

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

	as of September 30, 2014	as of August 31, 2014
Assets		
Current Assets:		
Available and Investments	\$ 1.023.572.861	\$ 934.163.549
Accounts receivable, Net	390.994.099	436.377.715
Related companies	35.423.621	72.564.463
Inventories, Net	37.906.979	42.444.869
Prepaid expenses	2.140.795	3.687.990
Total current assets	<u>1.490.038.355</u>	<u>1.489.238.586</u>
Permanent investments, net	12.123.488	11.970.531
Debtors, net	1.172.040	1.165.945
Related companies	12.842.015	12.960.376
Inventories, Net	8.583.040	8.570.919
Properties, plant and equipment	6.530.625.118	6.461.572.449
Deferred changes, net	155.119.594	152.387.861
Deferred Taxes	73.379.686	72.846.936
Intangible assets, net	61.677.056	62.007.283
Other assets	7.558.636	7.822.214
Valuations	2.165.567.542	2.165.539.110
Total assets	<u>\$ 10.518.686.570</u>	<u>\$ 10.446.082.210</u>
Liabilities and equity		
Current liabilities:		
Financial obligations	\$ 336.888.368	\$ 331.309.735
Accounts payable	84.268.298	88.982.244
Related companies	552.266.061	586.000.075
Labor-related and social security obligations	16.258.703	14.882.619
Pensions and fringe benefits	9.980.751	9.945.431
Accrued expenses and provisions	118.736.599	121.139.660
Taxes, levies and duties payable	188.022.238	172.432.984
Deferred Taxes	0	0
Other current liabilities	0	1.003.392
Premium for placement of bonds pending amortization	258.961	323.702
Total current liabilities	<u>1.306.679.979</u>	<u>1.326.019.842</u>
Financial obligations	3.390.100.000	3.390.100.000
Retirement pensions	61.253.997	61.289.317
Premium for placement of bonds pending amortization	-	64.740
Revenues received in advance	1.861.590	1.788.500
Estimated liabilities and reserves	15.609.448	11.185.014
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	2.165.567.542	2.165.539.110
Effect on Investment Conversion	2.112	(525)
Net income for the past periods	719.310.264	0
Net income for the period	87.450.950	719.310.264
Total equity	<u>5.743.181.556</u>	<u>5.655.699.537</u>
Total liabilities and equity	<u>\$ 10.518.686.570</u>	<u>\$ 10.446.146.950</u>
Memorandum accounts	<u>\$ 3.557.889.684</u>	<u>\$ 3.552.447.889</u>

Original signed by
ALBA LUCIA SALCEDO RUEDA
Public Accountant

EMGESA S.A. E.S.P.

NONCONSOLIDATED INCOME STATEMENT (in thousands of Colombian pesos)

	One month period from September 1 to September 30, 2014	Eight month period from January 1 to August 31, 2014
Operational revenues	\$ 222.670.066	\$ 1.810.766.970
Cost of sales	<u>(85.790.289)</u>	<u>(674.525.711)</u>
Gross profits	136.879.777	1.136.241.259
Administration expenses	<u>(2.908.849)</u>	<u>(20.102.557)</u>
Operational profits	133.970.928	1.116.138.702
Other expenditures (revenues):		
Financial, Net	(8.585.962)	(71.477.739)
Loss (profits), equity participation method	9.484	15.778
Miscellaneous, net	<u>(315.893)</u>	<u>5.003.899</u>
Profits before taxes	125.078.557	1.049.680.640
Income tax	(37.627.607)	(330.370.376)
Current	(38.160.357)	(337.577.544)
Deferred	<u>532.750</u>	<u>7.207.168</u>
	<u>87.450.950</u>	<u>719.310.264</u>
Net income for the period	\$ <u>87.450.950</u>	\$ <u>719.310.264</u>

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

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

	One month period from September 1 to September 30, 2014	Eight month period from January 1 to August 31, 2014
Operational Activities		
Net year profits	\$ 87.450.950	\$ 719.310.264
Depreciation and Amortization	12.582.522	96.860.203
Recovery of accounts receivable reserve	(104.207)	(303.769)
Accounts receivable reserve	599.397	1.072.331
Inventory recovery	0	0
Loss (gain) on account of actuarial calculations	0	1.020.154
Recreation benefit recovery	(64.741)	(517.917)
Deferred tax, debit	(532.750)	1.145.929
Deferred tax, debit, previous years	0	863.790
Deferred tax, credit	0	(8.353.097)
Loss from withdrawing from expansion projects	0	402.780
Inventory reserve	0	0
Retirement pension reserve	0	3.277.178
Loss (profits) in the sale of properties, plant, and equipment	0	(181.080)
Profit (loss), participation method	208	(15.778)
Operational Expenses Reserve	10.223	679.804
Net change in operational assets and liabilities		
Debtors	44.735.469	(113.055.711)
Expenses paid in advance	1.547.195	9.461.923
Inventories	4.656.251	2.831.387
Related economic parties	3.400.733	882.795.664
Other assets	263.578	(1.236.219)
Accounts Payable	(4.713.946)	6.047.367
Taxes, charges, and rates	40.196.242	10.942.936
Pension liabilities (payments)	0	(5.909.826)
Labor obligations	1.376.084	(902.967)
Other current liabilities	(1.003.392)	(666.490)
Estimated liabilities and reserves	2.011.150	18.935.189
Revenues received in advance	73.090	196.900
Net cash from operational activities	192.484.056	1.624.700.945
Investment activities		
Increase in properties, plant, and equipment	(81.115.073)	(536.252.581)
Increase in investments	(12.329)	(22.685)
Quimbo international bond interests	(5.438.958)	(37.893.746)
Increase (Decrease) in deferred charges	(1.231.112)	(4.917.375)
Increase in intangible assets	(97.855)	(519.752)
Revenues from ruling interests - Ministry of Mines and Energy and Ministry of Financing and Public Credit	0	14.609.577
Revenues from ruling recovery - Ministry of Mines and Energy and Ministry of Financing and Public Credit	0	13.414.688
Net cash used in investment activities	(87.895.327)	(551.581.874)
Financial activities		
Payment of financial obligations	(19.159.683)	(340.751.321)
Increase of financial obligations and interest payments, net	24.738.316	771.392.243
Equity tax payment	-24.606.988,00	(24.606.988)
Recovery on account of Quimbo yield	2.035.305	12.547.579
Loss from forward valuation	1.810.996	(136.621)
Emgesa Panamá conversion affect	2.637	(1.813)
Dividend payment	0	(524.521.358)
Declared Dividends	0	(870.141.109)
Net cash provided (used) in financial activities	(15.179.417)	(976.219.388)
Net increase in cash and cash equivalents	89.409.312	96.899.683
Cash and cash equivalents at the beginning of the year	934.163.549	837.263.866
Cash and cash equivalents at year end	\$ 1.023.572.861	\$ 934.163.549

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