

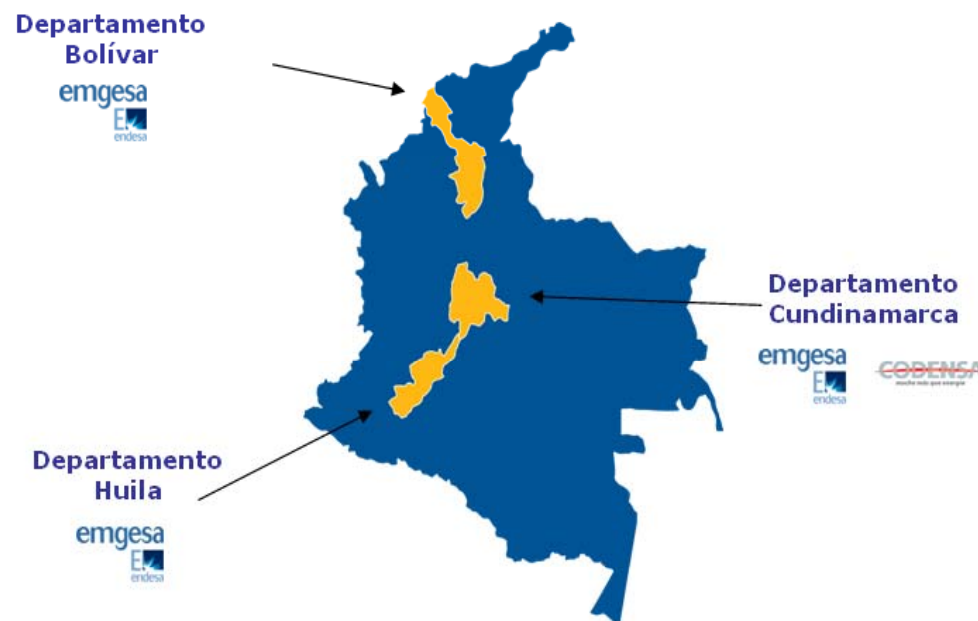
September, 2011

# endesacolombiairpresentation

AS OF JUNE 30, 2011



- **Main private investor** in the Colombian electric power industry.
- **Leading Group in generation, distribution and commercialization** of electricity in Colombia.
- Present in Colombia since 1996 through Betania, and since 1997 through **Codensa and Emgesa**, as a result of the restructuring process of **Empresa de Energía de Bogotá (EEB)**.
- More than **COP\$13 trillion (USD\$7.4 billion)** in **assets** managed in Colombia.
- **Enel, Italy's largest power Company**, with presence in 23 countries worldwide **owns 92% of Endesa**.



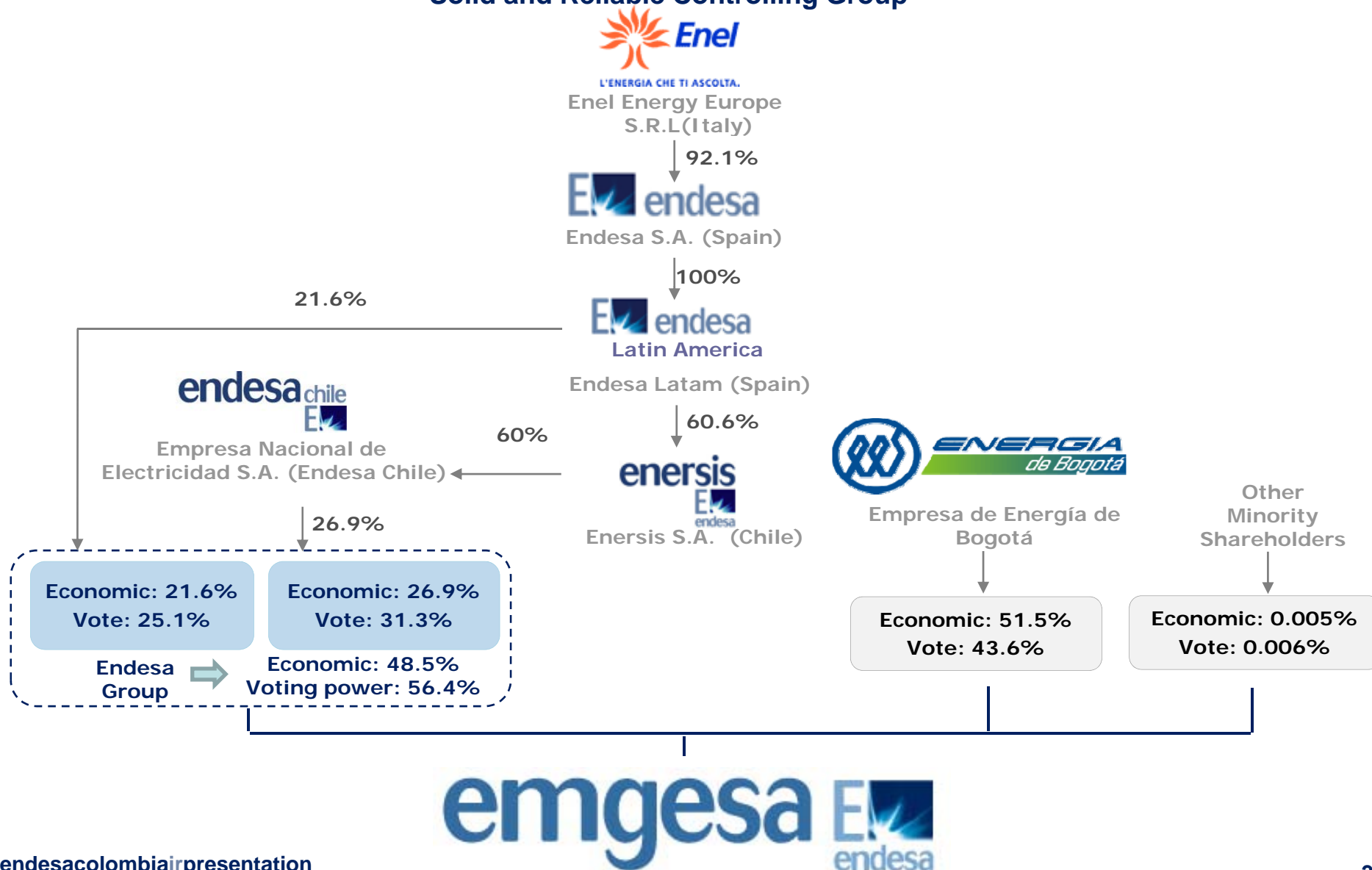
### Endesa Colombia

10 Hydroelectric Plants

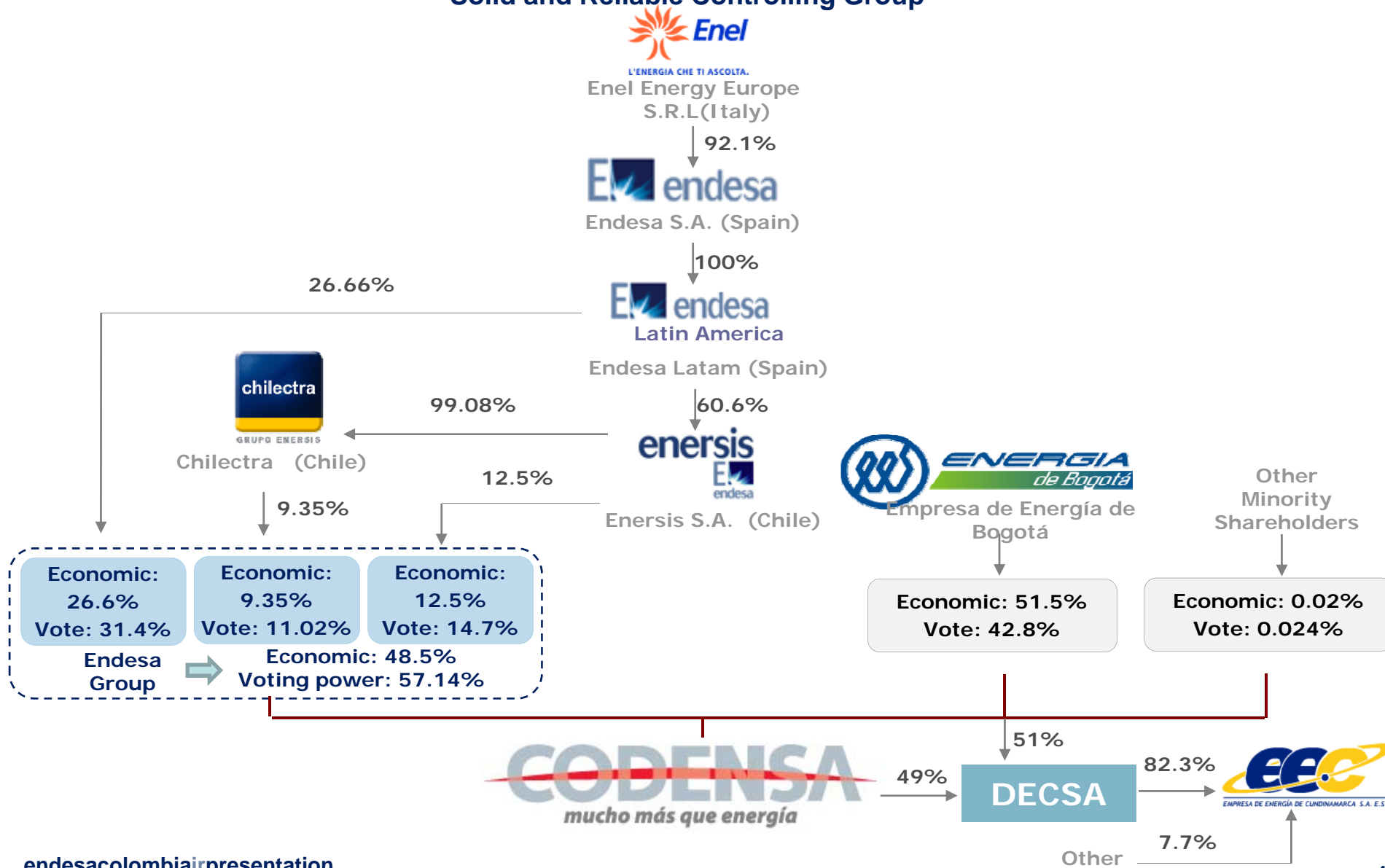
2 Thermal Plants

2.4+ million clients in the distribution business in Bogotá and the central region of Colombia (Cundinamarca, Boyaca and Tolima)

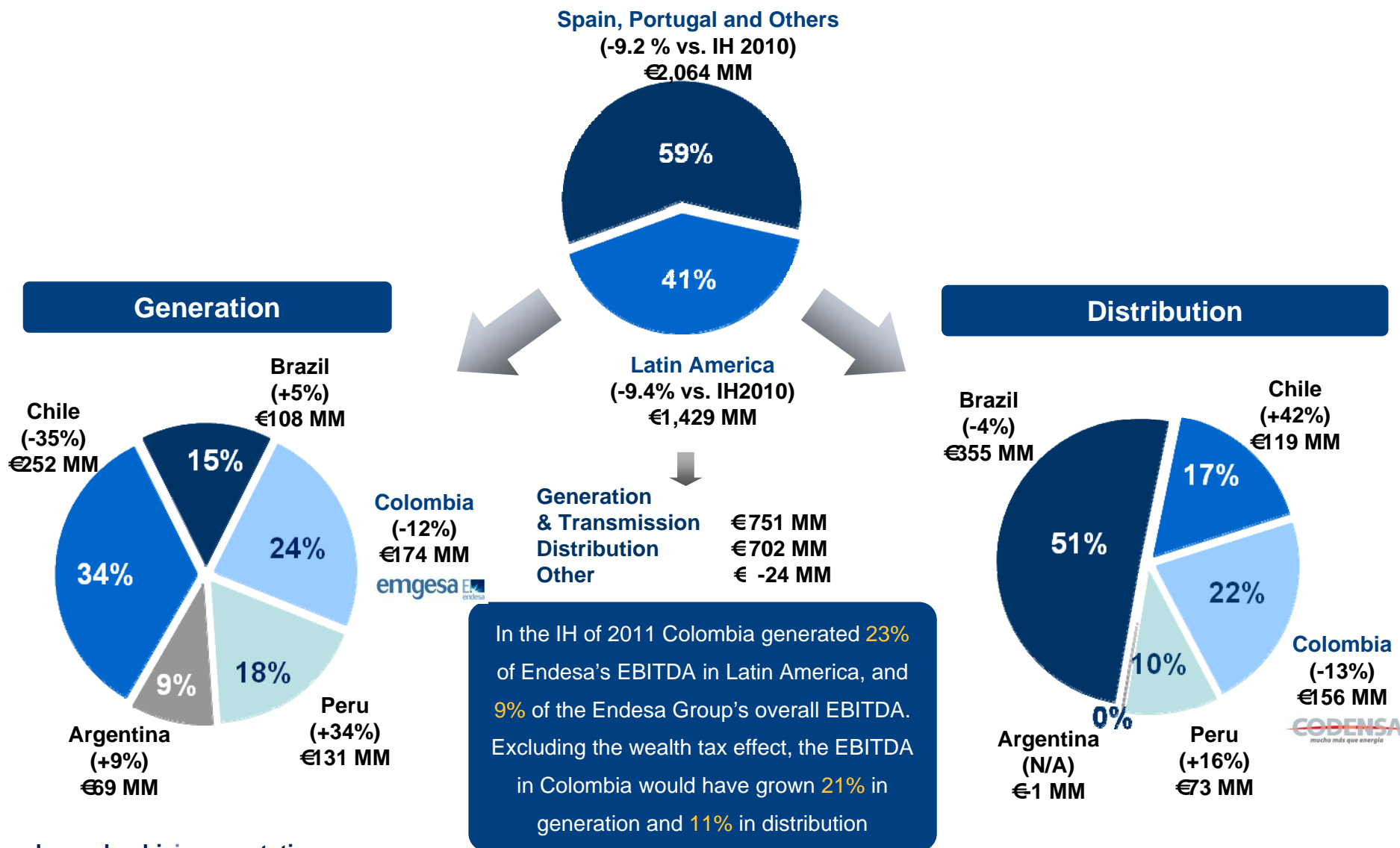
### Solid and Reliable Controlling Group



### Solid and Reliable Controlling Group





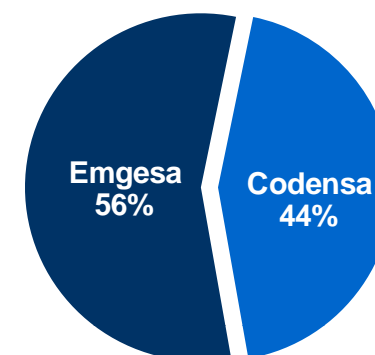
## IH 2011 Consolidated EBITDA Results for Endesa Group: €3,493 MM



