% without considering the increase in value of the RBSE and the currency conversion effect. Aside from the variations explained for the quarter, this variation includes the recovery of wealth tax in Colombia and IPTU in Brazil.

The EBITDA margin for the quarter was 69,4% vs. 71,7% in 2Q17, excluding construction costs. For the first half period, this margin remained at 70,7%.

1.4. Equity method²

For the second quarter of 2018, this line item increased by 130,4% due to the acquisition of the participation in TAESA (COP 28.952 million) and ATP in March 2017 (-COP 8.873 million).

For the first half 2018, aside from the aforementioned aspects, the variation of COP 7.664 million included the COP 32.326 million decline at IEMadeira and IEGaranhuns, companies of ISA CTEEP, as a result of the lower inflation that affected the fee cycle of July 2017/June 2018, and the effect of the deferred income tax adjustments that occurred in 2017, which reduced the effective rate of the SUDAM and SUDENE fiscal benefits.

1.5. Operating income

Operating income reached COP 821.046 million for the second quarter of 2018, 4,7% less than 2Q17. For the first half 2018, this increased 2,3% (COP 39.692 million) compared with the same period of the previous year as a result of the recovery of taxes in Colombia and Brazil.

Excluding construction, the operating margin was 60,2% compared with 62,9% in 2Q17. This margin was 61,6% in 6M18 vs. 62,7% for 6M17.

1.6. Financial expenses

The higher investment levels in 2018 resulted in a greater level of indebtedness, therefore financial expenses in the second quarter of 2018 reached COP 257.605 million, representing a 15,8% (COP 35.181 million) increase compared with 2Q17. This value benefited from the debt amortization in road concessions and in ISA Capital do Brasil.

² The equity method includes the net income of companies where ISA has joint control and significant influence.



In the cumulative value as of June, net financial expenses increased by 14.7% or COP69.101 million, given the greater expense due to the exchange difference (COP69.440 million) from intercompany loans in USD, generating greater financial expenses (COP36.576 million). The aforementioned was partially offset by the increase of financial returns (COP36.914 million), as a result of the group's greater cash flow.

1.7. Income tax

Income tax in 2Q18 was COP 182.167 million, which represented a 7,0% reduction compared with 2Q17. For the first half of 2018, income tax amounted to COP 375.923 million, 0,9% less than the same period for the previous year.

1.8. Minority Interest

During the quarter, the minority interest amounted to COP 149.018 million, which represented a 9,7% decrease versus the same period for the previous year. For the first six months of 2018, minority interest reached COP 312.022 million, 10,9% lower than the figure for the January to June 2017 period. This variation was due to lower income in Brazil.

1.9. Net Income

Net income for the second quarter of 2018 was COP 232.256 million, a 16,4% decrease compared with the figure reported during the same period of 2017. As explained previously, the change was due to lower returns from the road concessions, lower income in the telecommunication business unit, and greater financial expenses, offset in part by the new projects that entered into operation in Colombia, Peru, and Chile, the inclusion of shares in TAESA's revenues and the additional 75% in IENNE.

At a cumulative level, Net Income increased 2,3% due to tax recovery in Colombia and Brazil in the first quarter, which offset income during 2Q18.

Net margin excluding construction was 16.7% for the second quarter of 2018 compared with 20,5% for 2Q17. For the first half periods, these margins reached 18,2% versus 18,7%.

2. Balance Sheet

2.1. Assets

ISA and its companies' assets were COP 40.714.888 million, a 6,2% decrease compared with December 2017. This reduction was due to the revaluation of the Colombian Peso versus the currencies where ISA has a presence (closing rates). Excluding the above, assets increased by 1,9% as a result of the Company's growth through new projects in the various countries: Colombia, Peru, Chile, and Brazil.

The composition of assets by country was: 36,1% in Brazil; 26,2% in Chile; 22,3% in Colombia, and 15,0% in Peru.



2.2. Liabilities

Consolidated liabilities were COP 24.506.041 million, a decrease of 1,9% compared with December 2017. Excluding the exchange rate effect, financial liabilities increased by 4,5% due to the dividends approved in ISA totaling COP 600.361 million and to the debt contracted to support projects in Chile, Colombia, and Peru.

Liabilities by country were: 29,7% in Colombia; 28,6% in Chile; 24,6% in Brazil; and 16,8% in Peru.

2.3. Minority interest and equity

Minority interest amounted to COP 6.150.603 million, 17,6% less than that of December 2017. This was driven by lower income in Brazil and the revaluation of the Colombian peso versus the Brazilian real.

2.4. Equity

Equity reached COP 10.058.244 million, representing a decrease of 8,2% when compared to the period ended December 31, 2017. The variation was the consequence of the net effect of the revaluation of the peso versus all currencies, and dividend distributions versus revenues for the period.

3. Cash Flow

As of June 30, 2018, the cash flow for the operation amounted to COP 1.213.762 million, including the collection of RBSE installments for COP 583.488 million³, generating COP 437.339 million more than in the same period for the previous year.

Investment activities reached COP 876.052 million, COP 371.246 million lower than the same period for the previous year, considering contributions to companies in Brazil and construction projects in Chile, Colombia, Peru, and Brazil, carried out during the first half of 2017.

Financing activities reflected a net amortization during the period equivalent to COP 244.928 million, COP 960.211 million more than in 6M2017. These included the payment of preferred shares of ISA Capital do Brasil and dividends from Colombia, Brazil, and Peru.

The final cash balance was COP 1.622.252 million, 16,6% higher than in the first half of 2017. Of this amount, 24,8% corresponds to the final balance of ISA Individual.

4. Debt

As of June 30, 2018, the consolidated financial debt reached COP 15.753.572 million, equivalent to USD 5.375 million.

