

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



(In thousands of pesos)

Assets	June 2016	December 2015
Current Assets		
Available and equivalents	359.968.395	299.178.512
Other current financial assets	12.575.735	13.385.123
Other current non financial assets	35.683.755	65.346.385
Accounts receivable, Net	284.746.369	327.623.902
Related companies	59.816.267	33.292.945
Inventories, Net	45.494.592	34.562.875
TOTAL CURRENT ASSETS	798.285.113	773.389.742
NON CURRENT ASSETS		
Other financial assets	6.566.956	2.740.235
Other non financial assets	4.988.643	4.864.712
Accounts receivable, Net	44.110.398	8.686.009
Related companies	1.038.137	1.005.483
Investments in subsidiaries	153.465	52.079
Intangible assets, net	91.956.469	89.619.113
Properties, plant and equipment	7.844.167.455	7.878.232.087
Deferred Taxes	69.290.069	81.286.227
TOTAL NON CURRENT ASSETS	8.062.271.590	8.066.485.945
TOTAL ASSETS	8.860.556.703	8.839.875.687
Liabilities and Equity		
CURRENT LIABILITIES		
Other current financial liabilities	753.411.052	606.511.273
Accounts payable	223.140.994	283.625.592
Related companies	496.794.435	200.534.242
Provisions	144.376.763	323.186.623
Taxes, levies and duties payable	10.969.962	127.741.635
Provisions in pensions and labour-related obligations	24.810.665	28.797.528
Other current non financial liabilities	3.780.225	3.824.724
TOTAL CURRENT LIABILITIES	1.657.284.097	1.574.221.617
NON CURRENT LIABILITIES		
Other financial liabilities	3.699.638.344	3.495.312.860
Other provisions	244.551.667	146.118.742
Provisions in pensions and labour-related obligations	71.873.121	66.110.357
TOTAL NON CURRENT LIABILITIES	4.016.063.131	3.707.541.959
TOTAL LIABILITIES	5.673.347.228	5.281.763.576
EQUITY		
Subscribed and paid capital	655.222.313	655.222.313
Premium for placement of shares	113.255.816	113.255.816
Other integral results	(3.821.377)	(5.001.313)
Retained earnings	1.918.289.443	2.368.543.370
<i>Net income for the period</i>	435.201.469	885.455.396
<i>Withheld profits</i>	10.409.214	10.409.214
<i>Adjustments due to IFRS adoption</i>	1.472.678.760	1.472.678.760
Other Reserves	504.263.280	426.091.925
TOTAL EQUITY	3.187.209.475	3.558.112.111
TOTAL LIABILITIES AND EQUITY	8.860.556.703	8.839.875.687

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



(in thousands of Colombian pesos)

Income Statement	Three month period from January 1 to June 30,	
	2016	2015
OPERATIONAL REVENUES	1.960.822.911	1.315.628.597
Revenues from ordinary activities	1.939.654.606	1.312.420.114
<i>Energy sales</i>	1.916.919.645	1.300.164.225
<i>Gas sales</i>	22.533.151	12.062.616
<i>Other services</i>	201.810	193.273
Other revenues	21.168.305	3.208.483
COST OF SALES	(776.584.254)	(396.670.522)
Energy purchases	(379.477.029)	(134.542.900)
Gas purchases	(21.521.759)	(11.963.370)
Liquid fuel consumption	(138.427.554)	(65.240.234)
Mobility costs	(160.354.835)	(128.989.762)
Others	(76.803.076)	(55.934.256)
GROSS PROFIT	1.184.238.657	918.958.075
Personnel expenses associated to projects	1.126.051	11.200.526
Personnel expenses	(37.787.482)	(38.677.382)
Other expenses	(82.631.122)	(77.904.794)
EBITDA	1.064.946.104	813.576.425
Depreciation and amortization	(93.998.378)	(74.494.431)
Recoveries	(3.586.850)	819.785
EBIT	967.360.876	739.901.779
FINANCIAL, NET	(221.015.513)	(63.844.921)
Financial revenues	23.132.986	6.415.687
Financial expenses	(248.998.970)	(161.205.638)
Capitalized interest expense	2.297.352	90.668.855
Exchange rate adjustments	2.553.120	276.175
Profits from Subsidiaries accounted by equity participation	-	-
Profits from other investments	-	-
Profits from the sale of properties, plant, and equipment	(7.525.248)	-
PROFITS BEFORE TAXES	738.820.115	676.056.858
Income Tax	(303.618.646)	(247.126.922)
PROFITS AFTER TAXES	435.201.469	428.929.936
NET INCOME	435.201.469	428.929.936

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



Cash Flow Statements	Three month period from January 1 to June 30, 2016	Three month period from January 1 to June 30, 2015
Operational Activities		
Revenues from operational activities		
<i>Revenues from energy sales and other services</i>	2.034.152.200	1.257.515.285
<i>Other revenues</i>	46.054.567	8.575.218
Expenses from operational activities		
<i>Operational expenses</i>	886.047.300	383.190.330
<i>Personnel expenses</i>	35.447.744	34.787.528
<i>Insurance expenses</i>	26.001.460	18.354.007
Net cash provided by operational activities	1.132.710.263	829.758.637
Equity tax payment	405.336.437	429.203.079
Other revenues net	(76.992.053)	(71.864.673)
Total net cash used in operational activities	650.381.772	328.690.885
Investment activities		
Cash for control in subsidiaries and other business	(98.633)	-
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	(179.247.586)	(413.090.671)
Advance payments	(33.425.930)	(18.102.125)
Charge to related companies	55.000.000	-
Revenues from hedging activities (swaps)	233.782	4.894.870
Revenues from financial investments	21.445.947	12.795.594
Others revenues from investment activities, net	-	-
Total net cash used in investment activities	(191.092.419)	(336.037.334)
Financial activities		
Increase of financial obligations	525.000.000	415.067.286
Reimbursements for financial obligations	(144.000.000)	(330.000.000)
Declared Dividends	(515.104.586)	(687.630.140)
Interest payment	(253.804.720)	(191.013.080)
Others revenues from financial activities, net	(10.590.163)	(10.494.409)
Total net cash used in financial activities	(398.499.470)	(804.070.343)
Net increase in cash and cash equivalents before currency rate effects	60.789.883	(811.416.792)
Currency rate effects on cash flow	-	-
Net increase in cash and cash equivalents	60.789.883	(811.416.792)
Cash and cash equivalents at the beginning of the year	299.178.512	880.729.362
Cash and cash equivalents at year end	359.968.395	69.312.570