

**EMGESA S.A. E.S.P.****CONSOLIDATED BALANCE SHEET**  
**(In thousands of pesos)**

	as of March 31, 2013	as of December 31, 2012
<b>Assets</b>		
Current Assets:		
Available and Investments	\$ 607,637,052	\$ 785,377,480
Accounts receivable, Net	332,503,865	255,242,586
Related companies	95,778,434	56,157,690
Inventories, Net	38,679,916	42,141,010
Prepaid expenses	8,821,296	10,960,157
Total current assets	<u>1,083,420,563</u>	<u>1,149,878,923</u>
Permanent investments, net	8,324,464	8,324,464
Debtors, net	12,657,949	13,470,164
Inventories, Net	20,629,233	21,012,249
Properties, plant and equipment	5,596,419,760	5,528,232,607
Deferred changes, net	123,904,275	119,228,420
Deferred Taxes	68,544,158	69,608,238
Intangible assets, net	56,942,191	57,659,707
Other assets	7,524,484	5,671,288
Valuations	2,167,875,404	2,166,971,014
Total assets	<u>\$ 9,146,242,482</u>	<u>\$ 9,140,057,074</u>
<b>Liabilities and equity</b>		
Current liabilities:		
Financial obligations	\$ 95,509,512	\$ 105,826,910
Accounts payable	554,488,445	146,921,175
Related companies	430,848,866	173,768,410
Labor-related and social security obligations	8,050,380	13,814,643
Pensions and fringe benefits	9,899,352	9,966,858
Accrued expenses and provisions	55,645,982	51,246,075
Taxes, levies and duties payable	153,097,412	159,454,982
Other current liabilities	0	4,707,609
Premium for placement of bonds pending amortization	776,882	776,881
Total current liabilities	<u>1,308,316,831</u>	<u>666,483,543</u>
Financial obligations	2,577,320,000	2,626,760,000
Retirement pensions	64,525,983	64,458,477
Premium for placement of bonds pending amortization	647,402	841,624
Taxes, charges, and rates	49,213,976	49,213,976
Revenues received in advance	1,114,910	2,177,834
Estimated liabilities and reserves	10,214,417	8,761,992
Minority Interest	9,257	8,837
Equity:		
Subscribed and paid capital	655,222,313	655,222,313
Premium for placement of shares	113,255,816	113,255,816
Legal reserve	327,611,156	327,611,156
Occasional reserves	178,127	178,127
Equity revaluation	1,674,583,276	1,674,583,276
Valuation surplus	2,167,875,404	2,166,971,014
Conversion Effect	341	(299)
Net income for the period	196,153,272	783,529,388
Total equity	<u>5,134,879,705</u>	<u>5,721,350,791</u>
Total liabilities and equity	<u>\$ 9,146,233,224</u>	<u>\$ 9,140,048,237</u>
Memorandum accounts	<u>\$ 4,268,179,010</u>	<u>\$ 4,499,458,776</u>

Original signed by  
ALBA LUCIA SALCEDO RUEDA  
Public Accountant

**EMGESA S.A. E.S.P.****CONSOLIDATED INCOME STATEMENT**  
**(in thousands of Colombian pesos)**

---

	<b>Three month period from January 1 to March 31, 2013</b>	<b>Twelve month period from January 1 to December 31, 2012</b>
Operational revenues	\$ 580,150,907	\$ 2,144,233,104
Cost of sales	<u>(264,412,478)</u>	<u>(880,529,588)</u>
Gross profits	315,738,429	1,263,703,516
Administration expenses	<u>(6,111,216)</u>	<u>(29,507,526)</u>
Operational profits	309,627,213	1,234,195,990
Other expenditures (revenues):		
Financial, Net	(23,795,148)	(122,216,842)
Miscellaneous, net	<u>2,503,933</u>	<u>(9,857,387)</u>
Profits before taxes	288,335,998	1,102,121,761
Income tax	(92,182,307)	(318,594,382)
Current	(91,246,293)	(317,162,183)
Deferred	<u>(936,014)</u>	<u>(1,432,199)</u>
	196,153,691	783,527,379
Minority Interest	(419)	2,009
Net income for the period	\$ 196,153,272	\$ 783,529,388