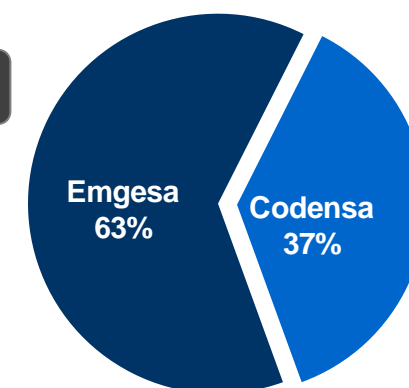
Aggregated figures for Codensa and Emgesa

Adjusted EBITDA\* IH 2011

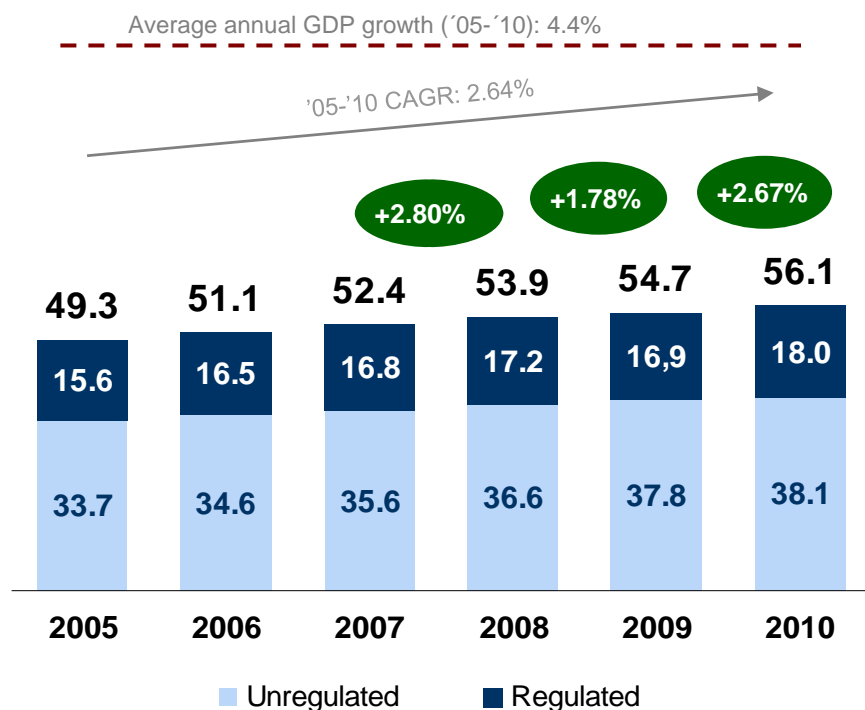
USD Million	2009	2010	IH 2010	IH 2011	% changes for COP figures IH '10 vs IH '11
Operating revenues	\$2,300	\$2,242	\$1,225	\$1,312	-0,5%
Adjusted EBITDA*	\$1,036	\$1,095	\$518	\$607	+8,9%
Net Income	\$512	\$550	\$258	\$294	+5,9%
Total Assets	\$6,692	\$6,831	\$6,768	\$7,450	+2,2%
Shareholder's Equity	\$4,448	\$4,117	\$4,235	\$4,378	-4,0%
FX used (COP/USD)	\$2,044	\$1,914	\$1,916	\$1,780	
Credit Rating	 Local: AAA / F1+ Codensa and Emgesa		 International: BBB- /BBB- Emgesa		



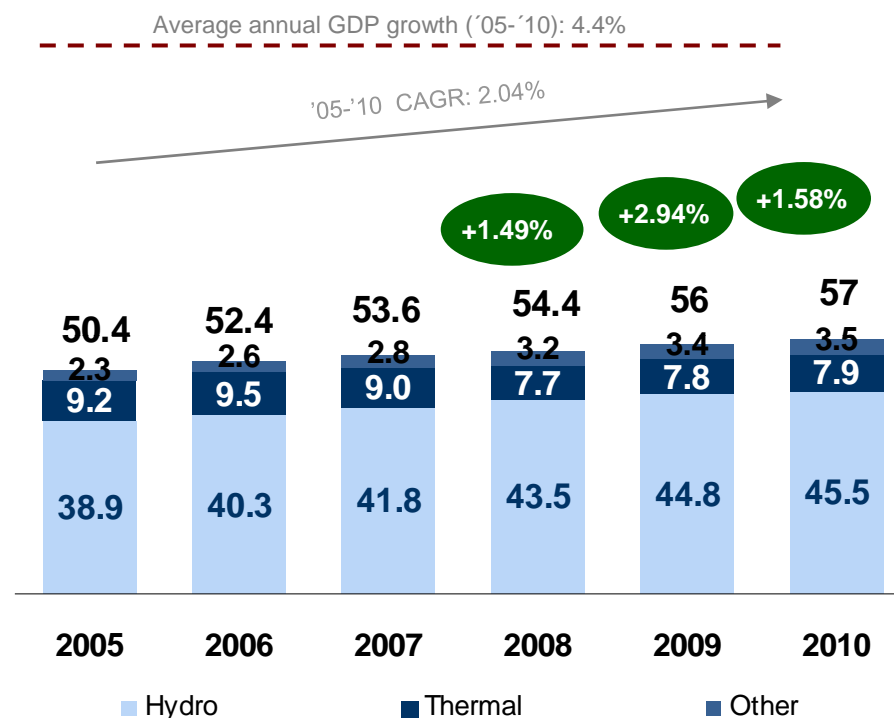
Total Assets IH 2011



### Annual Historical Electricity Demand (TWh)



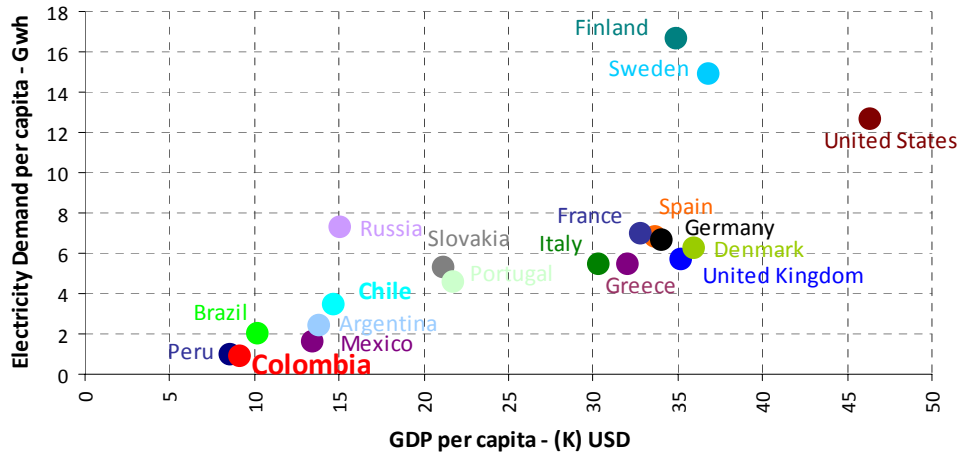
### Annual Historical Generation (TWh)



Source: XM

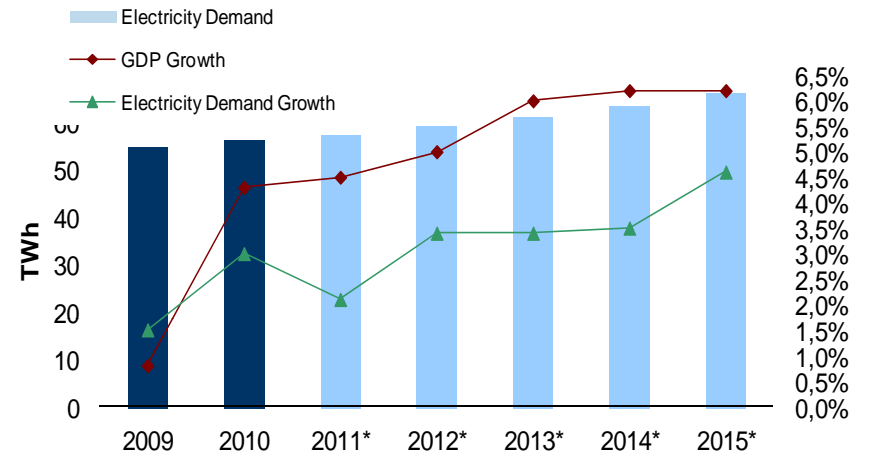
- Energy demand growth reached 2.7% in 2010 compared to a 1.78% growth in 2009, improving its pace due to economic recovery and increasing demand from the industrial sector.
- Power generation grew by 1.6% in 2010 due to increasing demand and exports to Ecuador.
- The Mining and Energy Planning Unit (UPME) forecasts an increase in demand of 2.13% in 2011 reaching 57.344 GWh (base scenario).

### Electricity Demand per capita vs. GDP per capita



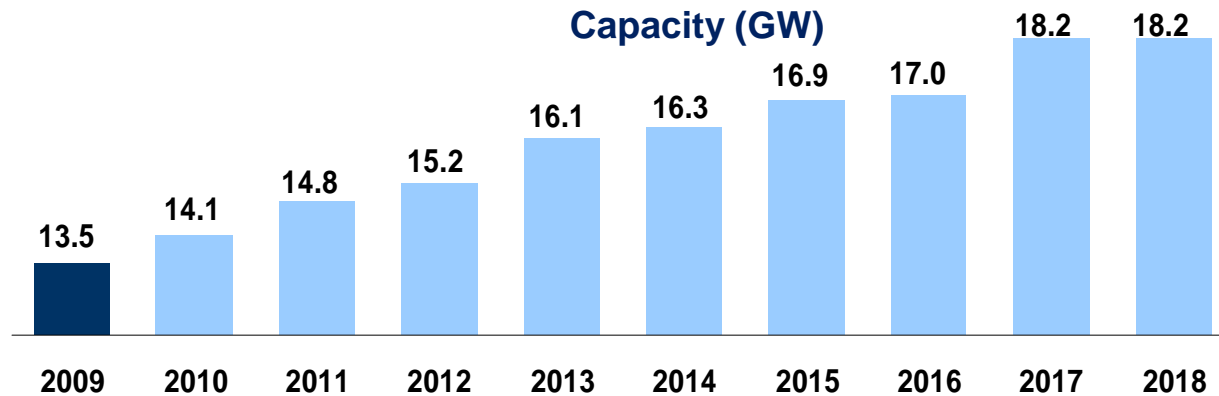
Sources World Factbook – CIA. GDP per capita figures available as of 2009 and Electricity demand per capita as of 2007.

### Electricity Demand (TWh)



(\*) Estimated. Sources XM. UPME Last Forecast (July 2011) and Forecasts from the National Bureau of Statistics (DANE)

### Capacity (GW)



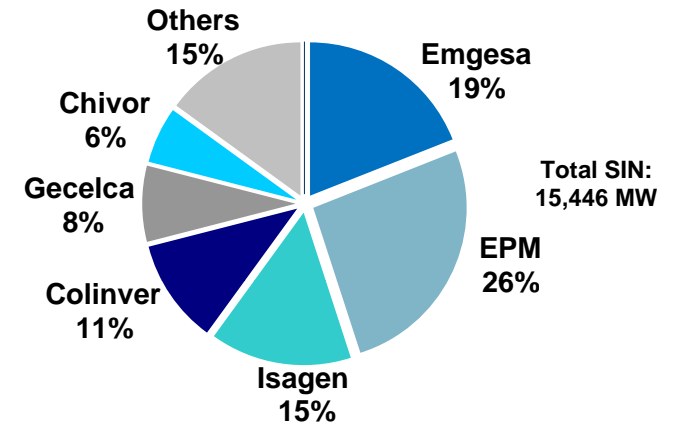
Source XM. UPME Last Forecast (November 2010)





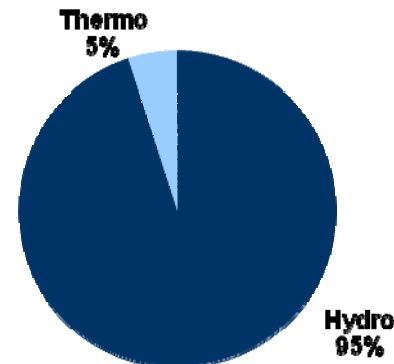
- Second largest generation company in Colombia in terms of installed capacity with 2,914 MW (20% of the country's system as of June 30, 2011).
- Second largest generation company in Colombia, measured by total electricity generation with 5,510 GWh produced as of June 30, 2011 (20% market share).
- 11,305 GWh produced in 2010, representing a 20% market share.