32,8% of the debt is in US dollars; 27,6% in Colombian pesos; 24,3% in Unidades de Fomento -UF- (Chile); 14,8% in Brazilian real; and 0,5% in Chilean pesos.

³ To date, the total value paid by the RBSE is COP 1.124.812 million (14% of the total) and the balance of the Account Receivable is COP 6.772.176 million.

Approximately 58.6% of the debt is in the Capital Markets and 41,4% is in bank loans. 90,8% of the debt is long-term and the remaining 9,2% is short-term.

CONSOLIDATED DEBT						
<i>millions</i>	Business Unit	June 2018	2017	Change \$	Change %	June 2018 USD
CHILE		5.632.772	5.740.369	-107.597	-1,9%	1.922
Ruta del Maipo	Roads	2.582.876	2.811.216	-228.340	-8,1%	881
Ruta del Maule	Roads	17.902	103.157	-85.254	-82,6%	6
Ruta de la Araucanía	Roads	562.032	650.539	-88.507	-13,6%	192
Ruta del Bosque	Roads	465.373	535.910	-70.537	-13,2%	159
Ruta de los Rios	Roads	209.487	240.569	-31.082	-12,9%	71
Internexa in Chile	Information and Communication	29.125	31.412	-2.287	-7,3%	10
Interchile	Energy Transmission	1.765.976	1.367.567	398.410	29,1%	603
COLOMBIA		4.345.163	4.370.373	-25.210	-0,6%	1.482
ISA	Energy Transmission	3.870.946	3.893.189	-22.243	-0,6%	1.321
TranSelca	Energy Transmission	346.750	354.250	-7.500	-2,1%	118
Internexa	Information and Communication	127.467	122.933	4.533	3,7%	43
BRAZIL		2.472.882	2.688.807	-215.925	-8,0%	843
ISA Capital	Energy Transmission	270.795	571.320	-300.525	-52,6%	92
CTEEP	Energy Transmission	1.668.197	1.423.661	244.537	17,2%	569
IEMG	Energy Transmission	18.615	24.377	-5.762	-23,6%	6
IEPINHEIROS	Energy Transmission	47.759	63.335	-15.576	-24,6%	16
Serra Do Japi	Energy Transmission	40.133	50.637	-10.503	-20,7%	14
IENNE	Energy Transmission	134.143	172.075	-37.931	-22,0%	46
ISA Investimentos	Energy Transmission	212.828	299.933	-87.105	-29,0%	73
Internexa Brasil	Information and Communication	80.411	83.469	-3.058	-3,7%	27
PERU		3.288.614	3.194.986	93.629	2,9%	1.122
ISA Peru	Energy Transmission	78.509	86.536	-8.027	-9,3%	27
REP	Energy Transmission	720.822	717.114	3.708	0,5%	246
Transmantaro	Energy Transmission	2.473.653	2.375.421	98.232	4,1%	844
Internexa in Peru	Information and Communication	15.631	15.915	-284	-1,8%	5
BOLIVIA		14.141	21.597	-7.456	-34,5%	5
ISA Peru	Energy Transmission	14.141	21.597	-7.456	-34,5%	5
TOTAL		15.753.572	16.016.131	-262.559	-1,6%	5.375
TOTAL USD		5.375	5.367	8	0,1%	

At June 30, 2018, debt decreased by 1,6% when compared with December 2017. Of this variation, the currency conversion effect was negative as a result of the currency fluctuations (COP 721.641 million). The debt movements throughout the year amounted to COP 459.082 million:

FINANCIAL MOVEMENTS			
<i>millions</i>	Company	Disbursement	Amortization
Colombia	ISA		COP 22.243
	TRANSELCA		COP 7.500
	INTERNEXA	COP 12.000	COP 7.467
Brazil	ISA CTEEP	BRL 621 Green Bonds	
	ISA CTEEP and Subsidiaries		BRL 43 Credits and Bonds
	ISA Investimentos		BRL 5,2
	INTERNEXA BRASIL	BRL 30	BRL 18
	ISA Capital do Brasil		BRL 277
Chile	INTERCHILE	CLP 6.901,7 VAT Line	
	INTERCHILE	USD 151,3 Senior Credit	
	MAIPO		USD 19 Bonds
	MAULE, BOSQUE, ARAUCANIA and RIOS		UF 1,5 Debt
Peru	REP	USD 50	USD 42,6 Bonds and Credits
	TRANSMANTARO	USD 62	USD 14
	ISA PERU		USD 2,2
Bolivia	ISA Bolivia		USD 2,4 Credits

The Debt/EBITDA, Net Debt⁴/EBITDA, and EBITDA/Interest indicators for the operation reached 3,53 times, 3,14 times, and 5,24 times, respectively.

5. Investments and projects

Quarterly investments

For 2018, ISA expects to invest one of the highest amounts in its history, at COP 3.489.463 million. This investment will be distributed as follows: Energy Transmission Business Unit with 92,0%, followed by Road Concessions Business Unit with 4,5%, Information and Communications Technologies Business Unit with 2,3%, and Real-Time Systems Management Business Unit with 1,2%.

CAPEX					
millions	1Q18	2Q18	6M18	%	2018(E)
Colombia	270.937	236.994	507.931	34,8	1.116.301
Chile	166.344	361.349	527.694	36,1	1.071.129
Brazil	94.191	87.990	182.181	12,5	703.183
Peru	152.010	90.855	242.865	16,6	597.297
Others	147	31	177	0,0	1.553
TOTAL	683.628	777.220	1.460.848	100,0	3.489.463

Investments for ISA and its companies for the second quarter of 2018 totaled COP 777.220 million. This investment is linked to construction projects, described in the following table.