---

Original signed by  
ALBA LUCIA SALCEDO RUEDA  
Public Accountant  
T.P. No. 40562-T

**EMGESA S.A. E.S.P.****CONSOLIDATED CASH FLOW STATEMENTS**  
**(in thousands of Colombian pesos)**

	<b>as of March 31, 2013</b>	<b>as of December 31, 2012</b>
<b>Operational Activities</b>		
Net year profits	\$ 196,153,272	\$ 783,529,388
Depreciation and Amortization	39,324,077	145,265,385
Recovery of accounts receivable reserve	(174,138)	(492,674)
Accounts receivable reserve	31,478	658,489
Inventory recovery	-	(679,704)
Loss (gain) on account of actuarial calculations	-	4,425,633
Recreation benefit recovery	-	-
Bond amortization premium	(194,222)	(776,881)
Deferred tax, debit	936,014	1,432,199
Deferred tax, debit, previous years	123,580	927,903
Loss from withdrawing from expansion projects	-	3,569,481
Inventory reserve	-	167,160
Retirement pension reserve	2,534,304	5,869,361
Loss (profits) in the sale of properties, plant, and equipment	1,110,645	(42,988)
Removals on account of previous years' maintenance	-	4,589,519
Net change in operational assets and liabilities	-	-
Debtors	(76,306,404)	21,374,640
Expenses paid in advance	2,138,861	(4,500,336)
Inventories	3,844,110	(1,398,066)
Related economic parties	383,369,888	721,570,095
Other assets	(1,853,194)	(1,479,089)
Accounts Payable	407,567,270	27,776,861
Taxes, charges, and rates	(6,357,570)	4,936,009
Pension liabilities (payments)	(2,534,306)	(10,108,899)
Labor obligations	(5,764,263)	4,210,439
Other current liabilities	(4,707,609)	4,707,609
Estimated liabilities and reserves	5,852,332	37,988,245
Revenues received in advance	(1,062,924)	423,314
Net cash from operational activities	<b>944,031,201</b>	<b>1,753,943,093</b>
<b>Investment activities</b>		
Increase in properties, plant, and equipment	(107,985,178)	(636,577,559)
Quimbo international bond interests	(7,532,154)	(32,998,014)
Increase in deferred charges	(2,962,386)	(11,958,999)
Increase in intangible assets	(96,599)	(5,536,822)
Net cash used in investment activities	<b>(118,576,317)</b>	<b>(687,071,394)</b>
<b>Financial activities</b>		
Payment of financial obligations	-	(305,009,052)
Loan payments to related companies	-	(64,167,664)
Increase of financial obligations and interest payments, net	(59,757,398)	790,111,101
Equity tax payment	-	(49,213,976)
Recovery on account of Quimbo yield	4,525,051	11,288,049
Loss from forward valuation	1,475,539	(6,554,662)
Emgesa Panamá conversion affect	(783,529,388)	(667,755,033)
Dividend payment	(165,910,176)	(501,844,856)
Minority Interest	420	(2,009)
Conversion Effect	640	(299)
Net cash provided (used) in financial activities	<b>(1,003,195,312)</b>	<b>(793,148,401)</b>
Net increase in cash and cash equivalents	<b>(177,740,428)</b>	<b>273,723,298</b>
Cash and cash equivalents at the beginning of the year	<b>785,377,480</b>	<b>511,654,182</b>
Cash and cash equivalents at year end	<b>\$607,637,052</b>	<b>\$785,377,480</b>

Original signed by  
ALBA LUCÍA SALCEDO RUEDA  
Public Accountant  
T.P. No. 40562-T