### Market Share by Installed Capacity (MW) - NIS



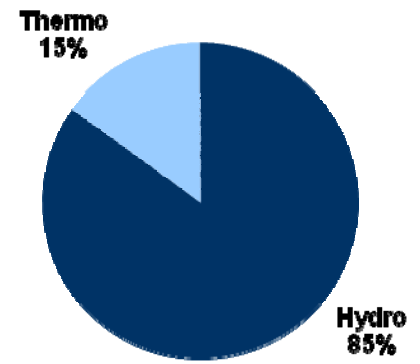
Source: XM. As of June 30, 2011

### Energy Produced

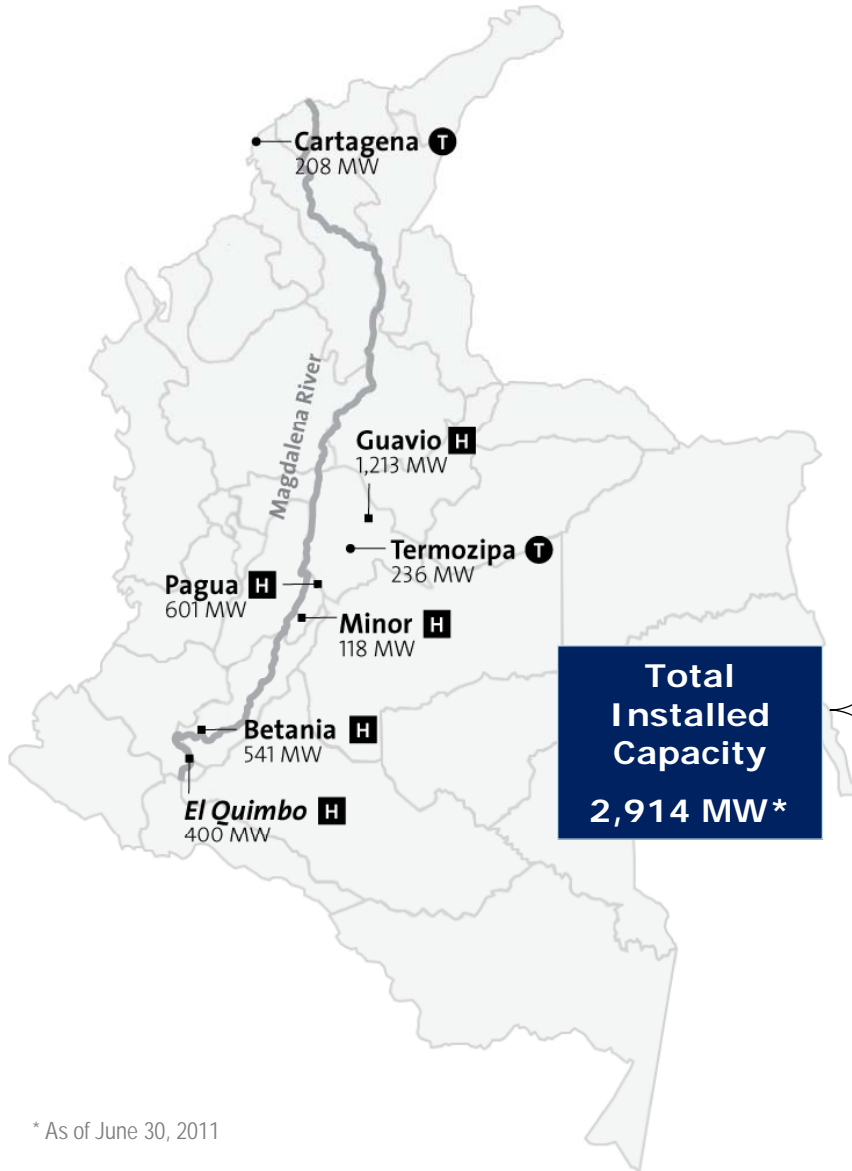


Source: XM.  
As of June 30, 2011

### Installed Capacity

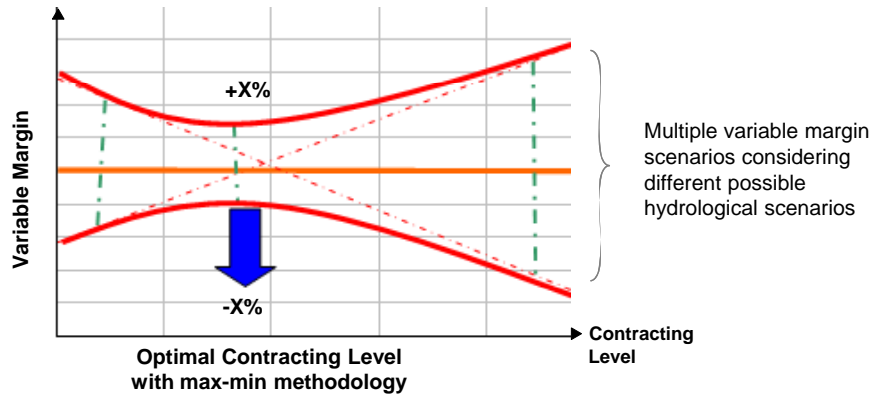


Source: XM.  
As of June 30, 2011

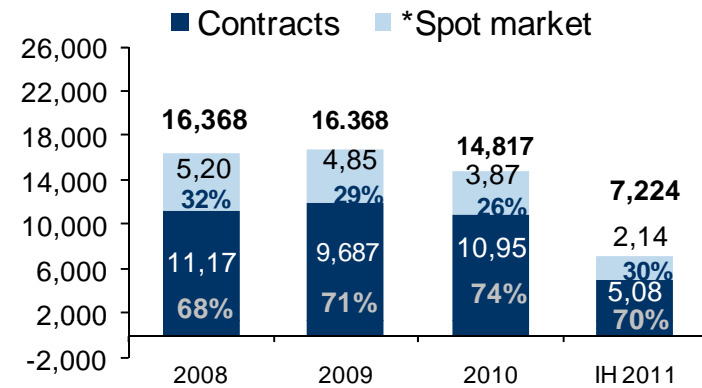


\* As of June 30, 2011

### Risk Management Model

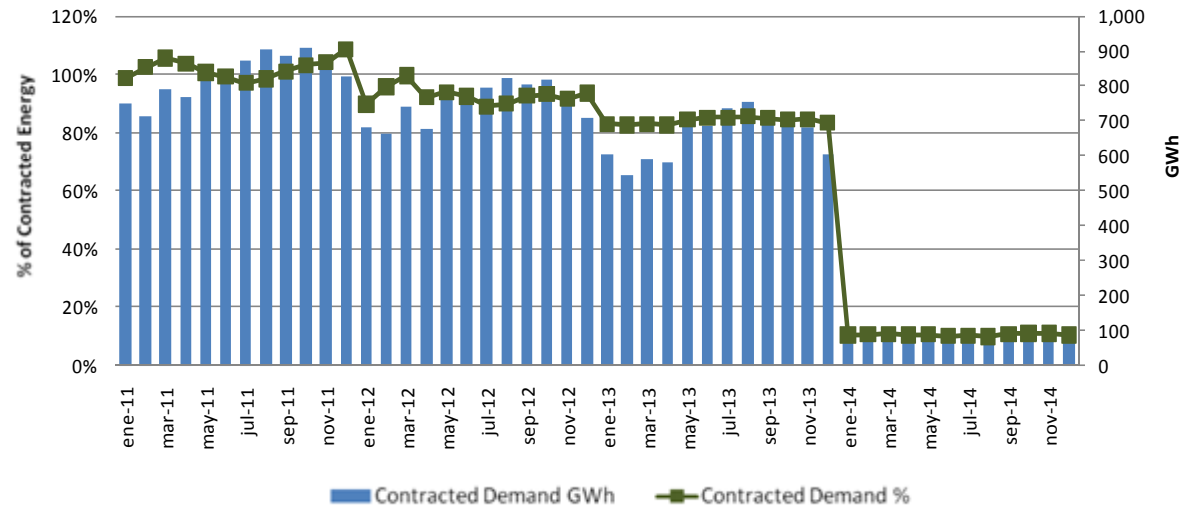


### Sales by type (GWh)



\*Spot Market sales include AGC sales

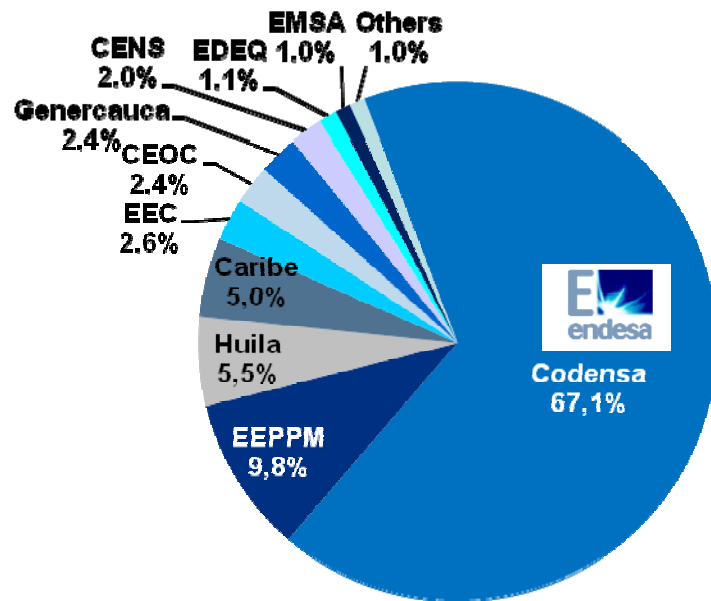
### Sales Contracted levels (2011-2014) according to commercial policy targets



Last Update June 30, 2011

### Main Wholesale Market Clients (IH 2011)

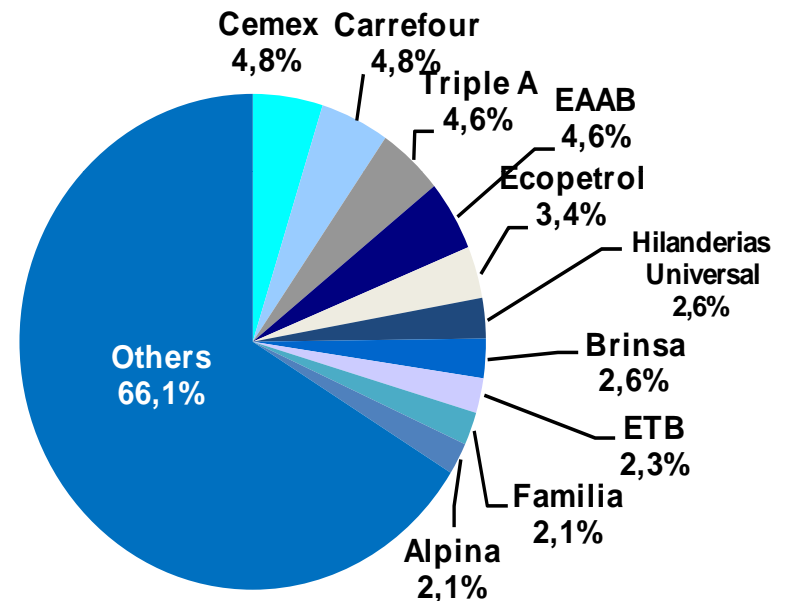
(% of sales to wholesale market in terms of GWh)



**Total: 3.636 GWh**  
**50.3% total sales**

### Main Unregulated Market Clients (IH 2011)

(% of sales to unregulated market in terms of GWh)

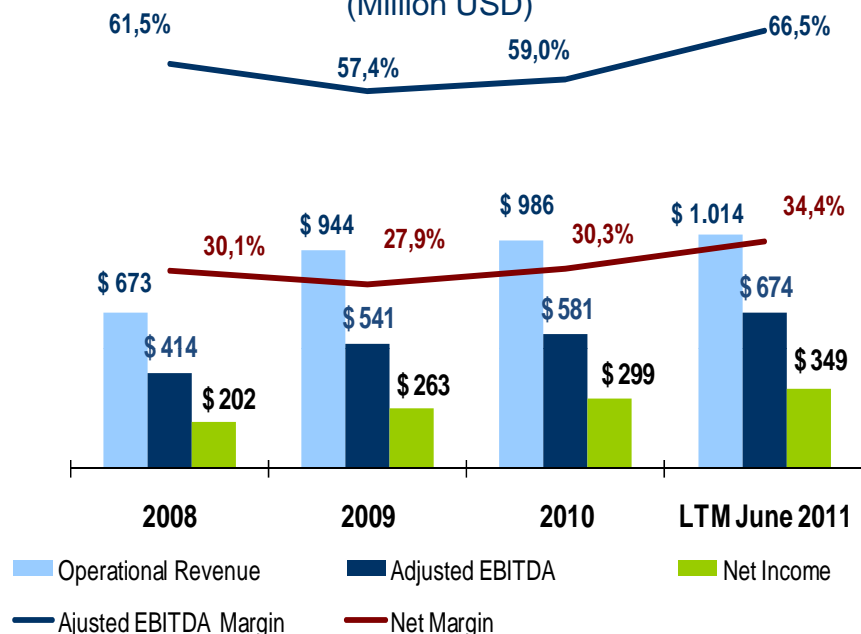


**Total: 1.444 GWh**  
**20.0% total sales**

\*As of June 30, 2011

### Financial Results and Margins

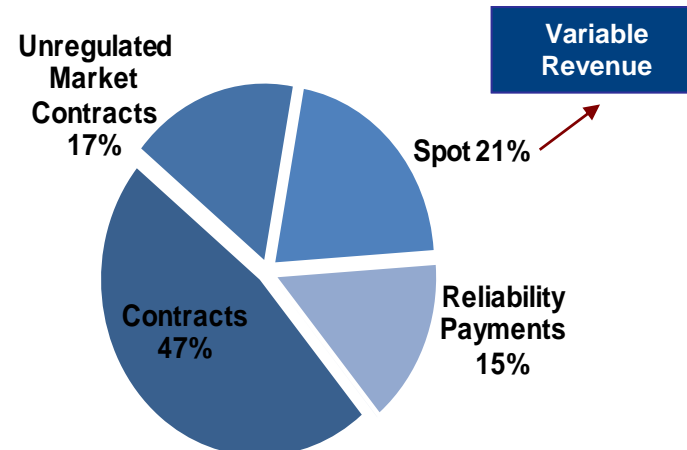
(Million USD)



- High component of sales under contracts, contributes to stabilize the margin without limiting trading opportunities in the spot market

- Stable operational revenue and improvement in EBITDA margin in 2010, in spite of lower generation, higher fuel costs, and lower spot prices during the 2nd half of 2010
- During the IH 2011, EBITDA increased due an improvement in operational results, as fuel costs were lower, given an increase in hydro generation and lower energy purchases in the spot market