ENERGY TRANSMISSION AND ROADS PROJECTS IN EXECUTION		
Affiliate	Project name	Date
INTERCHILE	Pan de Azúcar - Polpaico 2x500kV - Tranche 3	2018*
	Nueva Pan de Azúcar - Polpaico Reactive Compensation TL	2020
	SE (Substation) Cardones, Maitencillo and Pan de Azúcar second Bank	2020
INTERCOLOMBIA	UPME 03-2016, San Antonio Substation and related lines	2018*
	La Hermosa - Esmeralda Transmission Line	2018
	Ituango Substation and 500 and 230 kV TL	2018
	UPME 05-2014: Cerromatoso-Chinú-Copey	2018
	Montería Substation 230 kV and related TL	2018
	El Bosque Transformation Bay	2018
	Copey - Cuestecitas - Fundación Transmission Line	2020
ISA CTEEP	IEITAUNAS (L21)	2022
	IEAIMORES (L3)	2022
	IEPARAGUAÇU (L4)	2022
	ERB1 (L1)	2022
	IETIBAGI (L5)	2022
	IEITAQUERÉ (L6)	2022
TRANSELCA	IEITAPURA (L25)	2022
	IEAGUAPEÍ (L29)	2022
	Nueva Barranquilla 220 kV substation expansion	2018
REP	Tenera substation expansion	2018
	Urabá connection	2019
	18 Expansion	2019
TRANSMANTARO	19 Expansion	2019
	Carapongo Substation and related lines connection	2018*
ISA INTERVIAL	Nueva Mantaro - Nueva Yanango and Carapongo connection	2021
	Safety Regulation Works of Ruta de los Ríos.	2018
	Safety Regulation Works of Ruta de la Araucanía.	2018
	Safety Regulation Works of Ruta del Bosque.	2018
	Tranche III and SR Works of Ruta del Maipo	2022
Ruta del Loa	2023	

* Projects with term extension before the project promoter

⁴ Net Debt is equal to the balance of Gross Debt less Cash and Equivalents.

The investment also included contributions from INTERNEXA Colombia to INTERNEXA Brasil for COP 11.641 million, and the investment of COP 25.962 million in telecommunication assets associated with the payment of undersea cable, purchased some years ago, added to contributions from ISA CTEEP to its subsidiaries for BRL 51,1 million, distributed as follows: Itaquerê BRL 43,5 million, Paraguaçu BRL 2,4 million, Aimorés BRL 1,8 million, ERB1 BRL 1,8 million, Itaúnas BRL 1,1 million, and Iguapei BRL 0,5 million.

Projects entered into operation

During the April - June 2018 period, projects entering into operation contributed estimated annual revenue of USD 26.9 million.

PROJECTS ENTERED IN OPERATION				
Company	Project	Km/Units Intervened	Date	Annual revenue (USD million)
INTERCHILE	SE Cardones, Maitencillo and Pan de Azúcar transformation	0	04/17/2018	2,8
INTERCHILE	Maitencillo - Pan de Azúcar 2x500 kV - Tranche 2	428	04/17/2018	18,4
CTM	Friaspata-Mollepata Transmission Line and 220/60kV Substation	102	04/08/2018	5,7

Projects won and awarded

In Colombia, ISA won an open public bidding process for the design, construction, operation and maintenance of the third 500/230 kV of 450 MVA transformer at the Sogamoso substation, located in the department of Santander. This project is expected to begin operations on November 30, 2019. ISA will receive annual revenues of USD 1.06 million (USD exchange rate as of December 31, 2017).

A second project was awarded to ISA for the design, construction, operation, and maintenance of the second 500/230 kV of 360 MVA transformer at the Ocaña substation. This project is expected to begin operations on June 30, 2020 and the Company will generate annual revenues of USD 1,49 million (USD exchange rate as of December 31, 2017).

In Brazil, ISA CTEEP was awarded two projects that will generate annual revenues of USD 13 million. The first project will be built in the southern part of the country and it comprises 57 km of transmission lines and one substation with a total transformation capacity of 300 MVA. The second project is located in the state of Sao Paulo for a total of 12 km of transmission lines with 1,200 MVA in transformation capacity. The projects have a maximum construction period of 60 and 48 months, respectively, and a 30-year concession period.

6. Individual Results

Income Statement

During the second quarter of 2018, ISA's net income amounted to COP 233.450⁵ million, an decrease of 35,9% when compared with the same period last year. This was due to the following events:

⁵ The difference between the individual and consolidated ISA's net income is COP 2.386 million, arising from goodwill amortization.



- Lower energy transmission revenues by COP 3.769 million, given that UPMEs Caracolí, Cartago, and Valledupar were moved to INTERCOLOMBIA for their management and control.
- Reduction of results by equity method for COP 96.761 million, due to an update of the RBSE value in 2017 in CTEEP, greater expenses due to a credit exchange difference in dollars in ISA Inversiones Chile and Interchile, and the decrease of revenues in Internexa Colombia and Brazil due to a lower base and capture of clients.
- Increase of financial expenses for COP 26.023, as a result of debt contracted during the last quarter of 2017 to support a higher investment during the period.

Balance Sheet

At the end of June 2018, ISA assets reached COP 16.406.974 million, a 1,9% decrease when compared to December 2017. This decline was explained by the reduction of investments given the volatility effect of the currencies. The aforementioned was offset by the increase in assets for the construction of projects.

In addition, liabilities amounted to COP 6.327.252 million, 10% higher than December 2017. This was mainly due to the dividends approved (COP 600.361 million) at the General Shareholders' Meeting.

Equity amounted to COP 10.079.722 million, 8,2% lower than in 2017, as a result of the net effect of the distribution of dividends, the revaluation of the peso versus all other currencies in the countries where ISA is present, and the income of the period.

