

**CODESA S.A. E.S.P.****NONCONSOLIDATED BALANCE SHEET****(In thousands of pesos)**

	as of March 31, 2014	as of December 31, 2013
<b>Assets</b>		
Current Assets:		
Available and Investments	\$ 252.126.266	\$ 696.296.398
Accounts receivable, Net	400.179.053	340.246.934
Prepaid expenses	4.488.104	3.399.812
Total current assets	<u>656.793.423</u>	<u>1.039.943.144</u>
Inventories, net	20.157.851	14.807.854
Debtors, net	44.178.883	45.498.739
Permanent investments, net	105.986.450	105.986.997
Properties, plant and equipment	3.383.112.909	3.405.651.297
Deferred Taxes	49.041.945	51.295.517
Other assets	120.942.643	123.872.307
Valuations	741.929.127	740.905.596
Total assets	<u>\$ 5.122.143.231</u>	<u>\$ 5.527.961.451</u>
<b>Liabilities and equity</b>		
Current liabilities:		
Bonds and commercial paper outstanding	\$ 5.516.136	\$ 256.350.596
Accounts payable	818.619.418	568.116.847
Taxes, levies and duties payable	131.957.905	122.043.227
Labor-related and social security obligations	26.113.033	27.327.091
Accrued expenses and provisions	42.121.539	44.334.007
Pensions and fringe benefits	26.722.971	27.618.495
Other current liabilities	58.347.411	54.435.831
Total current liabilities	<u>1.109.398.413</u>	<u>1.100.226.094</u>
Long-term Liabilities:		
Bonds and commercial paper outstanding	990.790.414	990.700.970
Estimated liabilities and reserves	21.268.658	29.939.525
Retirement pensions	172.858.582	171.963.058
Deferred liabilities	36.431.562	36.431.562
Other liabilities	49.391.071	50.268.427
Total long-term liabilities	<u>1.270.740.287</u>	<u>1.279.303.542</u>
Total liabilities	<u>2.380.138.700</u>	<u>2.379.529.636</u>
Equity:		
Subscribed and paid capital	13.209.327	13.209.327
Premium for placement of shares	13.333.540	13.333.540
Legal reserve	57.567.062	57.567.062
Equity revaluation	1.787.495.354	1.787.495.354
Valuation surplus	741.929.127	740.905.596
Surplus by participation method	10.067	10.417
Net income for the period	128.460.054	535.910.519
Total equity	<u>2.742.004.531</u>	<u>3.148.431.815</u>
Total liabilities and equity	<u>\$ 5.122.143.231</u>	<u>\$ 5.527.961.451</u>
Memorandum accounts	<u>\$ 5.343.207.705</u>	<u>\$ 5.342.203.291</u>

Original signed by  
CLAUDIA PATRICIA CIRKA MARTÍNEZ  
Public Accountant  
T.P. No. 47715-T

# CODENSA S.A. E.S.P.

## NONCONSOLIDATED INCOME STATEMENT (in thousands of Colombian pesos)

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	Three month period from January 1 to March 31, 2014	Twelve month period from January 1 to December 31, 2013
Operational revenues	\$ 797.339.769	\$ 3.212.218.132
Cost of sales	(568.563.455)	(2.276.911.578)
Gross profits	<u>228.776.314</u>	935.306.554
Administration expenses	(20.774.880)	(81.185.246)
Operational profits	<u>208.001.434</u>	854.121.308
Other expenditures (revenues):		
Financial revenues	8.357.155	33.771.011
Extraordinary revenues	4.410.674	12.934.753
Financial expenditures	(22.909.961)	(68.032.662)
Extraordinary expenditures	(1.400.253)	(17.671.844)
Profits before taxes	<u>196.459.049</u>	815.122.566
Income tax	(67.998.995)	(279.212.047)
Net income for the period	<u>\$ 128.460.054</u>	<u>\$ 535.910.519</u>

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**CODENSA S.A. E.S.P.**

**NONCONSOLIDATED CASH FLOW STATEMENTS**  
**(in thousands of Colombian pesos)**

	<b>as of March 31, 2014</b>	<b>as of December 31, 2013</b>
<b>Operational Activities</b>		
Net year profits	\$ 128.460.054	\$ 535.910.519
Adjustments to concile net profit of the period and net cash used in operational activities:		
Depreciation and Amortization	64.704.469	254.057.419
Bond amortization	89.444	362.744
Deferred tax, active	2.253.572	(2.805.838)
Deferred tax, debit, previous years	0	3.412.437
Retirement pension reserve	6.575.135	15.346.423
Loss from participation method	196	227
Loss (profits) in the sale of properties, plant, and equipment	620.395	3.108.194
Loss (gain) on account of actuarial calculations	0	4.523.589
Accounts receivable reserve	502.418	1.846.129
Recovery of accounts receivable reserve	(162.301)	(952.635)
Inventory reserve	-	867.736
Recovery of other costs and expenses	(371.032)	(1.442.662)
Declared Dividends	(807.113)	0
Contingency recovery	(472.009)	(485.571)
Contingency reserve	892.482	860.819
Profit in the sale of equipment	(295.388)	(589.024)
Net change in operational assets and liabilities		
Debtors	(58.145.267)	(27.487.488)
Inventories	(5.349.997)	(2.653.735)
Expenses paid in advance	(1.088.292)	(452.500)
Accounts Payable	(157.490.397)	12.001.272
Taxes, charges, and rates	9.914.678	(31.022.108)
Pension liabilities (payments)	(6.575.135)	(26.320.310)
Labor obligations	(1.214.058)	5.733.757
Estimated liabilities and reserves	(11.102.122)	33.153.444
Other liabilities	3.403.898	17.455.715
Net cash from operational activities	<b>(25.656.371)</b>	794.428.553
<b>Investment activities</b>		
Increase in properties, plant, and equipment	(39.209.586)	(281.262.390)
Dividends	0	4.360.213
Increase in other assets	(1.041.693)	(11.662.415)
Result in the sale of properties, plant, and equipment	320.182	809.300
Net cash used in investment activities	<b>(39.931.097)</b>	(287.755.292)
<b>Financial activities</b>		
Increase of financial obligations and interest payments, net	21.495.528	451.850.372
Payment of financial obligations and interest	(272.329.988)	(316.775.263)
Dividend payment	(127.748.205)	(496.693.959)
Equity tax payment	0	(31.741.156)
Net cash provided (used) in financial activities	<b>(378.582.665)</b>	(393.360.006)
<b>Increase (decrease) in cash and cash equivalents:</b>	<b>(444.170.133)</b>	113.313.255
Cash and cash equivalents at the beginning of the year	696.296.398	582.983.143
Cash and cash equivalents at year end	<b>\$252.126.265</b>	<b>\$696.296.398</b>

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