

**EMGESA S.A E.S.P**  
**CONSOLIDATED BALANCE SHEET**



(In thousands of pesos)

Assets	September 2016	December 2015
<b>Current Assets</b>		
Available and equivalents	882.059.095	299.393.415
Other current financial assets	20.196.563	13.385.123
Other current non financial assets	29.465.967	65.386.864
Accounts receivable, Net	317.450.893	327.639.405
Related companies	60.739.714	33.172.398
Inventories, Net	41.682.260	34.562.875
Current taxes relates asset	4.698	-
<b>TOTAL CURRENT ASSETS</b>	<b>1.351.599.190</b>	<b>773.540.080</b>
<b>NON CURRENT ASSETS</b>		
Other financial assets	7.416.768	2.740.235
Other non financial assets	5.585.921	4.864.712
Accounts receivable, Net	40.480.040	8.686.009
Intangible assets, net	94.226.533	90.260.095
Properties, plant and equipment	7.840.823.178	7.878.602.968
Deferred Taxes	64.691.395	81.315.707
<b>TOTAL NON CURRENT ASSETS</b>	<b>8.053.223.835</b>	<b>8.066.469.726</b>
<b>TOTAL ASSETS</b>	<b>9.404.823.025</b>	<b>8.840.009.806</b>
<b>Liabilities and Equity</b>		
<b>CURRENT LIABILITIES</b>		
Other current financial liabilities	795.331.657	606.511.273
Accounts payable	195.780.352	283.723.040
Related companies	495.524.251	200.338.829
Provisions	158.097.006	323.186.623
Taxes, levies and duties payable	90.776.621	127.729.270
Provisions in pensions and labour-related obligations	26.557.335	28.797.528
Other current non financial liabilities	3.778.802	3.824.724
<b>TOTAL CURRENT LIABILITIES</b>	<b>1.765.846.024</b>	<b>1.574.111.287</b>
<b>NON CURRENT LIABILITIES</b>		
Other financial liabilities	3.999.752.406	3.495.312.860
Other provisions	186.554.667	146.118.742
Provisions in pensions and labour-related obligations	70.782.229	66.110.357
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>4.257.089.302</b>	<b>3.707.541.959</b>
<b>TOTAL LIABILITIES</b>	<b>6.022.935.326</b>	<b>5.281.653.246</b>
<b>EQUITY</b>		
Subscribed and paid capital	655.222.313	655.222.313
Premium for placement of shares	113.255.816	113.255.816
Other integral results	(5.075.978)	(5.001.313)
Retained earnings	2.114.197.511	2.368.769.966
<i>Net income for the period</i>	630.894.661	885.496.984
<i>Withheld profits</i>	10.647.373	10.612.688
<i>Adjustments due to IFRS adoption</i>	1.472.650.135	1.472.650.135
Other Reserves	504.266.180	426.094.825
Non control investments	21.857	14.953
<b>TOTAL EQUITY</b>	<b>3.381.887.699</b>	<b>3.558.356.560</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>9.404.823.025</b>	<b>8.840.009.806</b>

**EMGESA S.A E.S.P**  
**CONSOLIDATED INCOME STATEMENT**

(in thousands of Colombian pesos)