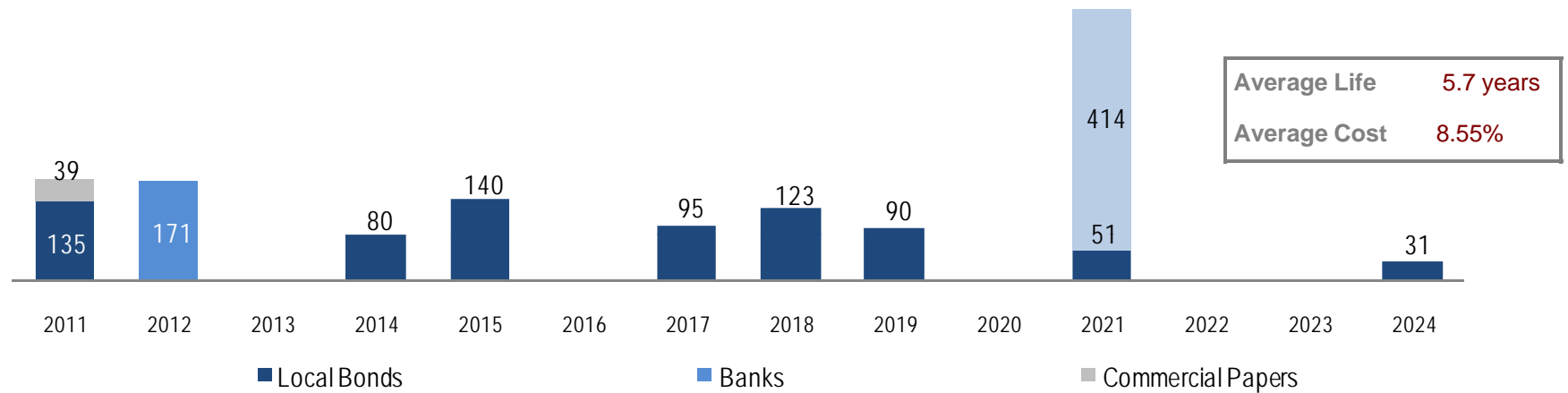
### IH 2011 Operational Revenue



### Amortization Schedule

(MM USD) as of June 2011

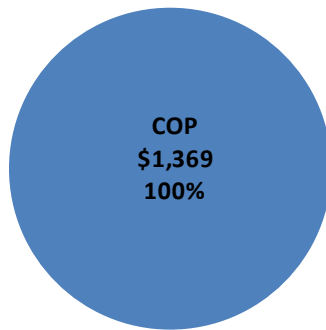
EBITDA (2010) ~ US\$581 MM



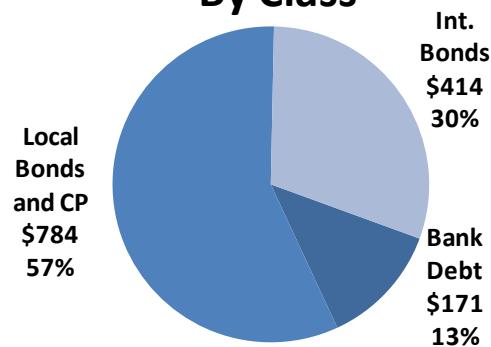
### Financial Debt Breakdown

(MM USD) as of June 2011

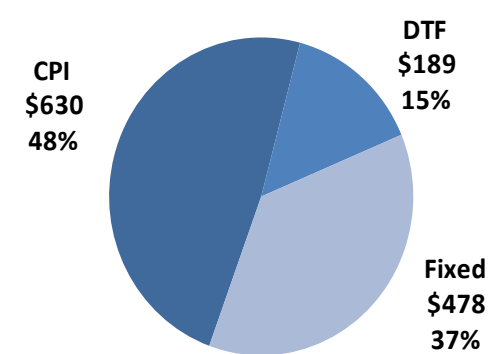
#### By Currency



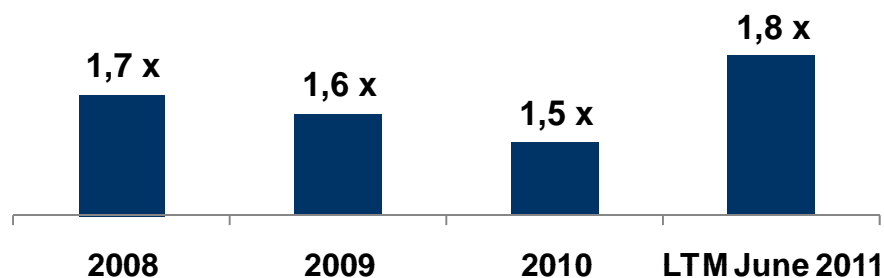
#### By Class



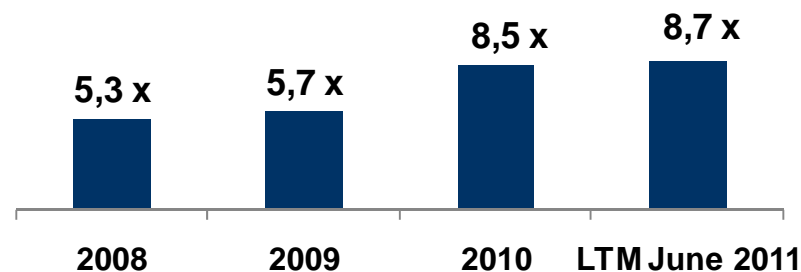
#### By Interest Rate



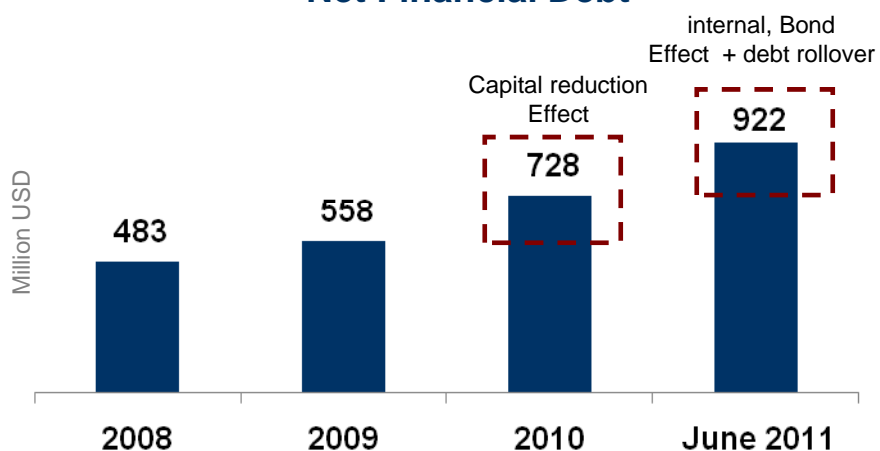
### Debt / Adjusted EBITDA\*



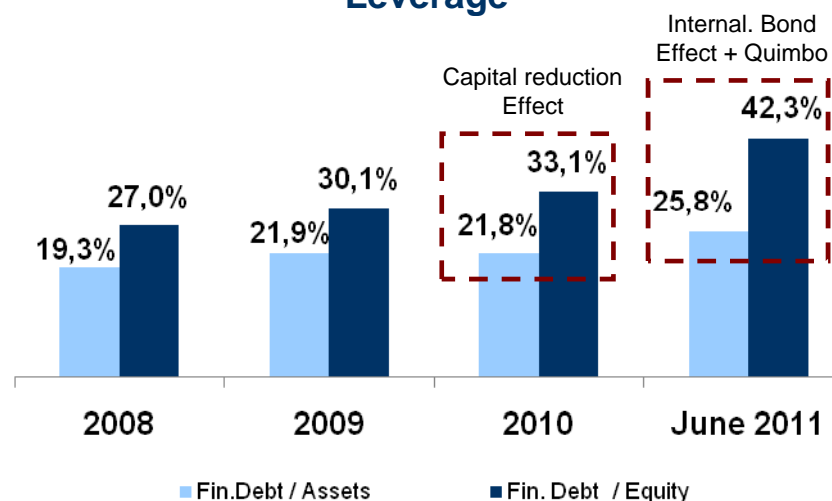
### Adjusted EBITDA\* / Interest expense



### Net Financial Debt



### Leverage

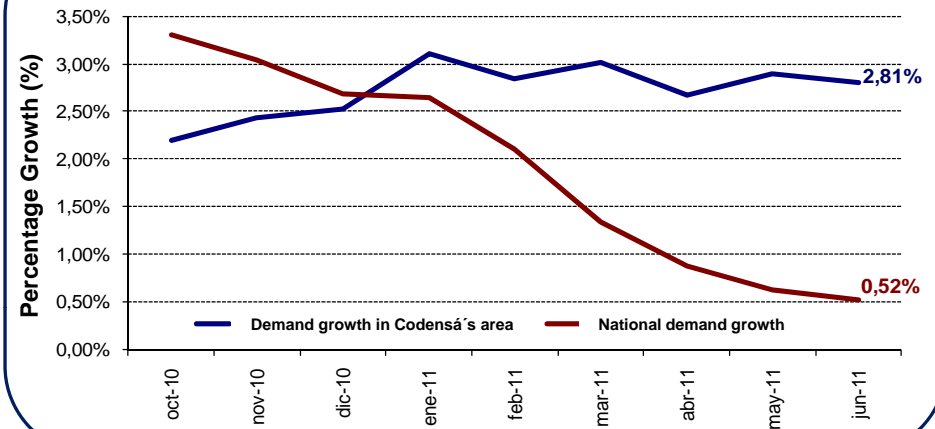




- Largest distribution company in Colombia, measured by electricity demand reaching a total demand of 6,674 GWh in Codensa's area of influence in IH 2011 (24% market share).
- More than 42,200 Km in medium-tension and low-tension network in Colombia
- More than 2.46 million clients representing 24% of National Demand (as of June 30, 2011), positioning Codensa as the largest distribution company by number of clients\*.

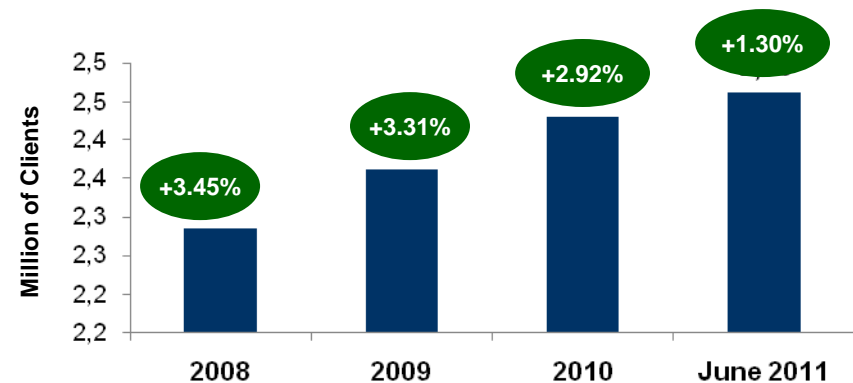
\*Estimated by Codensa

### Electricity Demand Growth



Source: XM. As of March 31, 2011.

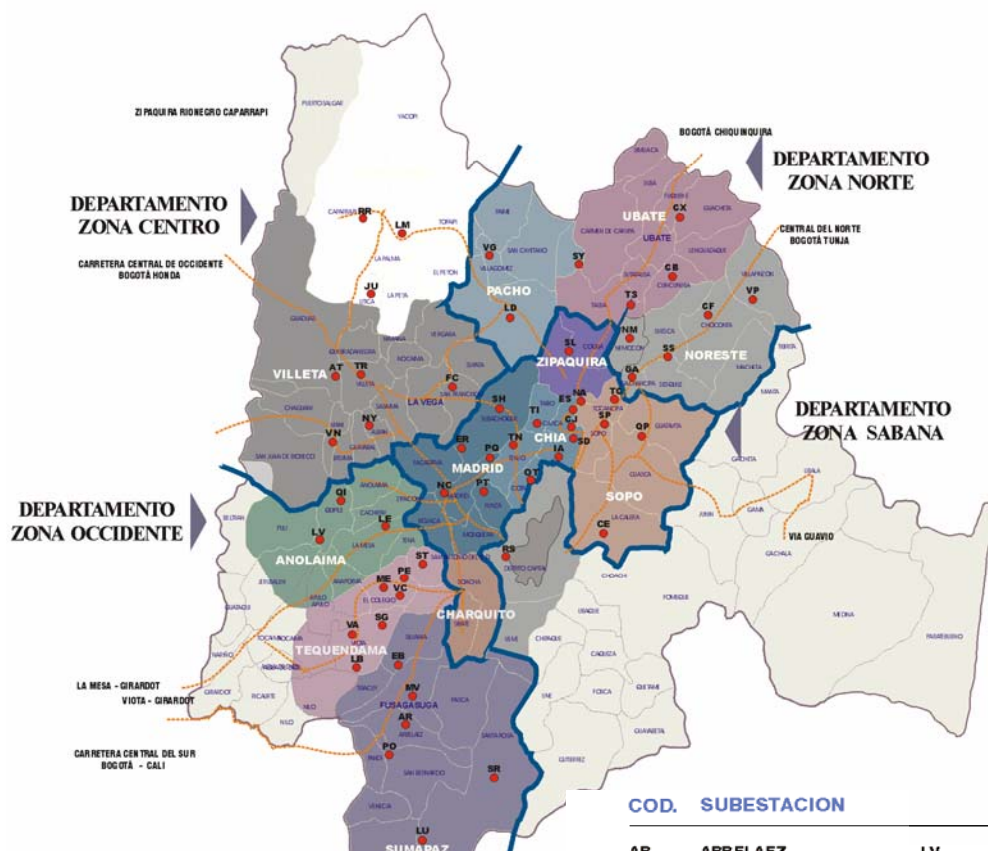
### Number of Clients Growth



Source: XM.  
As of June 30, 2011



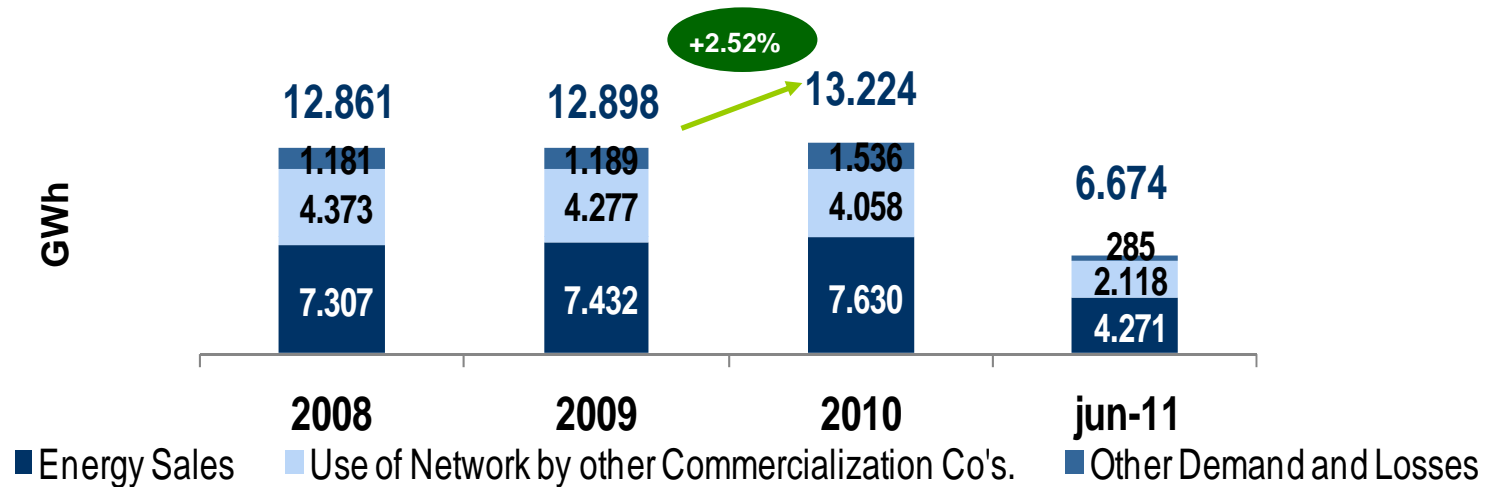
### DPTO DE CUNDINAMARCA



Coverage	Bogota area and 103 municipalities in three different regions
Power Transformers	HT: 213 Units - 7.807 MVA MT: 93 Units - 351 MVA
Medium-tension and low-tension network	42,247 Km
Area of Service	14.087 Km <sup>2</sup>
Substations	121 Power SSEE y 65.472 Distribution Centers

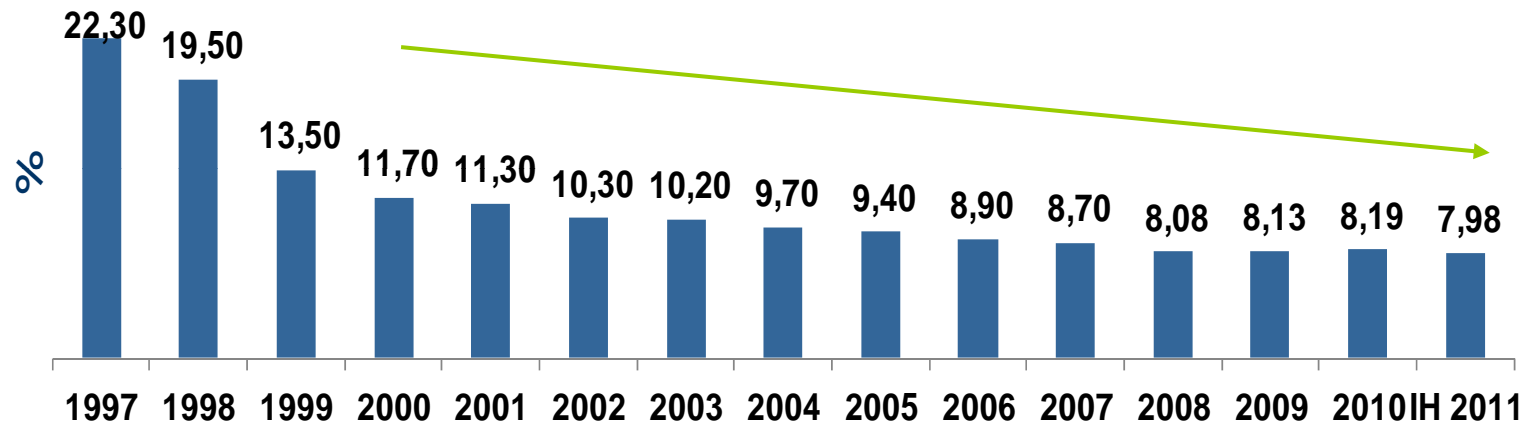
\* As of June 30, 2011

### Electricity Demand in Codensa's Area (GWh)



- Demand for the use of Codensa's network by other commercialization companies reached 2,118GWh (32% of total demand).
- As of June 30, 2011 90% of sales were supported by electricity purchased in contracts in previous years assuring price stability

