

**EMGESA S.A. E.S.P.**

**BALANCE SHEETS AS OF MARCH 31, 2012 AND DECEMBER 31, 2011**  
(In thousands of pesos)

<b>ASSETS</b>	<b>as of March 31, 2012</b>	<b>as of December 31, 2011</b>
<b>CURRENT ASSETS:</b>		
Available and Investments	\$ 452.850.131	\$ 511.652.031
Accounts receivable	298.314.326	278.095.693
Related companies	108.417.462	131.318.922
Inventories	50.723.912	39.538.483
Prepaid expenses	<u>4.774.860</u>	<u>6.452.365</u>
<b>Total current assets</b>	<b><u>915.080.691</u></b>	<b><u>967.057.494</u></b>
LONG-TERM INVESTMENTS	8.517.381	8.525.639
LONG-TERM RECEIVABLES	11.046.254	12.119.855
Related companies	782.450	768.272
Inventories	21.712.520	21.704.166
DEFERRED CHARGES, NET	98.761.151	83.894.126
Deferred Tax	69.850.296	71.960.342
INTANGIBLES, NET	52.945.677	53.364.193
PROPERTY, PLANT AND EQUIPMENT, NET	5.082.287.027	5.037.811.100
VALUATIONS	2.004.472.025	2.004.455.426
OTHER ASSETS	<u>6.880.854</u>	<u>4.194.952</u>
<b>Total assets</b>	<b><u>\$ 8.272.336.326</u></b>	<b><u>\$ 8.265.855.565</u></b>
MEMORANDUM ACCOUNTS	<u>\$ 2.705.557.168</u>	<u>\$ 2.722.077.620</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
	<b>as of June 30, 2012</b>	<b>as of December 31, 2011</b>
<b>CURRENT LIABILITIES:</b>		
Financial obligations	\$ 344.417.426	\$ 425.724.861
Accounts payable	428.532.597	119.140.963
Related companies	341.910.949	93.312.924
labor-related and social security obligations	7.605.270	9.604.204
Pensions and fringe benefits	10.294.486	10.260.434
Accrued expenses	20.625.876	20.775.637
Taxes, levies and duties payable	177.794.434	154.434.546
Premium Unamortized bond issue	<u>776.882</u>	<u>776.881</u>
<b>Total current liabilities</b>	<b><u>1.331.957.920</u></b>	<b><u>834.030.450</u></b>
<b>LONG TERM:</b>		
Financial obligations	1.821.760.000	1.821.760.000
Pensions and fringe benefits	63.944.754	63.978.806
Premium Unamortized bond issue	1.424.284	1.618.505
Taxes, levies and duties payable	98.427.952	98.427.952
Income received in advance	1.757.820	1.754.520
Accrued expenses	<u>1.856.837</u>	<u>1.224.185</u>
<b>Total long-term liabilities</b>	<b><u>1.989.171.647</u></b>	<b><u>1.988.763.968</u></b>
<b>Total liabilities</b>	<b><u>3.321.129.567</u></b>	<b><u>2.822.794.418</u></b>
<b>SHAREHOLDERS' EQUITY</b>		
Paid-in capital	655.222.313	655.222.313
Premium in stock placement	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
Surplus valuations	2.004.472.025	2.004.455.426
Net income for the period	<u>175.884.046</u>	<u>667.755.033</u>
<b>Total shareholders' equity</b>	<b><u>4.951.206.759</u></b>	<b><u>5.443.061.147</u></b>
<b>Total liabilities and shareholders' equity</b>	<b><u>\$ 8.272.336.326</u></b>	<b><u>\$ 8.265.855.565</u></b>
MEMORANDUM ACCOUNTS	<u>\$ 2.705.557.168</u>	<u>\$ 2.722.077.620</u>

**EMGESA S.A. E.S.P.**

**INCOME STATEMENT  
FOR THE THREE-MONTH PERIOD ENDING MARCH 31, 2012 AND DECEMBER 31, 2011  
(in thousands of Colombian pesos)**

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	<b>as of March 31, 2012</b>	<b>as of December 31, 2011</b>
OPERATING INCOME	\$ 496.580.634	\$ 1.899.157.992
COST OF SALES	<u>(210.033.601)</u>	<u>(765.450.443)</u>
GROSS PROFIT	286.547.033	1.133.707.549
ADMINISTRATIVE EXPENSES	<u>(6.437.581)</u>	<u>(29.210.429)</u>
Operating income	<u>280.109.452</u>	<u>1.104.497.120</u>
INCOME (EXPENSES) NON-OPERATING:		
Financial expenses (income), Net	(29.804.272)	(142.378.638)
Miscellaneous, net	<u>374.297</u>	<u>6.931.662</u>
Non- Operating income (expenses)	<u>(29.429.975)</u>	<u>(135.446.976)</u>
INCOME BEFORE INCOME TAX	<u>250.679.477</u>	<u>969.050.144</u>
INCOME TAX	<u>(74.795.431)</u>	<u>(301.295.111)</u>
NET INCOME FOR THE PERIOD	<u>\$ 175.884.046</u>	<u>\$ 667.755.033</u>

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