

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

	as of June 30, 2014	as of December 31, 2013
Assets		
Current Assets:		
Available and Investments	\$ 151.023.110	\$ 696.296.398
Accounts receivable, Net	597.104.277	340.246.934
Prepaid expenses	4.401.804	3.399.812
Total current assets	<u>752.529.191</u>	<u>1.039.943.144</u>
Inventories, net	22.388.886	14.807.854
Debtors, net	45.403.288	45.498.739
Permanent investments, net	105.987.424	105.986.997
Properties, plant and equipment	3.386.131.279	3.405.651.297
Deferred Taxes	45.275.892	51.295.517
Other assets	118.354.455	123.872.307
Valuations	744.897.515	740.905.596
Total assets	<u>\$ 5.220.967.930</u>	<u>\$ 5.527.961.451</u>
Liabilities and equity		
Current liabilities:		
Loans	\$ 65.109.200	\$ 256.350.596
Bonds and commercial paper outstanding	\$ 6.139.301	\$ 256.350.596
Accounts payable	696.428.312	568.116.847
Taxes, levies and duties payable	172.145.683	122.043.227
Labor-related and social security obligations	27.557.432	27.327.091
Accrued expenses and provisions	43.692.368	44.334.007
Pensions and fringe benefits	27.514.665	27.618.495
Other current liabilities	58.780.459	54.435.831
Total current liabilities	<u>1.097.367.420</u>	<u>1.100.226.094</u>
Long-term Liabilities:		
Bonds and commercial paper outstanding	990.880.851	990.700.970
Estimated liabilities and reserves	15.427.661	29.939.525
Retirement pensions	172.066.888	171.963.058
Deferred liabilities	36.431.562	36.431.562
Other liabilities	48.766.490	50.268.427
Total long-term liabilities	<u>1.263.573.452</u>	<u>1.279.303.542</u>
Total liabilities	<u>2.360.940.872</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	744.897.515	740.905.596
Surplus by participation method	11.059	10.417
Net income for the period	243.513.201	535.910.519
Total equity	<u>2.860.027.058</u>	<u>3.148.431.815</u>
Total liabilities and equity	<u>\$ 5.220.967.930</u>	<u>\$ 5.527.961.451</u>
Memorandum accounts	<u>\$ 5.796.020.461</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)

	Six month period from January 1 to June 30, 2014	Twelve month period from January 1 to December 31, 2013
Operational revenues	\$ 1.668.867.638	\$ 3.212.218.132
Cost of sales	(1.226.937.804)	(2.276.911.578)
Gross profits	<u>441.929.834</u>	<u>935.306.554</u>
Administration expenses	(42.927.363)	(81.185.246)
Operational profits	<u>399.002.471</u>	<u>854.121.308</u>
Other expenditures (revenues):		
Financial revenues	13.864.534	33.771.011
Extraordinary revenues	11.787.687	12.934.753
Financial expenditures	(41.670.198)	(68.032.662)
Extraordinary expenditures	(9.171.164)	(17.671.844)
Profits before taxes	<u>373.813.330</u>	<u>815.122.566</u>
Income tax	(130.300.129)	(279.212.047)
Net income for the period	<u>\$ 243.513.201</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)

	as of June 30, 2014	as of December 31, 2013
Operational Activities		
Net year profits	\$ 243.513.201	\$ 535.910.519
Adjustments to concile net profit of the period and net cash used in operational activities:		
Depreciation and Amortization	131.312.683	254.057.419
Bond amortization	179.881	362.744
Deferred tax, active	1.849.250	(2.805.838)
Deferred tax, debit, previous years	4.170.375	3.412.437
Retirement pension reserve	12.640.706	15.346.423
Loss from participation method	215	227
Loss (profits) in the sale of properties, plant, and equipment	881.924	3.108.194
Loss (gain) on account of actuarial calculations	0	4.523.589
Accounts receivable reserve	1.203.786	1.846.129
Recovery of accounts receivable reserve	(67.167)	(952.635)
Inventory reserve	-	867.736
Loss (gain) Other assets	1.268.193	
Recovery of other costs and expenses	(796.494)	(1.442.662)
Declared Dividends	(807.113)	0
Contingency recovery	(1.617.254)	(485.571)
Contingency reserve	1.402.400	860.819
Profit in the sale of equipment	(353.378)	(589.024)
Net change in operational assets and liabilities		
Debtors	(257.091.398)	(27.487.488)
Inventories	(7.581.032)	(2.653.735)
Expenses paid in advance	(1.001.992)	(452.500)
Accounts Payable	(188.530.015)	12.001.272
Taxes, charges, and rates	50.102.456	(31.022.108)
Pension liabilities (payments)	(12.640.706)	(26.320.310)
Labor obligations	230.341	5.733.757
Estimated liabilities and reserves	(14.311.501)	33.153.444
Other liabilities	3.581.948	17.455.715
Net cash from operational activities	(32.460.692)	794.428.553
Investment activities		
Increase in properties, plant, and equipment	(105.802.317)	(281.262.390)
Dividends	0	4.360.213
Increase in other assets	(3.401.268)	(11.662.415)
Result in the sale of properties, plant, and equipment	392.776	809.300
Net cash used in investment activities	(108.810.809)	(287.755.292)
Financial activities		
Increase of financial obligations and interest payments, net	105.688.585	451.850.372
Payment of financial obligations and interest	(290.790.680)	(316.775.263)
Dividend payment	(203.029.114)	(496.693.959)
Equity tax payment	(15.870.579)	(31.741.156)
Net cash provided (used) in financial activities	(404.001.788)	(393.360.006)
Increase (decrease) in cash and cash equivalents:	(545.273.289)	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	\$151.023.109	\$696.296.398

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