Income Statement	Nine months period from January 1 to September 30,	
	2016	2015
<b>OPERATIONAL REVENUES</b>	<b>2.773.537.541</b>	<b>2.167.463.547</b>
Revenues from ordinary activities	2.748.346.361	2.162.442.406
<i>Energy sales</i>	2.715.421.977	2.141.856.602
<i>Gas sales</i>	31.860.752	20.393.725
<i>Other services</i>	1.063.632	192.079
Other revenues	25.191.180	5.021.141
<b>COST OF SALES</b>	<b>(1.062.179.453)</b>	<b>(681.909.433)</b>
Energy purchases	(505.639.116)	(253.570.182)
Gas purchases	(30.728.679)	(19.528.575)
Liquid fuel consumption	(157.288.812)	(116.426.222)
Mobility costs	(240.735.052)	(199.602.332)
Related Taxes	(73.185.348)	(61.843.533)
Others	(54.602.446)	(30.938.589)
<b>GROSS PROFIT</b>	<b>1.711.358.088</b>	<b>1.485.554.114</b>
Personnel expenses associated to projects	2.024.101	17.075.379
Personnel expenses	(53.671.720)	(59.036.575)
Other expenses	(105.684.188)	(100.237.644)
<b>EBITDA</b>	<b>1.554.026.281</b>	<b>1.343.355.274</b>
Depreciation and amortization	(142.346.057)	(111.848.297)
Recoveries	(3.539.310)	597.777
<b>EBIT</b>	<b>1.408.140.914</b>	<b>1.232.104.754</b>
<b>FINANCIAL, NET</b>	<b>(343.299.531)</b>	<b>(95.663.183)</b>
Financial revenues	33.037.610	8.953.617
Financial expenses	(382.451.922)	(248.532.005)
Capitalized interest expense	3.617.711	141.000.715
Exchange rate adjustments	2.497.070	2.914.490
Profits from Subsidiaries accounted by equity participation	-	-
Profits from other investments	-	-
Profits from the sale of properties, plant, and equipment	(10.162.603)	26.488
<b>PROFITS BEFORE TAXES</b>	<b>1.054.678.780</b>	<b>1.136.468.059</b>
Income Tax	(423.784.119)	(417.948.242)
<b>PROFITS AFTER TAXES</b>	<b>630.894.661</b>	<b>718.519.817</b>
<b>NET INCOME</b>	<b>630.894.661</b>	<b>718.519.817</b>

**EMGESA S.A E.S.P**  
**Cash Flow Statements**  
(in thousands of Colombian pesos)



Cash Flow Statements	Nine month period from January 1 to September 30,	
	2016	2015
<b>Operational Activities</b>		
Revenues from operational activities		
<i>Revenues from energy sales and other services</i>	2.820.151.021	2.020.189.637
<i>Other revenues</i>	48.703.110	10.648.533
Expenses from operational activities		
<i>Operational expenses</i>	1.180.264.391	639.288.354
<i>Personnel expenses</i>	69.512.353	49.577.041
<i>Insurance expenses</i>	26.001.460	18.354.007
<i>Other operational expenses</i>	49.491.838	43.310.000
<b>Net cash provided by operational activities</b>	<b>1.543.584.089</b>	<b>1.280.308.768</b>
Equity tax payment	434.276.351	455.520.486
Other revenues net	64.675.135	69.057.341
<b>Total net cash used in operational activities</b>	<b>1.044.632.603</b>	<b>755.730.941</b>
<b>Investment activities</b>		
Cash for control in subsidiaries and other business	-	-
Profits in the sale of properties or financial assets	-	77.464.998
Loans to related companies	(55.000.000)	-
Increase in properties, plant, and equipment	(233.639.232)	(549.774.597)
Advance payments	(69.221.620)	(61.694.371)
Repayment of advances and loans to third parties	233.782	5.525.525
Charge to related companies	55.000.000	-
Revenues from financial investments	28.149.515	14.948.089
Others revenues from investment activities, net	-	(59.625)
<b>Total net cash used in investment activities</b>	<b>(274.477.556)</b>	<b>(513.589.981)</b>
<b>Financial activities</b>		
Proceeds from loans	825.000.000	854.502.749
Reimbursements for financial obligations	(144.000.000)	(464.994.720)
Leasings	(157.675)	-
Declared Dividends	(515.113.721)	(687.623.525)
Interest payment	(342.718.346)	(244.588.406)
Others revenues from financial activities, net	(10.494.409)	(10.494.409)
<b>Total net cash used in financial activities</b>	<b>(187.484.152)</b>	<b>(553.198.311)</b>
<b>Net increase in cash and cash equivalents before currency rate effects</b>	<b>582.670.896</b>	<b>(311.057.351)</b>
Currency rate effects on cash flow	(5.217)	2.871
<b>Net increase in cash and cash equivalents</b>	<b>582.665.679</b>	<b>(311.054.480)</b>
Cash and cash equivalents at the beginning of the year	299.393.415	880.918.653
<b>Cash and cash equivalents at year end</b>	<b>882.059.094</b>	<b>569.864.173</b>