The solvency indicator (asset/liability⁶) as of June 2018, was 2,86 vs. 2,91 times as of December 2017.

The liquidity indicator reached 1,97 times vs. 1,43 times, excluding dividends payable in 2018.

7. Highlights

Fitch has affirmed ISA's long-term international rating at 'BBB+', with a stable outlook. According to their report, the rating "reflects the low business risk profile of the Company, which is a characteristic of the energy transmission business."

The Financial Superintendence of Colombia, through Resolution No. 0797 dated June 25, 2018, authorized the increase of the Program for the Issuance and Placement of Securities of ISA's Internal Public Debt global quota, by two trillion Colombian pesos (COP 2.000.000.000.000), thereby reaching a new global quota of six trillion five hundred billion Colombian Pesos (COP 6.500.000.000.000), as well as the renewal for the period of validity for the offer authorization and the inclusion of the possibility to issue green bonds.

ISA informs that effective August 15, 2018, Mr. Carlos Alberto Rodríguez López, Chief Financial Officer, will retire from the Company.

ISA placed bonds in the local market for COP 500,000 million. The total amount of demand reached COP 936.372 million, 2,3 times the amount offered.

⁶ Dividend adjustment

CHARACTERISTICS OF PLACED BONDS					
Series	Term	Amount Offered	Claimed Amount	Allocated Amount	Cut-off Rate
C9	9 years	\$500.000	\$338.200	\$156.500	CPI + 3,49% E.A.
C15	15 years		\$285.235	\$142.063	CPI + 3,89% E.A.
C25	25 years		\$312.937	\$201.437	CPI + 4,07% E.A.

Figures in millions of COP.

This report may contain forward-looking statements regarding the performance of ISA and should be taken in good faith by institutions; said forward-looking statements reflect management's views and are based on currently-available information, which assumes risks and uncertainties, including economic conditions and those from other markets, as well as the exchange rate variations and other financial variables with respect to which ISA S.A. E.S.P. may not be held responsible, directly or indirectly, for financial operations that the public may conduct in reliance of the information herein presented.

The consolidation process means the inclusion of 100% of the companies where ISA has control through the global integration method, pursuant to the application of the Colombian Financial Reporting and Accounting Standards -NCIF- enacted by Law 1314 of 2009, regulated by Decree 2420 of 2015, modified by decrees 2496 of 2015, 2131 of 2016 and 2170 of 2017, and to all the legal provisions adopted by the Colombia's National General Accounting Office. These Financial Reporting and Accounting Standards correspond to the International Financial Reporting Standards -IFRS- officially translated and authorized by the International Accounting Standards Board (IASB), as of December 31, 2015.

The figures expressed in millions of dollars in this report are only for informative purposes and do not reflect the accounting conversion standards usually used. As of June 30, 2018, the exchange rate used for the rendering of figures in dollars of the financial position statement was USD 1.00 = COP 2.930,80 (closing rate) and the rate used for the income statement was USD 1.00 = COP 2.849,56 (cumulative average rate) (Source: Banco de la República).

CONSOLIDATED INCOME STATEMENTS (unaudited)

JANUARY - JUNE 2018

Millions	2Q18	2Q17	Change \$	Change %	2Q18 USD	6M18	6M17	Change \$	Change %	6M18 USD
Revenues from Ordinary Activities										
Energy transmission services	910.043	1.286.272	(376.229)	-29,2%	319	1.879.764	2.204.920	(325.156)	-14,7%	660
Connection charges	57.126	56.550	576	1,0%	20	113.212	110.294	2.918	2,6%	40
Roads	253.788	260.916	(7.128)	-2,7%	89	519.774	517.249	2.525	0,5%	182
Dispatch and coordination cnd - mem	21.477	20.899	578	2,8%	8	42.712	41.383	1.329	3,2%	15
Mem services (stn, sic, sdi)	10.330	7.356	2.974	40,4%	4	17.605	13.495	4.110	30,5%	6
Telecommunications	80.373	86.040	(5.667)	-6,6%	28	160.979	169.441	(8.462)	-5,0%	56
Other operating revenues	20.592	17.238	3.354	19,5%	7	98.956	32.690	66.266	202,7%	35
Construction	174.568	182.556	(7.988)	-4,4%	61	326.482	402.504	(76.022)	-18,9%	115
Total Revenues from ordinary activities	1.528.297	1.917.827	(389.530)	-20,3%	536	3.159.484	3.491.976	(332.492)	-9,5%	1.109
Sales and operation costs	587.386	583.235	4.151	0,7%	206	1.167.666	1.196.739	(29.073)	-2,4%	410
Gross profit on sales	940.911	1.334.592	(393.681)	-29,5%	330	1.991.818	2.295.237	(303.419)	-13,2%	699
Administrative expenses	179.707	134.953	44.754	33,2%	63	341.837	298.176	43.661	14,6%	120
Other net revenues/(expenses)	20.651	4.189	16.462	393,0%	7	30.835	11.362	19.473	171,4%	11
Net equity method	39.191	17.010	22.181	130,4%	14	77.069	69.405	7.664	11,0%	27
Income from operating activities	821.046	1.220.838	(399.792)	-32,7%	288	1.757.885	2.077.828	(319.943)	-15,4%	617
Financial income	158.751	180.808	(22.057)	-12,2%	56	319.988	266.100	53.888	20,3%	112
Financial expenses	416.356	403.232	13.124	3,3%	146	860.097	737.108	122.989	16,7%	302
Income before taxes	563.441	998.414	(434.973)	-43,6%	198	1.217.776	1.606.820	(389.044)	-24,2%	427
Income tax provision	182.167	318.244	(136.077)	-42,8%	64	375.923	501.548	(125.625)	-25,0%	132
Year-end income	381.274	680.170	(298.896)	-43,9%	134	841.853	1.105.272	(263.419)	-23,8%	295
Minority interests	149.018	317.033	(168.015)	-53,0%	52	312.022	502.212	(190.190)	-37,9%	109
Net income	232.256	363.137	(130.881)	-36,0%	82	529.831	603.060	(73.229)	-12,1%	186
EBITDA	945.423	1.341.911	(396.488)	-29,5	332	2.015.702	2.297.514	(281.812)	-12,3	707
EBITDA Margin	61,9%	70,0%				63,8%	65,8%			
Operating margin	53,7%	63,7%				55,6%	59,5%			
Net margin before minority interest	24,9%	35,5%				26,6%	31,7%			
Net Margin	15,2%	18,9%				16,8%	17,3%			