## TAM Losses Index

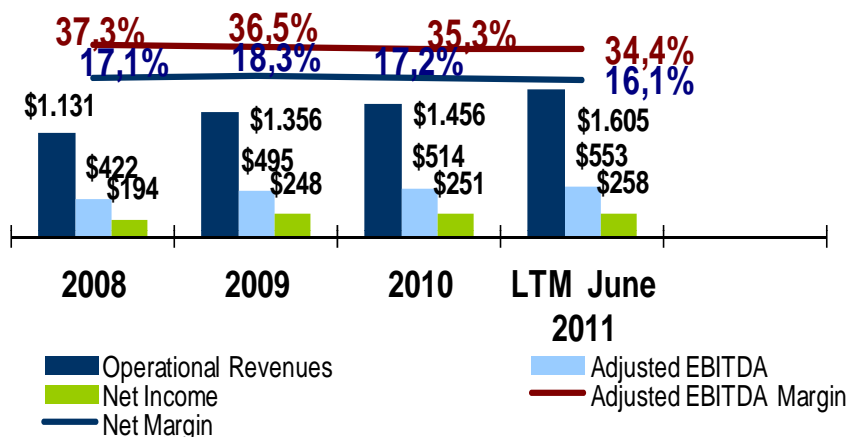


Source: Codensa

- Codensa has reinvented its losses control strategies by means of customers selection through macro measurement, intensive follow-up to stealing focal points, improvements in equipments and operation times and technology update processes to monitor clients in order to confront stealing modernization and the impossibility to apply sanctions
- The losses control plans have improved inspections effectiveness and achieved a trend change towards 7,98% levels as of June 2011

### Evolution of Operational Revenues

(Million USD)

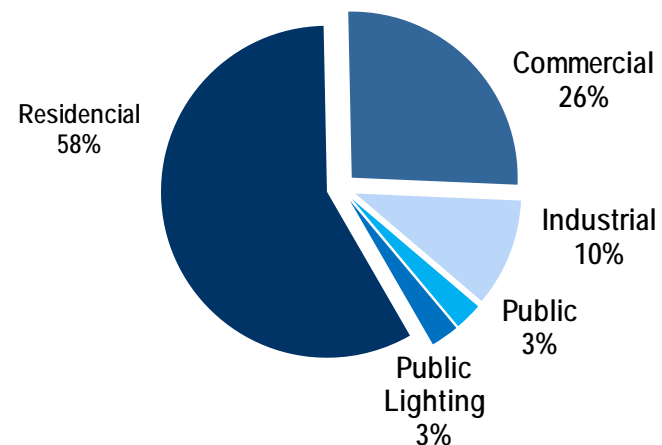


- During the IH 2011 operational revenues increased in line with the demand dynamic in Codensa's area
- During the same period, the EBITDA margin decreased due mayor compensations for service quality (variable costs) caused by the rainy season extended during the IH of 2011 and mayor restrictions (associated costs to energy purchases), included in the tariff

- Sales to residential and commercial clients represented more than 80% of operational revenues.

### Sales Composition

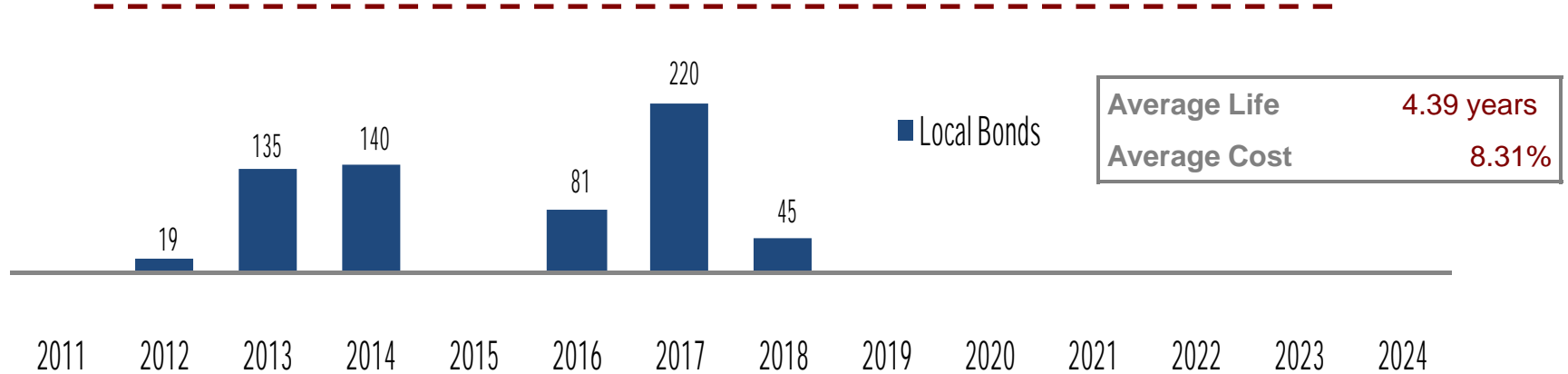
As of June 2011 (%)



### Amortization Schedule

(MM USD) as of June 2011

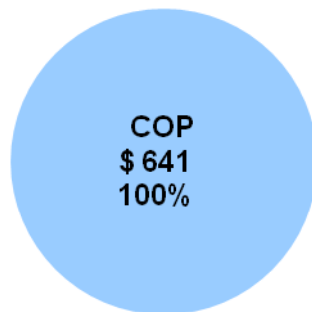
EBITDA (2010) ~ US\$514 MM



### Financial Debt Breakdown

(MM USD) as of June 2011

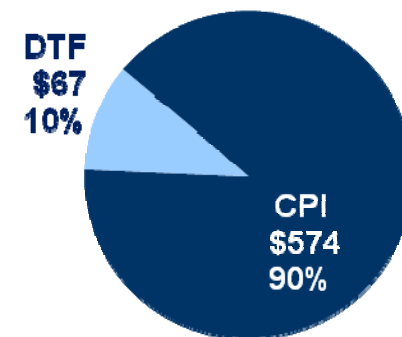
By Currency



By Class

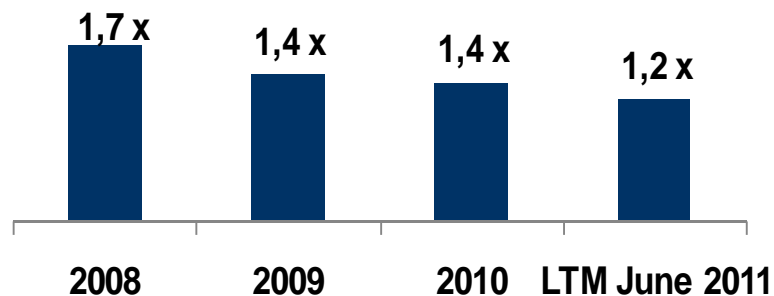


By Interest Rate

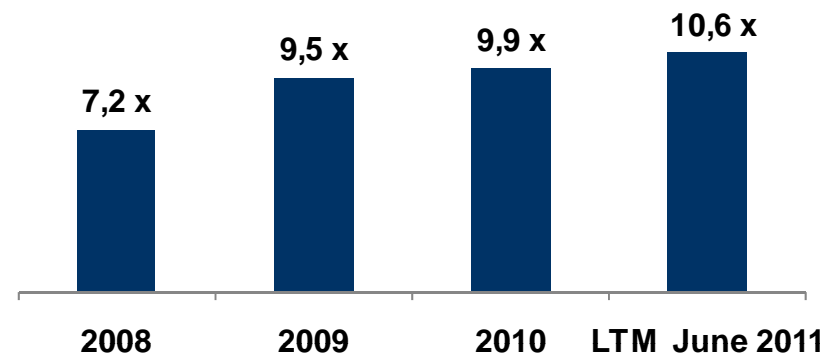


Top Credit Quality and Conservative Risk Profile Consistent with the AAA Local Rating

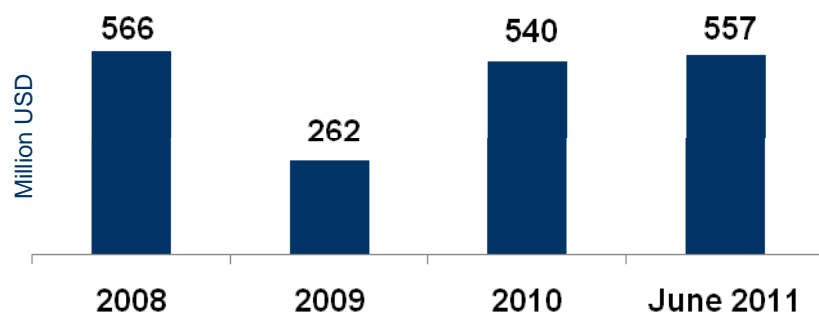
### Debt / Adjusted EBITDA\*



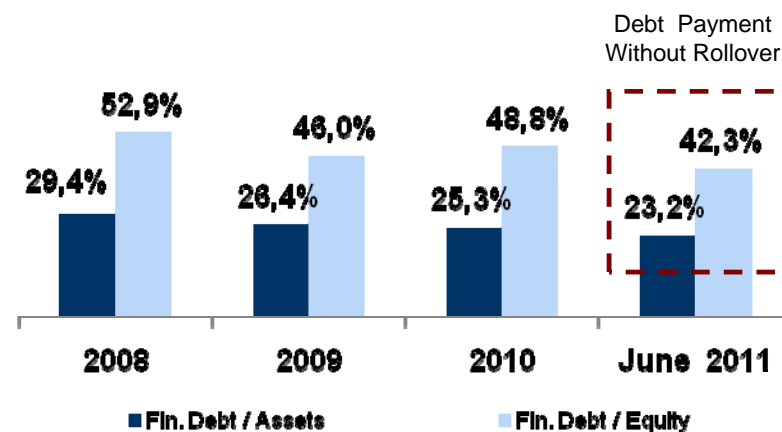
### Adjusted EBITDA\* / Interest



### Net Financial Debt



### Leverage



\* Adjusted EBITDA is calculated by adding back the depreciation and amortization (included in cost of sales and administrative expenses) to operating income (which is calculated by subtracting cost of sales and administrative expenses from operating revenues).

### Three drivers, one Goal

#### Growth

1.5 MM new Clients  
+15.000 Gwh distributed  
+1,500 MW generated

**“To be the most admired company and the largest electricity group in Colombia by the year 2018”**

#### Competitiveness

Process optimization  
Availability improvement  
Quality Improvement  
Zenith Plan

#### Sustainability

Environmental management  
Endesa foundation  
HR development  
Emission Standards  
Stockholm Convention

- On June 2008, the Government assigned Emgesa the reliability charge associated to the construction of El Quimbo Hydroelectric Plant:
  - Single purpose reservoir, located on the Magdalena River, 12 km upstream from Betania.
  - Installed capacity: 400 MW (Francis, 2x200).
  - Expected average annual generation: 2,216 GWh (60% Load Factor).
  - Firm Energy Obligation:

	Dec. 2014- Nov.2015	Dec.2015- Nov. 2016	Dec. 2016- Nov. 2017	Dec. 2017- Nov. 2018	...	Dec. 2033- Nov. 2034
Firm Energy Obligation (GWh / year)	400,00	852,33	1.350,00	1.650,00	1.650,00	1.650,00
Price US\$ / MWh	13,998	13,998	13,998	13,998	13,998	13,998
Million USD	5.599	11.931	18.897	23.097	23.097	23.097

- Average Life: 50 years.
  - Total project area: 8.586 Ha. (6 municipalities).
  - Construction period: Oct.2010 – Dec.2014.
  - Estimated Investment: US\$ 837 million.
  - Environmental and Social compensation:
    - ✓ Restoration of 11.079 Ha in Dry Tropical Forest ecosystems, considered strategic within the national environmental policy for the restoration of flora and fauna.
    - ✓ Emgesa aims to have 100% of the relocated population with a quality of life equivalent or better than what they had prior to the relocation.
- Together with Betania, El Quimbo will supply nearly 8% of Colombia’s electricity demand.



