

EMGESA S.A. E.S.P.

BALANCE SHEET AS OF SEPTEMBER 30, 2011 AND DECEMBER 31, 2010
(In thousands of pesos)

ASSETS	as of September 30, 2011	as of December 31, 2010	LIABILITIES AND SHAREHOLDERS' EQUITY	as of September 30, 2011	as of December 31, 2010
CURRENT ASSETS:			CURRENT LIABILITIES:		
Available	\$ 618.397.197	\$ 305.107.332	Financial obligations	\$ 709.760.642	\$ 361.152.457
Investments	12.989.212	1.696.145	Accounts payable	310.439.490	98.309.172
Accounts receivable	486.466.320	188.815.089	Related companies	90.309.514	558.459.905
Related companies	166.228.160	133.446.734	labor-related and social security obligations	9.091.903	9.399.314
Inventories	21.181.571	20.291.536	Pensions and fringe benefits	10.424.487	11.111.230
Prepaid expenses	<u>10.025.074</u>	<u>5.633.320</u>	Accrued expenses	239.428.631	129.391.460
			Taxes, levies and duties payable	5.269.908	11.238.558
			Premium Unamortized bond issue	<u>1.068.521</u>	<u>4.274.084</u>
Total current assets	<u>1.315.287.534</u>	<u>654.990.156</u>	Total current liabilities	<u>1.375.793.096</u>	<u>1.183.336.180</u>
LONG-TERM INVESTMENTS	8.516.088	8.421.791	LONG TERM:		
LONG-TERM RECEIVABLES	12.272.615	11.240.651	Financial obligations	1.821.760.000	1.390.009.053
Inventories	21.896.724	20.441.268	Pensions and fringe benefits	68.580.536	70.601.522
DEFERRED CHARGES, NET	135.549.870	109.169.739	Premium Unamortized bond issue	1.812.520	1.812.520
INTANGIBLES, NET	52.378.219	54.302.071	Income received in advance	1.256.033	907.383
PROPERTY, PLANT AND EQUIPMENT, NET	4.973.729.766	4.909.765.339	Accrued expenses	<u>1.685.834</u>	<u>1.526.202</u>
VALUATIONS	2.008.391.255	2.009.648.656	Total long-term liabilities	<u>1.895.094.923</u>	<u>1.464.856.680</u>
OTHER ASSETS	<u>5.804.983</u>	<u>2.892.621</u>	Total liabilities	<u>3.270.888.019</u>	<u>2.648.192.860</u>
Total assets	<u>\$ 8.533.827.054</u>	<u>\$ 7.780.872.292</u>	SHAREHOLDERS' EQUITY (Note 20)		
MEMORANDUM ACCOUNTS			Paid-in capital	655.222.313	655.222.313
MEMORANDUM ACCOUNTS PAYABLE	<u>\$ 295.919.693</u>	<u>\$ 314.165.146</u>	Premium in stock placement	113.255.816	113.255.816
MEMORANDUM ACCOUNTS RECEIVABLE	<u>\$ 2.385.117.760</u>	<u>\$ 2.711.572.661</u>	Legal reserve	327.611.156	327.611.156
			Occasional reserves	178.127	178.127
			Equity revaluation	1.674.583.276	1.871.439.181
			Net income for the period	2.008.391.255	2.009.648.656
			Surplus valuations	<u>483.697.092</u>	<u>155.324.183</u>
			Total shareholders' equity	<u>5.262.939.035</u>	<u>5.132.679.432</u>
			Total liabilities and shareholders' equity	<u>\$ 8.533.827.054</u>	<u>\$ 7.780.872.292</u>
			MEMORANDUM ACCOUNTS	<u>\$ 295.919.693</u>	<u>\$ 314.165.146</u>
			MEMORANDUM ACCOUNTS PAYABLE		
			MEMORANDUM ACCOUNTS RECEIVABLE	<u>\$ 2.385.117.760</u>	<u>\$ 2.711.572.661</u>

The accompanying notes are an integral part of the financial statements

The undersigned legal representative and accountant hereby certify we have previously verified the statements contained in these financial statements and that they have been taken faithfully from Company books.

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

EMGESA S.A. E.S.P.**INCOME STATEMENT****FOR THE PERIOD BETWEEN JANUARY 1, 2011 AND SEPTEMBER 30, 2011 AND THE PERIOD BETWEEN OCTOBER 1, 2010 AND DECEMBER 31, 2010****(in thousands of Colombian pesos)**

	as of September 30, 2011	as of December 31, 2010
OPERATING INCOME	\$ 1.405.872.402	\$ 455.201.120
COST OF SALES	<u>(565.566.144)</u>	<u>(184.971.884)</u>
GROSS PROFIT	840.306.258	270.229.236
ADMINISTRATIVE EXPENSES	<u>(21.165.510)</u>	<u>(7.677.047)</u>
Operating income	<u>819.140.748</u>	<u>262.552.189</u>
INCOME (EXPENSES) NON-OPERATING:		
Financial income	4.878.910	2.426.215
Financial expenses	(112.619.051)	(34.578.317)
Miscellaneous, net	<u>(5.173.490)</u>	<u>(483.390)</u>
Non- Operating income	<u>(112.913.631)</u>	<u>(32.635.492)</u>
INCOME BEFORE INCOME TAX	<u>706.227.118</u>	<u>229.916.697</u>
INCOME TAX	<u>(222.530.025)</u>	<u>(74.592.514)</u>
NET INCOME FOR THE PERIOD	<u>\$ 483.697.092</u>	<u>\$ 155.324.183</u>

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