CONSOLIDATED INCOME STATEMENTS (Unaudited)

RBSE EFFECT APRIL - JUNE 2018

<i>Millions</i>	2Q18	2Q17	RBSE 2017	2Q17 (excluding RBSE)	Change \$ 2Q (excluding RBSE)	Change %
Construction Revenues	174.568	181.579		181.579	(7.011)	-3,9%
Operating Income	1.353.729	1.736.248	359.615	1.376.633	(22.904)	-1,7%
Operating revenues	1.528.297	1.917.827	359.615	1.558.212	(29.915)	-1,9%
Construction cost	168.950	186.052		186.052	(17.102)	-9,2%
AOM operation	413.925	389.863		389.863	24.062	6,2%
(-) AOM expenses	582.875	575.915		575.915	6.960	1,2%
EBITDA	945.422	1.341.912	359.615	982.297	(36.875)	-3,8%
EBITDA Margin	61,9%	70,0%		63,0%		-1,2%
(-) Provis. Depr. Amort.	184.218	142.273		142.273	41.945	29,5%
(-) Operating costs and expenses	767.093	718.188		718.188	48.905	6,8%
Other net income	59.842	21.199		21.199	38.643	182,3%
Income from operating activities	821.046	1.220.838	359.615	861.223	(40.177)	-4,7%
Operating margin	53,7%	63,7%		55,3%		-1,5%
(+) Net financial	(257.605)	(222.424)		(222.424)	(35.181)	15,8%
Income before taxes	563.441	998.414	359.615	638.799	(75.358)	-11,8%
Income tax provision	182.167	318.244	122.269	195.975	(13.808)	-7,0%
Income before minority interest	381.274	680.170	237.346	442.824	(61.550)	-13,9%
Minority interest	149.018	317.033	152.077	164.956	(15.938)	-9,7%
Net income	232.256	363.137	85.269	277.868	(45.612)	-16,4%
Net Margin	15,2%	18,9%		17,8%		-2,6%

RBSE EFFECT JANUARY - JUNE 2018

<i>Millions</i>	6M18	6M17	RBSE 2017	6M17 (excluding RBSE)	Change \$ 6M (excluding RBSE)	Change %
Construction Revenues	326.482	402.504		402.504	(76.022)	-18,9%
Operating Income	2.833.002	3.089.472	359.615	2.729.857	103.145	3,8%
Operating revenues	3.159.484	3.491.976	359.615	3.132.361	27.123	0,9%
Construction cost	312.343	395.080		395.080	(82.737)	-20,9%
AOM operation	831.439	799.382		799.382	32.057	4,0%
(-) AOM expenses	1.143.782	1.194.462		1.194.462	(50.680)	-4,2%
EBITDA	2.015.702	2.297.514	359.615	1.937.899	77.803	4,0%
EBITDA Margin	63,8%	65,8%		61,9%		1,9%
(-) Provis. Depr. Amort.	365.721	300.453		300.453	65.268	21,7%
(-) Operating costs and expenses	1.509.503	1.494.915		1.494.915	14.588	1,0%
Other net income	107.904	80.767		80.767	27.137	33,6%
Income from operating activities	1.757.885	2.077.828	359.615	1.718.213	39.672	2,3%
Operating margin	55,6%	59,5%		54,9%		0,8%
(+) Net financial	(540.109)	(471.008)		(471.008)	(69.101)	14,7%
Income before taxes	1.217.776	1.606.820	359.615	1.247.205	(29.429)	-2,4%
Income tax provision	375.923	501.548	122.269	379.279	(3.356)	-0,9%
Income before minority interest	841.853	1.105.272	237.346	867.926	(26.073)	-3,0%
Minority interest	312.022	502.212	152.077	350.135	(38.113)	-10,9%
Net income	529.831	603.060	85.269	517.791	12.040	2,3%
Net Margin	16,8%	17,3%		16,5%		0,2%

CONSOLIDATED BALANCE SHEET (Unaudited)