**The construction of El Quimbo is aligned with Emgesa’s central purpose and growth strategy:**  
*“To provide the energy that promotes the development and the welfare of Colombia, our clients and the people we reach”*



## Objectives of the Financial Plan

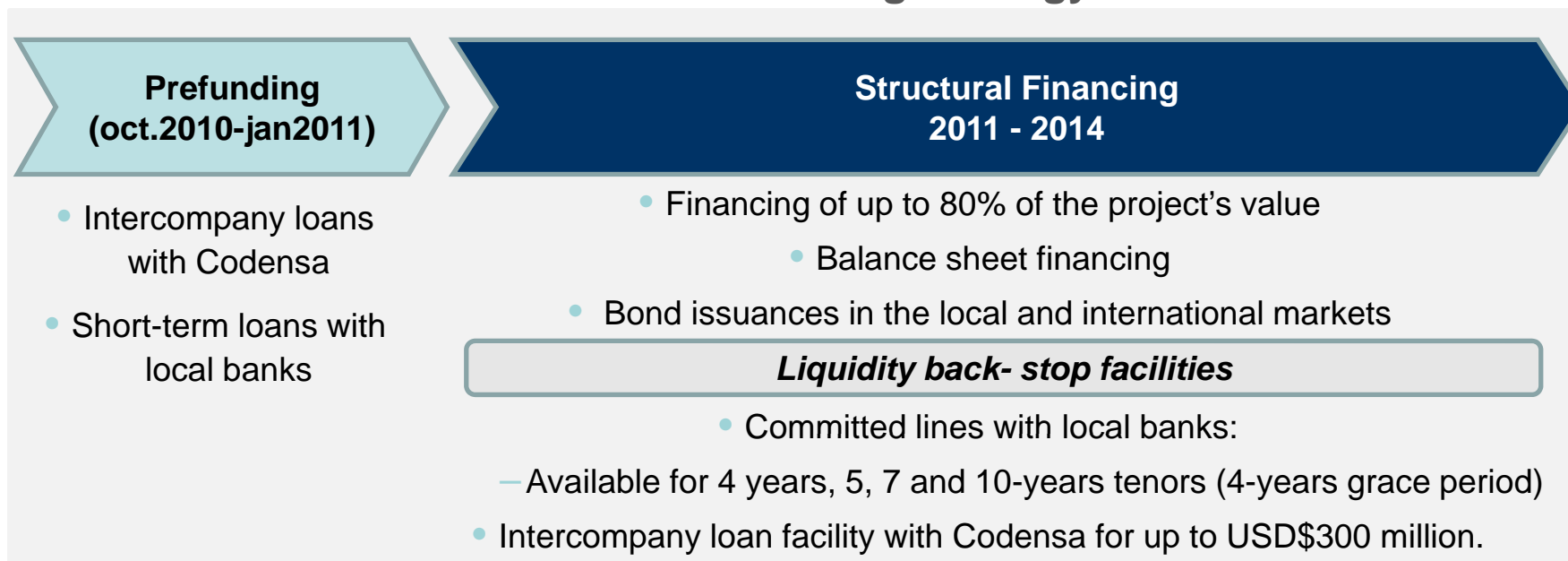
- **Certainty** in the availability of funds
- Minimize **FX exposure**
- Maintain **local AAA** and **international Investment Grade**
- Maintain **dividends distribution to shareholders**
- Minimize **financial costs**

## Instruments Analyzed

- Export Credit Agencies (ECAs)
- Multilateral and Bilateral Agencies
- Loans with local and international banks
- Bonds in the local and international capital markets



## El Quimbo Financing Strategy



- **1905 people** dedicated to the project as of June 30, 2011
- **USD\$17, 807 million\*** invested regionally
- **120 families** from La Escalereta agreed to be reallocated
- **38 projects approved**, that represent **USD\$5,954 million\***, included in municipal development plans were approved benefiting more than **80.000 people**
- **More than 5.000 requirements** have been attended since 2009 at the Gigante and Garzon offices
- **600 meetings** with communities and authorities since 2009

\*FX: 1,780.16 as of June 30, 2011



Deviation Tunnel Entrance

### Social Features

- Domingo Arias community from Paicol municipality, conformed by 9 families, was fully reallocated
- As of July, 2011 more than USD\$17,807 million have been invested in the region trough services and local acquisitions
- As of July, 2011 173 people are non qualified labor force (100% form the region), 836 are technically qualified labor force(90% from the region) and 896 are qualified labor force (42% from the region)
- Emgesa agreed to provide a “one time disbursement” of USD\$9,269 million for the execution of projects included in the development plans of municipalities

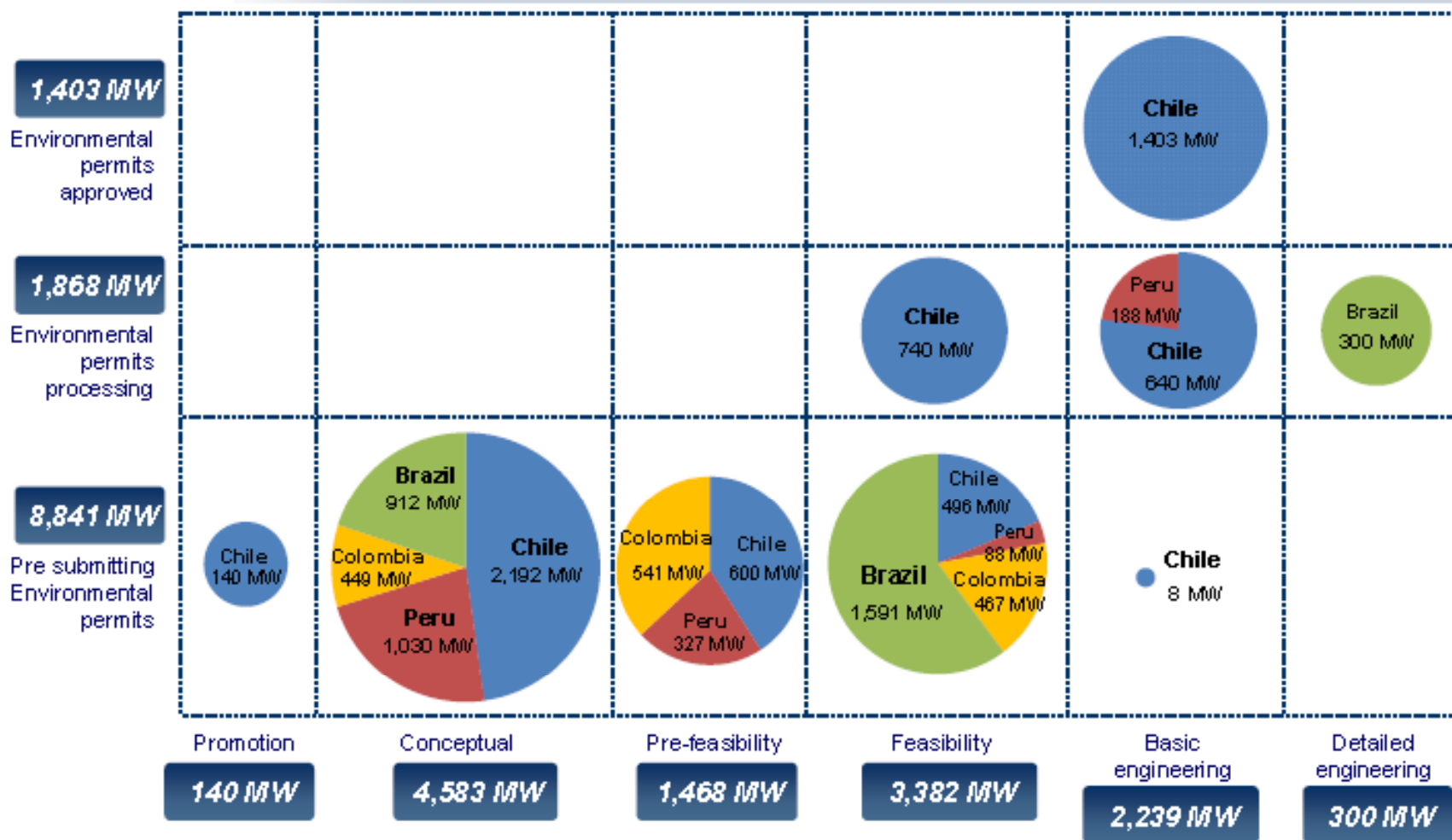
### Environmental Features

- In June 2011 the Ministry of the Environment, Housing and Territorial Development and the CAM (Corporación Autónoma Regional del Alto Magdalena) adopted preventive measures to some activities of the project. Emgesa understood them as improvement opportunities with the aim to guarantee the execution of its commitments. Recently, most of the preventive measures were raised and the activities continue
- An investment of USD\$545 million is dedicated to perform a study about fish communities in Magdalena River and will facilitate an adequate the decision making process during the reservoir construction process

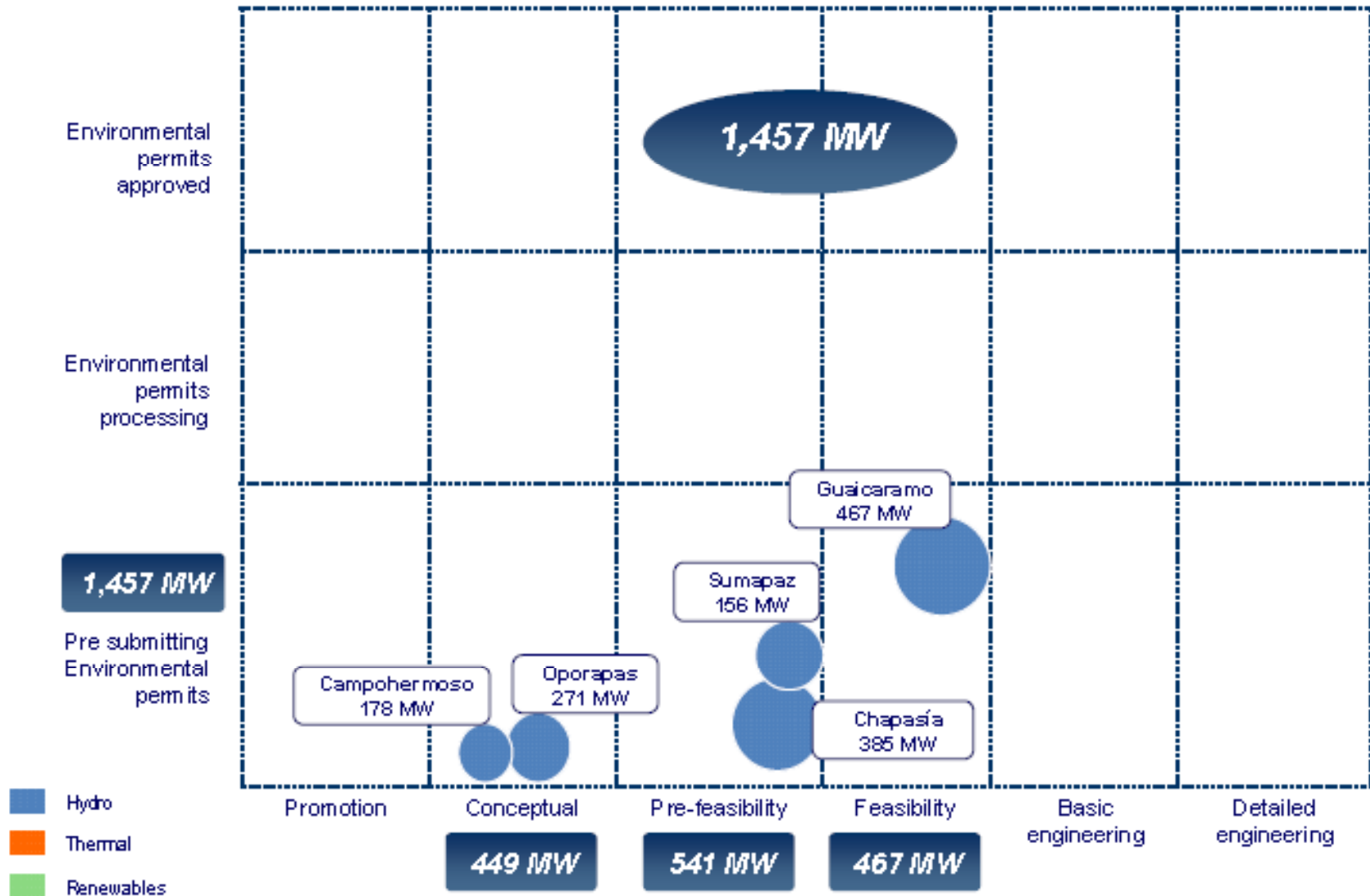
### Construction Features – Deviation Tunnel

- During July, 2011 a project landmark was achieved when the two underground excavation fronts of the deviation tunnel were united. This important issue will contribute to the deviation of the Magdalena River in January, 2012
- In addition, important developments n the construction of roads, campsites and energy line have been achieved

\*FX: 1,780.16 as of June 30, 2011



▪ Strong generation project pipeline under development (more than 12 GW)



### Action Plan for 2011

#### Operational

- **G:** Maximize revenues from reliability charge
- **G:** Optimize availability of generation plants
- **D:** Improve quality of service in distribution (NIEPI and TIEPI)
- **D:** Improve losses control in Bogota and Cundinamarca
- **G:** Move forward with the construction of El Quimbo according to schedule

#### Financial

- **G + D:** Maintain the positive trend in the financial results
- **G:** Obtain financing for El Quimbo on a timely and optimal manner
- **G:** Refinance Emgesa's amortizations
- **G + D:** Distribute dividends from net income of the period October- December 2010
- **G + D:** Minimize financial expenses through active liability management
- **G + D:** Maintain AAA local rating for Emgesa and Codensa, and IG for Emgesa
- **G + D:** Internationalization of the Investor Relations Office

**[inversionistas@emgesa.com.co](mailto:inversionistas@emgesa.com.co)**  
**[rinversionistas@codensa.com.co](mailto:rinversionistas@codensa.com.co)**

**Juan Manuel Pardo**  
**CFO**

+57 1 219 0414  
[jmpardo@endesacolombia.com.co](mailto:jmpardo@endesacolombia.com.co)

**Carolina Bermúdez**  
**Deputy CFO**

+57 1 601 5751  
[cbermudez@endesacolombia.com.co](mailto:cbermudez@endesacolombia.com.co)

**Patricia Moreno**  
**Head of Investor Relations and Financing**

+57 1 601 6060 Ext: 3502  
[mmorenom@endesacolombia.com.co](mailto:mmorenom@endesacolombia.com.co)

**Lina María Contreras**  
**Investor Relations and Financing**

+57 1 6015564  
[lcontrerasm@endesacolombia.com.co](mailto:lcontrerasm@endesacolombia.com.co)

Visit our web pages for additional information:  
**[www.emgesa.com.co](http://www.emgesa.com.co)** y **[www.codensa.com.co](http://www.codensa.com.co)**

- This presentation contains an update of the relevant data of the Endesa Group in Colombia and its companies Emgesa S.A. E.S.P. ("Emgesa") and Codensa S.A. E.S.P. ("Codensa"). Both companies are issuers of fixed income securities in the Colombian capital markets.
- Emgesa has been authorized by the Colombian Superintendency of Finance to issue ordinary bonds in Colombia pursuant to Resolution No. 833 dated June 16, 2009 and to issue commercial paper in Colombia pursuant to Resolution No. 1954 dated December 17, 2009.
- Likewise, Codensa has been authorized by the Colombian Superintendency of Finance to issue ordinary bonds in Colombia pursuant to Resolution No. 194 of January 29, 2010.
- Emgesa 's and Codensa 's financial statements for the year ended and as of December 31, 2010 and September 30, 2010 have been audited by Deloitte & Touche Ltda. and have been approved by the Shareholder's General Assembly of each company.
- This presentation includes unaudited interim financial statements





## Annex

## Balance Sheet Data

(USD Million)	2009	2010	June 2010	June 2011	% changes for COP figures IH 10 vs IH 11	
Cash and temporary investments	317	160	26	288	+930%	International Bond Issuance (January 2011)
Property, plant and equipment	2,414	2,565	2,540	2,782	+1.7%	
Total Assets	4,003	3,961	4,017	4,683	+8.3%	Advance payment of income tax and Quimbo providers
Total Financial Obligations*	910	915	954	1,409	+37.2%	International bond issuance + commercial papers – Betania bonds redemption nov/2011 = COP \$647 billion Accrued interest = COP \$34 billion
Long-term Financial Obligations	797	726	851	1,036	+13.2%	
Total Liabilities	1,096	1,384	1,270	1,822	+33.3%	Wealth tax + 25% surcharge (Colombian GAAP): decrease on equity revaluation and increase on accounts payable = COP \$196 billion First dividend payment on May 2011 = COP \$ 24.606 billion (paid) Second dividend payment on Sept. 2011 = COP\$24.606 billion (estimated) Dividends payable
Total Shareholder's Equity	2,907	2,682	2,747	2,861	-3.3%	
FX End of Year or End of Period	2,044	1,914	1,916	1,780		

\*includes principal and accrued interest to date

## Income Statement Data

(USD Million)	2009	2010	June 2010	June 2011	% changes for COP figures IH 10 vs IH 11
<b>Operating Revenues</b>	<b>\$ 944</b>	<b>\$ 985</b>	<b>\$ 511</b>	<b>\$ 504</b>	<b>-8,4%</b>
<b>Adjusted EBITDA*</b>	<b>542</b>	<b>581</b>	<b>270</b>	<b>340</b>	<b>+17%</b>
<b>Non Operating Expenses</b>	<b>98</b>	<b>72</b>	<b>36</b>	<b>42</b>	<b>+8,4%</b>
<b>Operating Income</b>	<b>466</b>	<b>507</b>	<b>229</b>	<b>299</b>	<b>+21,5%</b>
<b>Net Income</b>	<b>263</b>	<b>299</b>	<b>138</b>	<b>176</b>	<b>+18,7%</b>
<b>FX End of Year or End of Period</b>	<b>2,044</b>	<b>1,914</b>	<b>1,916</b>	<b>1,780</b>	

\* Adjusted EBITDA is calculated by adding back the depreciation and amortization (included in cost of sales and administrative expenses) to operating income (which is calculated by subtracting cost of sales and administrative expenses from operating revenues).

