

# **Gas Natural de Lima y Callao S.A.**

## **Financial Statements**

As of June 30, 2018, and December 31, 2017

# **GAS NATURAL DE LIMA Y CALLAO S.A.**

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DECEMBER 31, 2017

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## **GAS NATURAL DE LIMA Y CALLAO S.A.**

### **STATEMENT OF FINANCIAL POSITION JUNE 30, 2018 AND DECEMBER 31, 2017**

	<b>30/06/2018</b>	<b>31/12/2017</b>		<b>30/06/2018</b>	<b>31/12/2017</b>
	<b>US\$000</b>	<b>US\$000</b>		<b>US\$000</b>	<b>US\$000</b>
<b>ASSETS</b>			<b>EQUITY AND LIABILITIES</b>		
<b>CURRENT ASSETS:</b>			<b>CURRENT LIABILITIES</b>		
Cash and cash equivalents	41,317	34,572	Other financial Liabilities	3,764	3,764
Trade receivables (net)	81,282	71,458	Accounts payable	68,169	56,419
Accounts receivable from related parties	50	59	Accounts payable from related parties	50,908	-
Inventories	27,171	24,902	Current income tax payable	2,722	3,132
Other receivables	12,069	18,244	Other accounts payable	13,545	14,391
Other non financial Assets	728	1,286	Deferred income	14,550	17,226
<b>Total Current Assets</b>	<b>162,617</b>	<b>150,521</b>	<b>Total current liabilities</b>	<b>153,658</b>	<b>94,932</b>
<b>NON-CURRENT ASSETS</b>			<b>NON CURRENT LIABILITIES</b>		
Trade receivables (net)	17,204	13,613	Other financial Liabilities	398,521	398,360
Property, plant and equipment (net)	7,445	7,983	Provisions	10,121	8,769
Intangible assets	670,732	641,437	Other accounts payable	7,517	7,669
Deferred taxes assets	-	174	Other accounts payable	1,562	
Other receivables	232	342	<b>Total non-current liabilities</b>	<b>417,721</b>	<b>414,798</b>
<b>Total non-current assets</b>	<b>695,613</b>	<b>663,549</b>	<b>Total liabilities</b>	<b>571,379</b>	<b>509,730</b>
			<b>EQUITY</b>		
			Issued capital	224,804	224,804
			Legal reserve	26,940	21,083
			Other capital reserves	298	(112)
			Retained earnings	34,809	58,565
			<b>Total equity</b>	<b>286,851</b>	<b>304,340</b>
<b>TOTAL</b>	<b>858,230</b>	<b>814,070</b>	<b>TOTAL</b>	<b>858,230</b>	<b>814,070</b>

## **GAS NATURAL DE LIMA Y CALLAO S.A.**

### **STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	<b>30/06/2018</b>	<b>30/06/2017</b>
	<b>US\$000</b>	<b>US\$000</b>
<b>OPERATIONAL INCOME</b>		
Income from natural gas sales, transport distributions sales, transport distributions and associated services	256,986	239,511
Income from the main grid extension	41,516	40,705
Other operational income	2,521	4,322
<b>Total operational income</b>	<b>301,023</b>	<b>284,538</b>
<b>COST OF SALES</b>		
Cost of natural gas sales, transport distributions and associated services	(176,502)	(173,546)
Cost of sales from the main grid extension	(41,516)	(40,705)
Gross profit	83,005	70,287
Administrative expenses	(18,622)	(14,311)
Commercialization expenses	(4,449)	(7,427)
Other (expenses) income	1,077	477
Operative profit	61,011	49,026
Financial income	1,015	377
Financial expenses	(9,304)	(10,677)
Exchange difference, net	(336)	2,969
Pre-income tax result	52,386	41,695
Income tax expense	(15,507)	(11,538)
<b>Net profit of the year</b>	<b>36,879</b>	<b>30,157</b>
Other integral result of the year	410	(350)
<b>Total integral result of the year</b>	<b>37,289</b>	<b>29,807</b>

**GAS NATURAL DE LIMA Y CALLAO S.A.****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	<u>Issued Capital</u>	<u>Legal Reserve</u>	<u>Other capital</u>	<u>Retained earnings</u>	<u>Total Equity</u>
	<u>US\$000</u>	<u>US\$000</u>	<u>reserves</u>	<u>US\$000</u>	<u>US\$000</u>
			<u>US\$000</u>		
BALANCE AS OF JANUARY 1, 2017	224,804	15,546	-106	55,372	295,616
Net profit for the year	-	-	-	30,157	30,157
Other integral result	-	-	-350	-	-350
Provision for legal reserve	-	5,537	-	-5,537	-
Reduction of share capital	-	-	-	-	-
Dividend Distribution	-	-	-	-49,835	-49,835
BALANCE AS OF JUNE 30, 2017	<u>224,804</u>	<u>21,083</u>	<u>-456</u>	<u>30,157</u>	<u>275,588</u>
BALANCE AS OF JANUARY 01, 2018	224,804	21,083	-112	58,565	304,340
Net profit for the year	-	-	-	36,879	36,879
Change in accounting policy IFRS 9	-	-	-	-2,070	-2,070
Other integral result	-	-	410	-	410
Provision for legal reserve	-	5,857	-	-5,857	-
Dividend Distribution	-	-	-	-52,708	-52,708
BALANCE AS OF JUNE 30, 2018	<u>224,804</u>	<u>26,940</u>	<u>298</u>	<u>34,809</u>	<u>286,851</u>

## **GAS NATURAL DE LIMA Y CALLAO S.A.**

### **STATEMENT OF CASH FLOW FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	<b>30/06/2018</b>	<b>30/06/2017</b>
	<b>US\$000</b>	<b>US\$000</b>
<b>OPERATING ACTIVITIES:</b>		
Collection corresponding to:		
Income for distribution services	251,777	244,789
Other cash income related to operating activities	8,537	737
Payments corresponding to:		
Suppliers of goods and services	(170,623)	(165,033)
Employee benefits	(14,517)	(13,005)
Income tax	(14,775)	(15,727)
Interests	(8,138)	(11,401)
Other cash payments related to operating activities	(3,058)	(9,925)
Net cash provided by operating activities	<u>49,202</u>	<u>30,435</u>
<b>INVESTMENT ACTIVITIES:</b>		
Collection corresponding to:		
Sale of Property, plant and equipment	109	-
Payments corresponding to:		
Investment in concession goods	(41,588)	(40,927)
Software purchase		
Purchase of machinery and equipment and ongoing works	(276)	(84)
Net cash provided by operating activities	<u>(41,754)</u>	<u>(41,011)</u>
<b>FINANCING ACTIVITIES:</b>		
Collection corresponding to:		
Loans received	-	80,000
Financial contribution and overcharge	-	694
Payments corresponding to:		
Dividend payments	-	(48,040)
Financial contribution and overcharge	(703)	-
Payment of loan received	-	(8,450)
Net cash provided by operating activities	<u>(703)</u>	<u>24,204</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>6,745</u>	<u>13,629</u>
<b>CASH AND CASH EQUIVALENTS AT THE START OF THE YEAR</b>	<u>34,572</u>	<u>14,705</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<u>41,317</u>	<u>28,334</u>