JUNE 2018

<i>Millions</i>	June 2018	Part %	2017	Change \$	Change %	June 2018 USD
Current Assets						
Cash and cash equivalent	1.622.252	4,0%	1.529.470	92.782	6,1%	554
Financial assets	4.051.850	10,0%	4.402.971	(351.121)	-8,0%	1.383
Current tax	607.518	1,5%	309.451	298.067	96,3%	207
Inventories - net	80.026	0,2%	83.481	(3.455)	-4,1%	27
Other non-financial assets	153.863	0,4%	95.356	58.507	61,4%	52
Current assets	6.515.509	16,0%	6.420.729	94.780	1,5%	2.223
Non-current Assets						
Restricted cash	124.375	0,3%	78.204	46.171	59,0%	42
Non-current tax	44.649	0,1%	46.870	(2.221)	-4,7%	15
Investments in associates and joint business	2.717.912	6,7%	3.093.841	(375.929)	-12,2%	833
Financial instruments	16.332	0,0%	16.335	(3)	0,0%	6
Financial assets	14.908.435	36,6%	17.609.166	(2.700.731)	-15,3%	5.087
Inventories - net	67.498	0,2%	85.778	(18.280)	-21,3%	23
Property, plant, and equipment -net	9.553.166	23,5%	9.063.803	489.363	5,4%	3.260
Intangibles	6.258.157	15,4%	6.424.407	(166.250)	-2,6%	2.229
Non-financial assets	60.609	0,1%	65.102	(4.493)	-6,9%	21
Deferred tax	448.246	1,1%	504.264	(56.018)	-11,1%	153
Non-current Assets	34.199.379	84,0%	36.987.770	(2.788.391)	-7,5%	11.669
TOTAL ASSETS	40.714.888	100,0%	43.408.499	(2.693.611)	-6,2%	13.892
Current Liabilities						
Financial liabilities	1.563.656	3,8%	1.603.839	(40.183)	-2,5%	534
Accounts payable	1.135.824	2,8%	779.066	356.758	45,8%	388
Employees benefits	65.427	0,2%	78.021	(12.594)	-16,1%	22
Current tax	635.223	1,6%	407.912	227.311	55,7%	217
Provisions	133.385	0,3%	126.676	6.709	5,3%	46
Other non-financial liabilities	122.952	0,3%	114.763	8.189	7,1%	42
Current liabilities	3.656.467	9,0%	3.110.277	546.190	17,6%	1.249
Non-current liabilities						
Financial liabilities	13.870.661	34,1%	14.085.189	(214.528)	-1,5%	4.733
Accounts payable	858.601	2,1%	995.290	(136.689)	-13,7%	291
Non-current taxes	855.667	2,1%	1.054.405	(198.738)	-18,8%	292
Employees benefits	503.086	1,2%	490.130	12.956	2,6%	172
Provisions	256.831	0,6%	253.275	3.556	1,4%	88
Other non-financial liabilities	481.188	1,2%	490.647	(9.459)	-1,9%	164
Deferred tax	4.023.540	9,9%	4.505.765	(482.225)	-10,7%	1.373
Non-current liabilities	20.849.574	51,2%	21.874.701	(1.025.127)	-4,7%	7.113
TOTAL LIABILITIES	24.506.041	60,2%	24.984.978	(478.937)	-1,9%	8.362
EQUITY						
Subscribed and paid-in capital	36.916	0,1%	36.916		0,0%	12
Premium for placement of shares	1.428.128	3,5%	1.428.128		0,0%	476
Reserves	4.428.306	10,9%	3.585.959	842.347	23,5%	1.501
Retained earnings	3.223.361	7,9%	3.228.134	(4.773)	-0,1%	1.031
Comprehensive income of year	529.831	1,3%	1.437.936	(908.105)	-63,2%	186
Other comprehensive income of year	411.702	1,0%	1.239.963	(828.261)	-66,8%	226
Equity attributable to holders of controlling interest	10.058.244	24,7%	10.957.036	(898.792)	-8,2%	3.432
Non-controlling interest	6.150.603	15,1%	7.466.485	(1.315.882)	-17,6%	2.098
Shareholders' equity	16.208.847	39,8%	18.423.521	(2.214.674)	-12,0%	5.530
TOTAL EQUITY AND LIABILITIES	40.714.888	100,0%	43.408.499	(2.693.611)	-6,2%	13.892
ROE	13,5%		12,1%			
ROA	3,3%		3,0%			

DIRECT CONSOLIDATED CASH FLOW STATEMENT (unaudited)

JANUARY - JUNE 2018

Millions	6M18	6M17	Change \$	Change %	6M18 USD
Cash flow from operating activities					
Collections from loans and operations portfolio	16.716	16.178	538	3,3%	6
Collections from deposits and exigibilities	1.008	964	44	4,6%	0
Collections from insurance accounts receivable	581	7.565	(6.984)	-92,3%	0
Collections from the sale of goods and services	3.533.963	3.116.718	417.245	13,4%	1,206
Other collections from operating activities	77.792	316.340	(238.548)	-75,4%	27
Collections (Payment) from Secr da Fazenda Ações - Lei 4819	(73.236)	(98.397)	25.161	-25,6%	(25)
Payments from accounts payable to insurance	568	3.427	(2.859)	-83,4%	0
Payments to suppliers for the supply of goods and services	733.702	576.903	156.799	27,2%	250
Payments from contracts held for intermediation	378.410	409.371	(30.961)	-7,6%	129
Payments to and on behalf of employees	364.643	363.155	1.488	0,4%	124
Payments for premiums and benefits, annuities and other obligations	3.804	9.912	(6.108)	-61,6%	1
Other payments from operating activities	113.922	660.630	(546.708)	-82,8%	39
Net cash flow from operating activities	1.961.775	1.335.970	625.805	46,8%	669
Interests paid, classified as operating activities	82.483	86.924	(4.441)	-5,1%	28
Interests received, classified as operating activities	15.752	17.414	(1.662)	-9,5%	5
Tax on reimbursed income (paid)	631.111	430.463	200.648	46,6%	215
Other cash inflows (outflows)	(35.396)	3.584	(38.980)	-1087,6%	(12)
Payments to suppliers for the supply of goods and services	14.775	63.158	(48.383)	-76,6%	5
Net cash flow from operating activities	1.213.762	776.423	437.339	56,3%	414
Cash flows from investment activities					
Cash flows used to acquire subsidiaries control	85.503		85.503	0,0%	29
Other charges for the sale of equity or instruments	5.097		5.097	0,0%	2
Other payments to acquire equity or debt instruments	22.503		22.503	0,0%	8
Other payments to acquire stake in joint business	17.176	964.753	(947.577)	-98,2%	6
Amounts from the sale of property, plant and equipment	1.004	418	586	140,2%	0
Property, plant and equipment purchases	675.496	178.332	497.164	278,8%	231
Purchases of intangible assets	150.313	323.135	(172.822)	-53,5%	51
Cash advances and loans given to third parties	(250)	14.083	(14.333)	-101,8%	(0)
Collections from the reimbursement of advances and loans	1.268	(11.820)	13.088	-110,7%	0
Payments from future contracts, term contracts, option contracts.	20.476	52.420	(31.944)	-60,9%	7
Interests received, classified as investment activities	152.457	247.081	(94.624)	-38,3%	52
Other cash inflows (outflows)	(64.661)	49.746	(114.407)	-230,0%	(22)
Net cash used in investment activities	(876.052)	(1.247.298)	371.246	-29,8%	(299)
Cash flows from financing activities					
Amounts from loans	1.605.442	2.686.841	(1.081.399)	-40,2%	548
Loan reimbursements	1.164.102	978.867	185.235	18,9%	397
Finance lease liabilities payment	1.673	2.887	(1.214)	-42,1%	1
Dividends paid, classified as financing activities	466.375	214.547	251.828	117,4%	159
Interests paid, classified as financing activities	207.636	900.706	(693.070)	-76,9%	71
Tax on reimbursed income (paid)	2.113	778	1.335	171,6%	1
Other cash inflows (outflows)	86.193	73.660	12.533	17,0%	29
Net cash provided (used in) financing activities	(127.761)	662.716	(790.477)	-119,3%	(44)
Cash and cash equivalents, excluding exchange effect	209.949	191.841	18.108	9,4%	71
Effects of exchange rate variation on cash	(117.167)	52.567	(169.734)	-322,9%	(40)
Net cash and cash equivalents	92.782	244.408	(151.626)	-62,0%	31
Cash and cash equivalents at the beginning of the period	1.529.470	1.146.761	382.709	33,4%	522
CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD	1.622.252	1.391.169	231.083	16,6%	553