## Income Statement Data – Margins

(USD Million / Margin in COP figures )

	2009	2010	June 2010	June 2011
<b>Operating Revenues</b>	<b>\$ 944</b>	<b>\$ 985</b>	<b>\$ 511</b>	<b>\$ 504</b>
<b>Adjusted EBITDA*</b>	<b>57.38%</b>	<b>58.96%</b>	<b>52.81%</b>	<b>67.45%</b>
<b>Non Operating Expenses</b>	<b>10.42%</b>	<b>7.32%</b>	<b>7.05%</b>	<b>8.36%</b>
<b>Operating Income</b>	<b>49.35%</b>	<b>51.42%</b>	<b>44.84%</b>	<b>59.42%</b>
<b>Net Income</b>	<b>27.89%</b>	<b>30.33%</b>	<b>29.97%</b>	<b>34.89%</b>

\* Adjusted EBITDA is calculated by adding back the depreciation and amortization (included in cost of sales and administrative expenses) to operating income (which is calculated by subtracting cost of sales and administrative expenses from operating revenues).

## Outstanding Financial Obligations as of June 30, 2011

Million USD

### Local Instruments

Local Securities	Coupon	Yield	Maturity	Amount	Average Life	Credit Rating
Betania Bonds	B7 Series: CPI + 6.29%	CPI + 6.29%	November 10, 2011	\$ 101	0,36	AAA
		CPI + 1.80%		\$ 34		
Third Bond Issuance (First Tranche)	A7 Series: CPI + 5.04%	CPI + 5.04%	February 23, 2015	\$ 118	3,65	AAA
		CPI + 2.40%		\$ 22		
Fourth Bond Issuance (First Tranche under the Program)	B10 Series: CPI + 5.15%	CPI + 5.15%	February 20, 2017	\$ 95	5,65	AAA
Fifth Bond Issuance (Second Tranche under the Program)	A5 Series: DTF TA + 1.47%	DTF TA + 1.47%	February 11, 2014	\$ 28	2,62	AAA
	B10 Series: CPI + 5.78%	CPI + 5.78%	February 11, 2019	\$ 90	7,62	
	B15 Series: CPI + 6.09%	CPI + 6.09%	February 11, 2024	\$ 31	12,63	
Sixth Bond Issuance (Third Tranche Under the Program)	E-5 Series: 9.27%	9,27%	July 2, 2014	\$ 52	3,01	AAA
	B-9 Series: CPI + 5.90%	CPI + 5.90%	July 2, 2018	\$ 123	7,01	
	B-12 Series: CPI + 6.10%	CPI + 6.10%	July 2, 2021	\$ 50	10,01	
Commercial Paper	E-353 Series: 4.20%	4,20%	November 7, 2011	\$ 39	0,36	F1+
<b>Total</b>				<b>\$ 784</b>	<b>5,33</b>	

### International Bond

International Bonds	Coupon	Yield	Maturity	Amount	Average Life	Credit Rating
144A- Reg S Int. Peso Bond	8,75%	8,75%	January 24, 2021	\$ 414	9,8	BBB-/ BBB-
<b>Total</b>				<b>\$ 414</b>	<b>6,72</b>	

### Club Deal

Lender	Maturity	Rate	Average Life	Amount
Bancolombia	August, 2012	DTF TA + 2,80%	1,121	\$13
Bancolombia	April, 2012	DTF TA + 2,80%	0,786	\$42
BBVA Colombia	April, 2012	DTF TA + 2,80%	0,786	\$46
Davivienda	April, 2012	DTF TA + 2,80%	0,786	\$18
Santander	April, 2012	DTF TA + 2,80%	0,786	\$53
<b>Total</b>			<b>0,81</b>	<b>\$171</b>

**Total Emgesa \$ 1.369**

## Balance Sheet Data

(USD Million)	2009	2010	Junio 2010	June, 2011	% changes for COP figures IH 10 vs IH 11	
Cash and temporary investments	447	160	183	85	-57%	Dividends payment net income 2010 (January and April 2011)
Property, plant and equipment	1,608	1,737	1,689	1,852	+1.9%	
Total Assets	2,689	2,766	2,751	2,767	-6.6%	
Total Financial Obligations*	711	703	759	643	-21.3%	Financial Debt Redemption (Bonds)= COP\$309 billion
Long-term Financial Obligations	545	595	700	621	-17.6%	
Total Liabilities	1,148	1,330	1,264	1,249	-8.2%	Wealth tax + 25% surcharge (Colombian GAAP): decrease on equity revaluation and increase on accounts payable = COP\$130 billion First dividend payment on May 2011 = COP\$ 15.870 billion (paid) Second dividend payment on Sept. 2011 = COP\$16.208 billion (estimated)
Total Shareholder's Equity	1,541	1,436	1,488	1,517	-5.2%	
FX End of Year or End of Period	2,044	1,914	1,916	1,780		

\* includes principal and accrued interest to date

## Income Statement Data

(USD Million)	2009	2010	June 2010	June 2011	% changes for COP figures IH 10 vs IH 11
<b>Operating Revenues</b>	\$ 1,356	\$ 1,456	\$714	\$ 808	+5.1%
<b>Adjusted EBITDA *</b>	495	514	248	267	+0.2%
<b>Non Operating Expenses</b>	56	54	27	25	-12.8%
<b>Operating Income</b>	376	388	185	197	-1.1%
<b>Net income</b>	248	251	120	118	-8.9%
<b>FX End of Year or End of Period</b>	2,044	1,914	1,916	1,780	

\* Adjusted EBITDA is calculated by adding back the depreciation and amortization (included in cost of sales and administrative expenses) to operating income (which is calculated by subtracting cost of sales and administrative expenses from operating revenues).

## Income Statement Data - Margins

(USD Million/ Margin in COP Figures)

	2009	2010	June 2010	June 2011
<b>Operating Revenues</b>	<b>\$ 2,772</b>	<b>\$ 2,787</b>	<b>\$1,369</b>	<b>\$ 1,439</b>
<b>Adjusted EBITDA *</b>	<b>36.51%</b>	<b>35.31%</b>	<b>34.70%</b>	<b>33.08%</b>
<b>Non Operating Expenses</b>	<b>4.11%</b>	<b>3.73%</b>	<b>3.80%</b>	<b>3.12%</b>
<b>Operating Income</b>	<b>27.74%</b>	<b>26.62%</b>	<b>25.93%</b>	<b>24.39%</b>
<b>Net income</b>	<b>18.29%</b>	<b>17.22%</b>	<b>16.80%</b>	<b>14.59%</b>

\* Adjusted EBITDA is calculated by adding back the depreciation and amortization (included in cost of sales and administrative expenses) to operating income (which is calculated by subtracting cost of sales and administrative expenses from operating revenues).



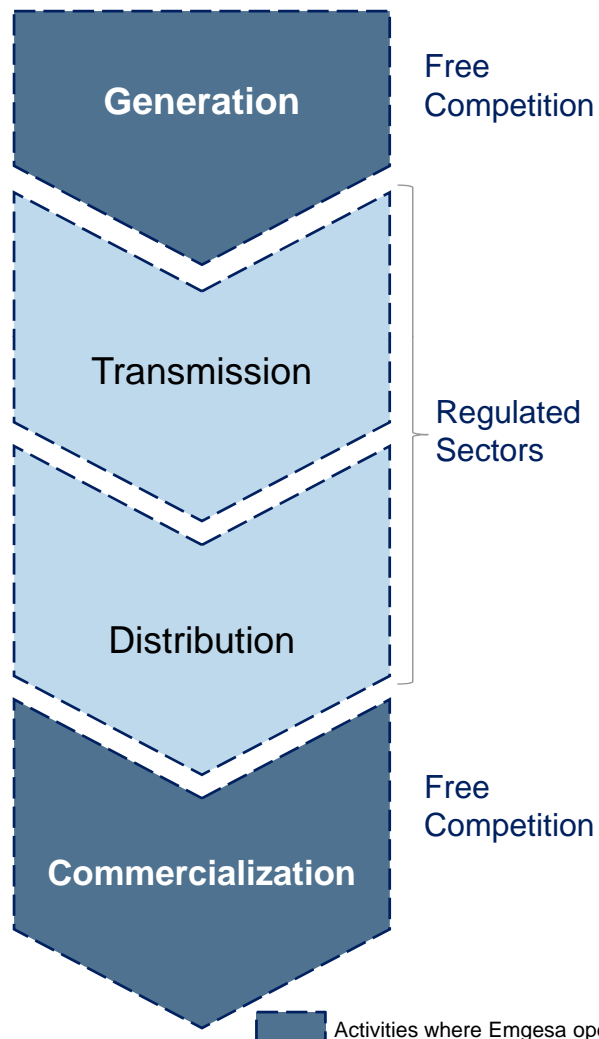
## Outstanding Financial Obligations as of June 30, 2011

Million USD

Local Instrument	Coupon	Yield	Maturity	Amount	Average Life
First Bond Issuance	A10 Series: CPI + 6.34%	CPI + 6.34%	March 11, 2014	\$ 140	2,70
Second Bond Issuance	A10 Series: CPI + 5.30%	CPI + 5.30%	March 14, 2017	\$ 83	5,71
	A10 Series: CPI + 5.30%	CPI + 5.60%	March 14, 2017	\$ 137	5,71
	B5 Series: DTF TA + 2.40%	DTF TA + 2.40%	March 14, 2012	\$ 19	0,71
Third Bond Issuance	A5 Series: CPI + 5.99%	CPI + 5.99%	December 11, 2013	\$ 42	2,45
	B5 Series: DTF + 2.58%	DTF TA + 2.58%	December 11, 2013	\$ 48	2,45
	A10 Series: CPI + 5.55%	CPI + 5.55%	December 11, 2018	\$ 45	7,45
Fourth Bond Issuance (First Tranche Under the Program)	B3 Series: CPI + 2.98%	CPI + 2.98%	February 17, 2013	\$ 45	1,64
	B6 Series: CPI + 3.92%	CPI + 3.92%	February 17, 2016	\$ 81	4,64
<b>Total</b>				<b>\$ 641</b>	<b>4,14</b>

**Total Codensa \$ 641**

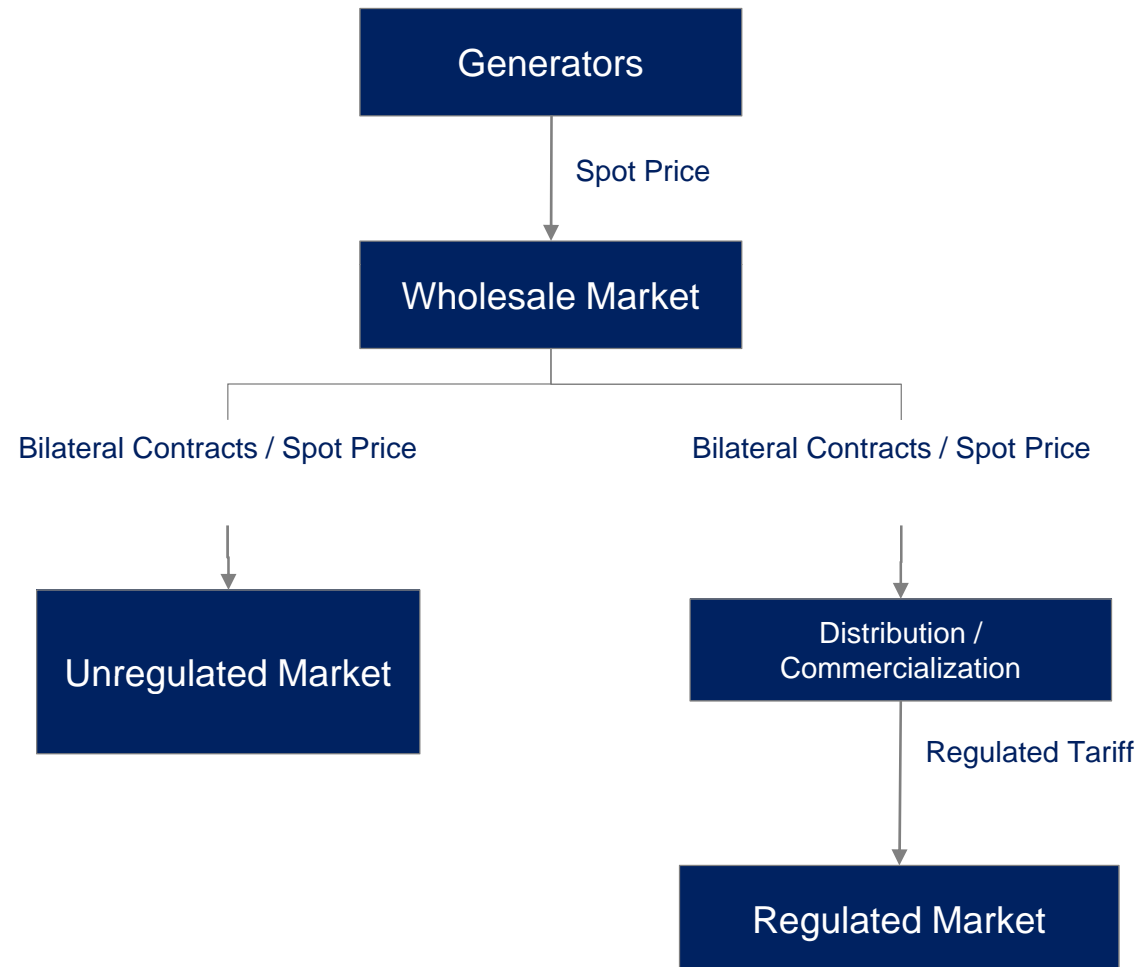
## Transparent and pro-market regulatory framework



