

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

	as of March 31, 2013	as of March 31, 2012
<b>Assets</b>		
Current Assets:		
Available and Investments	\$ 607,624,684	\$ 785,375,306
Accounts receivable, Net	332,440,433	255,233,635
Related companies	95,936,873	56,287,610
Inventories, Net	38,679,916	42,141,010
Prepaid expenses	<u>8,816,380</u>	<u>10,952,098</u>
Total current assets	<u>1,083,498,286</u>	<u>1,149,989,659</u>
Permanent investments, net	8,506,395	8,500,196
Debtors, net	12,657,949	13,470,164
Related companies	1,058,860	1,039,834
Inventories, Net	20,629,233	21,012,249
Properties, plant and equipment	5,596,097,490	5,527,899,542
Deferred changes, net	123,712,322	119,031,617
Deferred Taxes	68,544,158	69,608,238
Intangible assets, net	56,179,643	56,886,108
Other assets	7,524,484	5,671,288
Valuations	2,167,875,404	2,166,971,014
Total assets	<u>\$ 9,146,284,225</u>	<u>\$ 9,140,079,909</u>
<b>Liabilities and equity</b>		
Current liabilities:		
Financial obligations	\$ 95,509,512	\$ 105,826,910
Accounts payable	554,484,825	146,909,873
Related companies	430,965,705	173,790,423
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	55,612,433	51,228,875
Taxes, levies and duties payable	153,068,742	159,493,143
Other current liabilities	-	4,707,609
Premium for placement of bonds pending amortization	<u>776,882</u>	<u>776,881</u>
Total current liabilities	<u>1,308,367,831</u>	<u>666,515,215</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
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	2,167,875,745	2,166,970,715
Net income for the period	<u>196,153,272</u>	<u>783,529,388</u>
Total equity	<u>5,134,879,705</u>	<u>5,721,350,791</u>
Total liabilities and equity	<u>\$ 9,146,284,224</u>	<u>\$ 9,140,079,909</u>
Memorandum accounts	<u>\$ 4,268,115,811</u>	<u>\$ 4,499,395,577</u>

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ALBA LUCIA SALCEDO RUEDA  
Public Accountant

## EMGESA S.A. E.S.P.

### NONCONSOLIDATED INCOME STATEMENT (in thousands of Colombian pesos)

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	Three month period from January 1 to March 31, 2013	Twelve month period from January 1 to December 31, 2012
Operational revenues	\$ 580,175,493	\$ 2,144,329,104
Cost of sales	<u>(264,517,165)</u>	<u>(880,869,013)</u>
Gross profits	315,658,328	1,263,460,091
Administration expenses	<u>(6,065,255)</u>	<u>(29,300,056)</u>
Operational profits	309,593,073	1,234,160,035
Other expenditures (revenues):		
Financial, Net	(23,777,042)	(122,141,785)
Loss (profits), equity participation method	7,884	(45,877)
Miscellaneous, net	<u>2,506,298</u>	<u>(9,858,408)</u>
Profits before taxes	288,330,213	1,102,113,965
Income tax	(92,176,941)	(318,584,577)
Current	(91,236,441)	317,160,376
Deferred	<u>(940,500)</u>	<u>1,424,201</u>
	<u>196,153,272</u>	<u>783,529,388</u>
Net income for the period	<u>\$ 196,153,272</u>	<u>\$ 783,529,388</u>

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Public Accountant  
T.P. No. 40562-T

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

	as of March 31, 2013	as of March 31, 2012
<b>Operational Activities</b>		
Net year profits	\$ 196,153,272	\$ 783,529,388
Depreciation and Amortization	39,292,894	145,146,863
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	940,500	1,424,201
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
Profit (loss), participation method	(7,884)	45,877
Net change in operational assets and liabilities		
Debtors	(76,251,924)	21,345,934
Expenses paid in advance	2,135,718	(4,499,733)
Inventories	3,844,110	(1,398,066)
Related economic parties	383,417,169	721,249,769
Other assets	(1,853,194)	(1,476,336)
Accounts Payable	407,574,952	27,768,910
Taxes, charges, and rates	(6,424,401)	5,058,597
Pension liabilities (payments)	(2,534,304)	(10,108,899)
Labor obligations	(5,764,263)	4,210,439
Other current liabilities	(4,707,609)	4,707,609
Estimated liabilities and reserves	5,835,983	37,991,045
Revenues received in advance	(1,062,924)	423,314
Net cash from operational activities	<u>944,019,742</u>	<u>1,753,634,211</u>
<b>Investment activities</b>		
Increase in properties, plant, and equipment	(107,985,178)	(636,377,992)
Increase in investments	1,635	(20,434)
Declared dividends	(783,529,388)	(667,755,033)
Quimbo international bond interests	(7,532,154)	(32,998,014)
Increase in deferred charges	(2,962,386)	(11,831,282)
Increase in intangible assets	(96,599)	(5,536,822)
Net cash used in investment activities	<u>(902,104,070)</u>	<u>(1,354,519,577)</u>
<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	640	(299)
Dividend payment	(165,910,176)	(501,844,856)
Net cash provided (used) in financial activities	<u>(219,666,344)</u>	<u>(125,391,359)</u>
Net increase in cash and cash equivalents	(177,750,672)	273,723,275
Cash and cash equivalents at the beginning of the year	785,375,306	511,652,031
Cash and cash equivalents at year end	<u>\$ 607,624,634</u>	<u>\$ 785,375,306</u>

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T.P. No. 40562-T