INDIVIDUAL INCOME STATEMENTS (Unaudited)

JANUARY - JUNE 2018

<i>Millions</i>	2Q18	2Q17	Change \$	Change %	2Q18 USD	6M18	6M17	Change \$	Change %	6M18 USD
Client contracts income										
Participating accounts contract income	203.436	202.724	712	0,4	70	406.142	411.956	-5.814	-1,4	139
Energy transmission services	11.937	15.706	-3.769	-24,0	4	27.632	32.103	-4.471	-13,9	9
Connection charges	554	542	12	2,2	0	1.104	1.085	19	1,8	0
Infrastructure projects	2.495	2.599	-104	-4,0	1	2.783	3.655	-872	-23,9	1
Telecommunications	282	357	-75	-21,0	0	533	608	-75	-12,3	0
Other operating revenues	2.270	2.280	-10	-0,4	1	4.487	4.403	84	1,9	2
Client contracts income	220.974	224.208	-3.234	-1,4	76	442.681	453.810	-11.129	-2,5	152
Operating costs	51.042	52.817	-1.775	-3,4	18	114.219	113.896	323	0,3	39
Gross profit	169.932	171.391	-1.459	-0,9	58	328.462	339.914	-11.452	-3,4	113
Administrative expenses	20.510	20.004	506	2,5	7	40.854	51.581	-10.727	-20,8	14
Other extraordinary operating revenues	0	0	0	0,0	0	60.901	0	60.901	0,0	21
Net equity method revenues/(expenses)	175.186	271.947	-96.761	-35,6	60	378.190	464.727	-86.537	-18,6	130
Other net revenues/(expenses)	-66	1.854	-1.920	-103,6	0	89	2.748	-2.659	-96,8	0
Income from operating activities	324.542	425.188	-100.646	-23,7	111	726.788	755.808	-29.020	-3,8	249
Financial income	55.241	133.873	-78.632	-58,7	19	132.988	147.378	-14.390	-9,8	46
Financial expenses	102.696	155.304	-52.608	-33,9	35	255.076	234.515	20.561	8,8	88
Income before taxes	277.087	403.757	-126.670	-31,4	95	604.700	668.671	-63.971	-9,6	208
Income tax provision	43.637	39.426	4.211	10,7	15	72.483	63.225	9.258	14,6	25
Year-end income	233.450	364.331	-130.881	-35,9	80	532.217	605.446	-73.229	-12,1	183
Net income	233.450	364.331	-130.881	-35,9	80	532.217	605.446	-73.229	-12,1	183
EBITDA	193.163	198.073	-4.910	-2,5	66	436.922	379.432	57.490	15,2	150
EBITDA Margin	87,4	88,3				98,7	83,6			
Operating margin*	67,6	68,3				78,7	64,1			
Net margin	105,6	162,5				120,2	133,4			

* Revenues (expenses) by equity method of the income by operating activities are excluded.