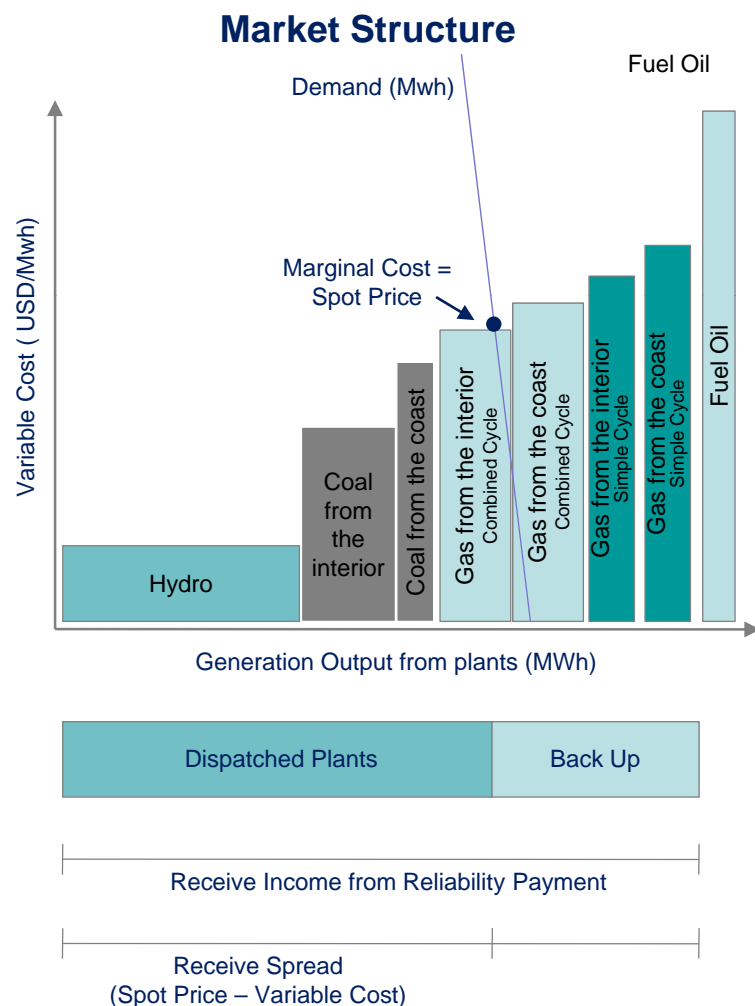
- Colombian power sector reform is regarded as a benchmark for other emerging markets willing to incorporate market-friendly reforms into their utilities regulation and attract private investment.
- Transparency, growth outlook, clear market signals, and the new “Reliability Payment” scheme position the Colombian energy sector as one of the most attractive amongst its Latin American peers.
- Along with Colombia’s stable macroeconomic policies and growth prospects, sector reform has translated into increased interest from world-class financial and strategic investors.



## Market Structure



## Colombian electric sector follows the basis of the U.K./Chilean model



## Dispatch and Pricing Model

- Spot Market
  - One day in advance, generators offer to supply electricity at a certain tariff for each hourly block, and the pool is cleared at the lowest tariff that will match expected demand.
  - All generators that are dispatched at that hour receive the same highest tariff quoted by the least efficient generator dispatched.
- Freely Negotiated Contracts
  - Generators may freely enter into negotiated contracts with either unregulated customers or with distributors/trading companies.
  - As in the Spot Market, all generators that are dispatched at that hour receive the same highest tariff quoted by the least efficient generator dispatched.
- Reliability Payment
  - The method compensates each electricity generation plant for their firm commitment to supply electricity generation to the NIS during scarcity periods to avoid electricity shortages.
  - It encourages new investments in generation plants.

## Colombian electricity distribution sector

### Unit Cost

Generation + Transmission + Distribution + Commercialization + Losses + Restrictions

Charge per use

$C = \frac{\text{Cost per invoice}}{\text{Average invoiced consumption}}$

$\$/\text{Kwh} = \frac{\text{Investment} + \text{AOM (Admin. \& Maintenance)}}{\text{Demand}}$

### Fixed Cost

$C_{uf\ m} = C_{f\ m}$

**Generation:** Cost of the energy purchases.

**Transmission:** Cost of the use of the interconnected system for electricity transmission .

**Distribution:** Cost of the use of the local distribution system and the regional transmissions system.

**Losses:** Recognized losses, including costs of the plans to manage losses.

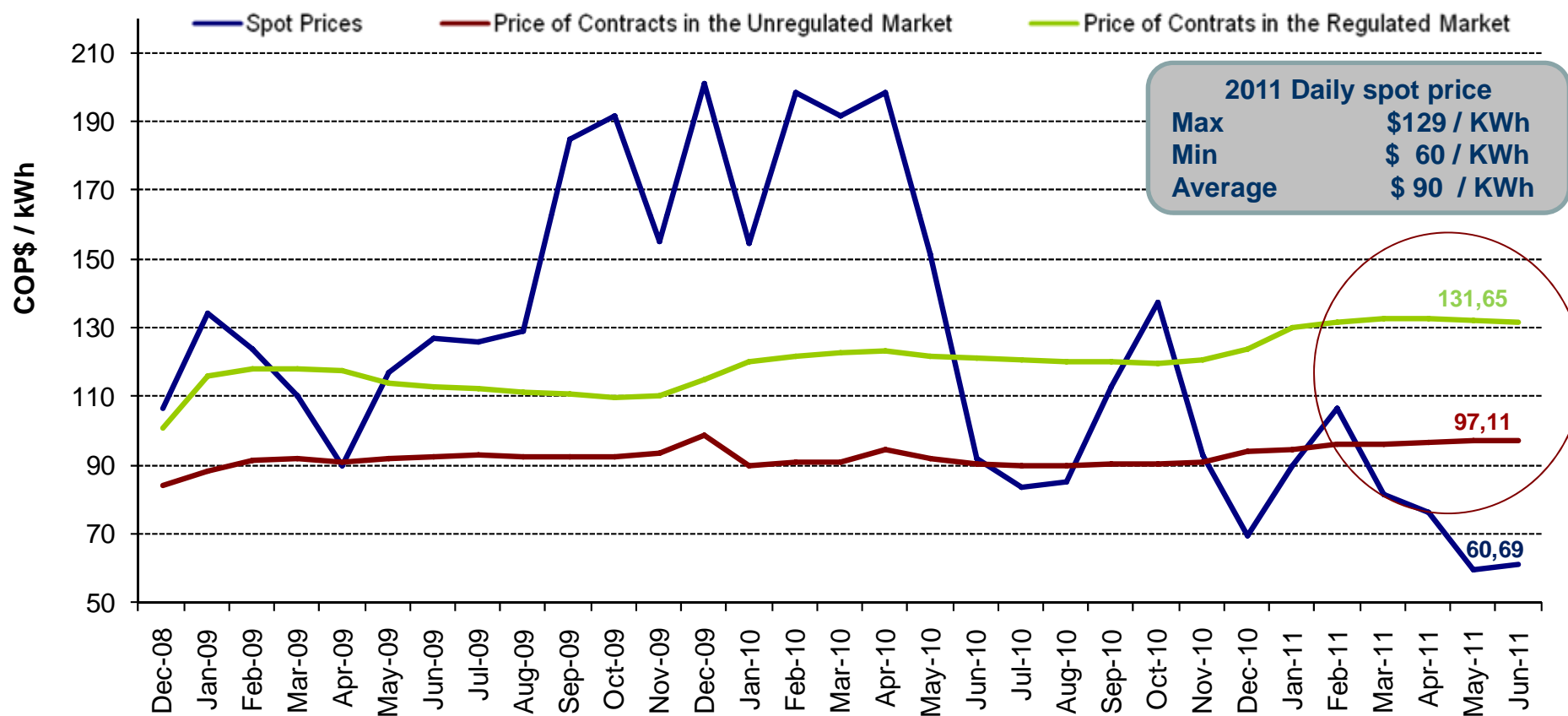
**Restrictions:** Cost of restrictions and services associated to generation.

**Unit Cost:** Unitary cost, variable part

**Fixed Cost:** Fixed cost of commercialization.

Permanent drop in the spot price and increasing trend in the price of contracts

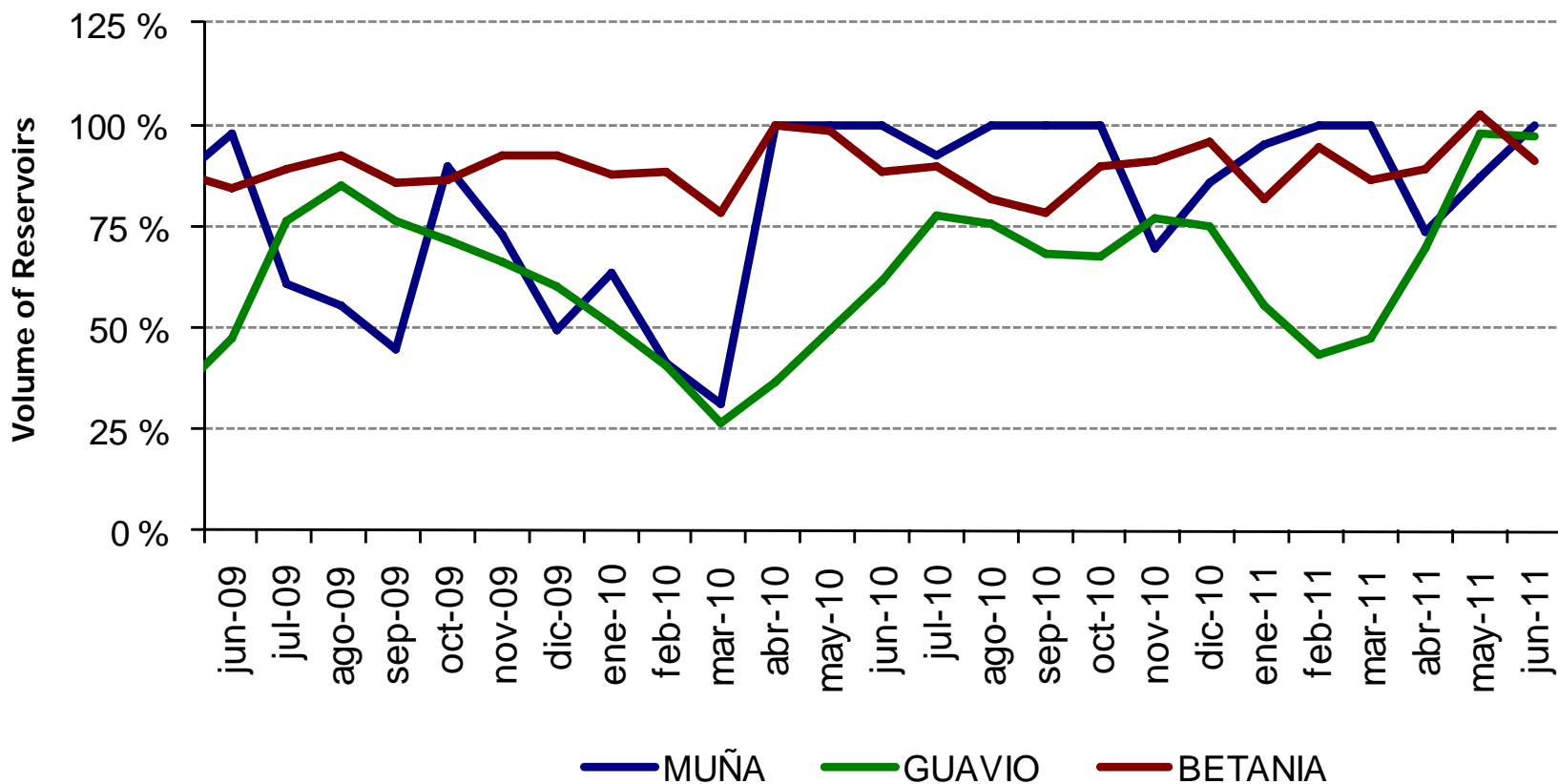
## Spot Price Weekly Evolution and Average Price of Contracts



Source: XM. Weekly average prices.

As of June 30, 2011

## Volume of Emgesa's Reservoirs

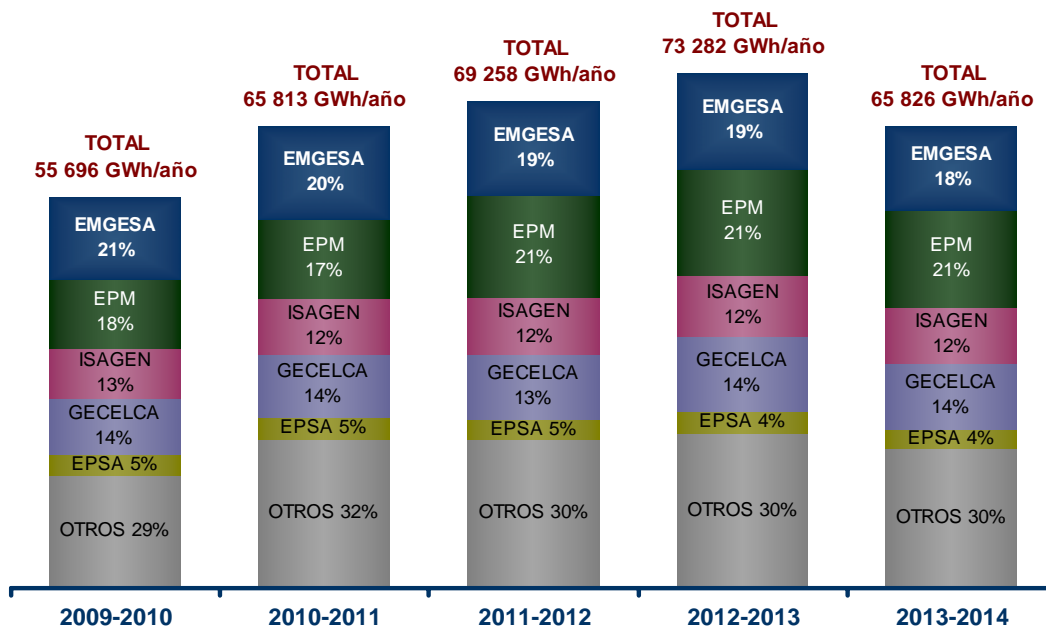


Source: XM  
As of June 30, 2011

### Firm Energy Obligation - FEO (GWh / year)

	Dec. 2011-Nov. 2012	Dec. 2012-Nov. 2013	Dec. 2013-Nov. 2014	Dec. 2014-Nov. 2015
Guavio	4.422	4.553	4.031	
Pagua	4.364	4.494	3.979	
Betania	1.333	1.373	1.215	
Cartagena	1.325	1.364	1.208	
Termozipa	1.826	1.881	1.665	
Quimbo				400
<b>Total</b>	<b>13.270</b>	<b>13.665</b>	<b>12.098</b>	<b>400</b>
Price US\$ / MWh	13,85	14,4	14,4	13,998

### Share by Agent in the Firm Energy Obligation - FEO (GWh / Year)







*light · gas · people*