INDIVIDUAL BALANCE SHEET (Unaudited)
JUNE 2018

<i>Millions</i>	June 2018	Part %	2017	Change \$	Change %	July 2018 USD
Current Assets						
Cash and cash equivalent	403.075	2,5	361.188	41.887	11,6	138
Accounts receivable	87.692	0,5	42.008	45.684	108,8	30
Non-financial assets	19.983	0,1	7.786	12.197	156,7	7
Current tax	89.400	0,5	20.897	68.503	327,8	31
Current assets	600.150	3,6	431.879	168.271	39,0	205
Non-current Assets						
Restricted cash	12.561	0,1	16.901	-4.340	-25,7	4
Non-financial assets	1.150	0,0	1.200	-50	-4,2	0
Accounts receivable	205.791	1,3	209.235	-3.444	-1,6	70
Investments in associates and joint business	9.461.072	57,7	10.216.170	-755.098	-7,4	3.228
Investments in financial instruments	12.524	0,1	12.528	-4	0,0	4
Property, plant, and equipment -net	5.930.332	36,1	5.683.964	246.368	4,3	2.023
Investment property	7.678	0,0	7.720	-42	-0,5	3
Intangibles	131.067	0,8	102.263	28.804	28,2	45
Non-current taxes	44.649	0,3	44.649	0	0,0	15
Non-current Assets	15.806.824	96,3	16.294.630	-487.806	-3,0	5.393
TOTAL ASSETS	16.406.974	100,0	16.726.509	-319.535	-1,9	5.598
Current Liabilities						
Financial liabilities	130.979	0,8	113.155	17.824	15,8	45
Current tax	76.011	0,5	10.271	65.740	640,1	26
Accounts payable	669.248	4,1	125.268	543.980	434,3	228
Provisions	18.847	0,1	38.287	-19.440	-50,8	6
Employees benefits	6.947	0,0	10.159	-3.212	-31,6	2
Other non-financial liabilities	3.626	0,0	4.040	-414	-10,2	1
Other financial liabilities	0	0,0	0	0	0,0	0
Current liabilities	905.658	5,5	301.180	604.478	200,7	309
Non-current liabilities						
Financial liabilities	3.767.688	23,0	3.814.421	-46.733	-1,2	1.286
Deferred tax	923.989	5,6	908.995	14.994	1,6	315
Accounts payable to economic related parties	305.600	1,9	300.346	5.254	1,7	104
Other non-financial liabilities	182.916	1,1	191.812	-8.896	-4,6	62
Employees benefits	231.466	1,4	223.294	8.172	3,7	79
Accounts payable	3.010	0,0	3.307	-297	-9,0	1
Other provisions	6.925	0,0	7.026	-101	-1,4	2
Non-current liabilities	5.421.594	33,0	5.449.201	-27.607	-0,5	1.850
TOTAL LIABILITIES	6.327.252	38,6	5.750.381	576.871	10,0	2.159
Subscribed and paid-in capital	36.916	0,2	36.916	0	0,0	13
Premium for placement of shares	1.428.128	8,7	1.428.128	0	0,0	487
Reserves	4.428.306	27,0	3.585.959	842.347	23,5	1.511
Income of the year	532.217	3,2	1.442.708	-910.491	-63,1	182
Retained earnings	3.242.453	19,8	3.242.453	0	0,0	1.106
Other comprehensive income	411.702	2,5	1.239.964	-828.262	-66,8	140
Shareholders' equity	10.079.722	61,4	10.976.128	-896.406	-8,2	3.439
TOTAL EQUITY AND LIABILITIES	16.406.974	100,0	16.726.509	-319.535	-1,9	5.598

INDIVIDUAL DIRECT CASH FLOW STATEMENT (unaudited)

JANUARY - JUNE 2018

<i>Millions</i>	6M18	6M17	Change \$	Change %	6M18 USD
CASH FLOWS FROM OPERATING ACTIVITIES					
Collections from the sale of goods and services	405.317	451.979	-46.662	-10,3	138
Other collections from operating activities	60.073	2.184	57.889	2650,6	20
Payments to suppliers for the supply of goods and services	42.079	40.442	1.637	4,0	14
Payment to employees account	38.896	30.630	8.266	27,0	13
Other payments from operating activities	711	1.864	-1.153	-61,9	0
Interest paid	141	94	47	50,0	0
Interests received	13.864	15.130	-1.266	-8,4	5
Taxes on income paid	68.008	65.054	2.954	4,5	23
Other cash inflows	34	4.277	-4.243	-99,2	0
NET CASH FLOW FROM OPERATING ACTIVITIES	329.453	335.486	-6.033	-1,8	112
CASH FLOWS FROM INVESTMENT ACTIVITIES					
Cash flows used to acquire subsidiaries control or other businesses	17	620.001	-619.984	-100,0	0
Other charges for the sale of equity or debt instruments of other entities	3	0	3	0,0	0
Other payments to acquire stake in joint business	0	36.494	-36.494	-100,0	0
Amounts from the sale of property, plant and equipment	0	13	-13	-100,0	0
Property, plant and equipment purchases	396.195	192.952	203.243	105,3	135
Purchases of intangible assets	24.628	29	24.599	84824,1	8
Collections from the reimbursement of advances and loans granted to third parties	1.361	6.830	-5.469	-80,1	0
Payments from future contracts, term contracts, option contracts and financial swap contracts.	645	0	645	0,0	0
Dividends received	282.247	137.452	144.795	105,3	96
Interests received	2.563	2.554	9	0,4	1
Other cash inflows (outflows)	-1.081	0	-1.081	0,0	0
NET CASH USED IN INVESTMENT ACTIVITIES	-136.392	-702.627	566.235	-80,6	-47
CASH FLOWS FROM FINANCING ACTIVITIES					
Amounts from loans	0	700.000	-700.000	-100,0	0
Loan reimbursements	22.243	5.888	16.355	277,8	8
Finance lease liabilities payment	751	727	24	3,3	0
Dividends paid	131.752	103.988	27.764	26,7	45
Interests paid	0	700.000	-700.000	-100,0	0
NET CASH PROVIDED (USED IN) FINANCING ACTIVITIES	-154.746	589.397	-744.143	-126,3	-53
Cash and cash equivalents, excluding exchange effect	38.315	222.256	-183.941	-82,8	13
Effects of exchange rate variation on cash	3.572	1.860	1.712	92,0	1
Cash and cash equivalent net increase	41.887	224.116	-182.229	-81,3	14
Cash and cash equivalents at the beginning of the period	361.188	254.496	106.692	41,9	123
CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD	403.075	478.612	-75.537	-15,8	138