

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



(In thousands of pesos)

Assets	September 2016	December 2015
<b>Current Assets</b>		
Available and equivalents	881.144.075	299.178.512
Other current financial assets	20.196.563	13.385.123
Other current non financial assets	29.449.681	65.346.385
Accounts receivable, Net	317.448.961	327.623.902
Related companies	61.940.281	33.292.945
Inventories, Net	41.682.260	34.562.875
<b>TOTAL CURRENT ASSETS</b>	<b>1.351.861.821</b>	<b>773.389.742</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	40.480.040	8.686.009
Accounts receivable related companies	1.054.643	1.005.483
Investments in subsidiaries, joint ventures and associates	150.712	52.079
Intangible assets, net	93.618.705	89.619.113
Properties, plant and equipment	7.839.181.257	7.878.232.087
Deferred Taxes	64.675.624	81.286.227
<b>TOTAL NON CURRENT ASSETS</b>	<b>8.052.163.670</b>	<b>8.066.485.945</b>
<b>TOTAL ASSETS</b>	<b>9.404.025.491</b>	<b>8.839.875.687</b>
<b>Liabilities and Equity</b>		
<b>CURRENT LIABILITIES</b>		
Other current financial liabilities	795.331.657	606.511.273
Accounts payable	195.455.096	283.625.592
Related companies	495.423.447	200.534.242
Provisions	158.096.574	323.186.623
Taxes, levies and duties payable	90.761.268	127.741.635
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>1.765.404.179</b>	<b>1.574.221.617</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>6.022.493.481</b>	<b>5.281.763.576</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	2.113.866.579	2.368.543.370
<i>Net income for the period</i>	630.778.605	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
<b>TOTAL EQUITY</b>	<b>3.381.532.010</b>	<b>3.558.112.111</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>9.404.025.491</b>	<b>8.839.875.687</b>

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

(in thousands of Colombian pesos)



Income Statement	Six month period from January 1 to September 30,	
	2016	2015
<b>OPERATIONAL REVENUES</b>	<b>2.773.580.080</b>	<b>2.167.541.487</b>
Revenues from ordinary activities	<b>2.747.727.267</b>	<b>2.162.520.346</b>
<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>	444.538	270.019
Other revenues	25.852.813	5.021.141
<b>COST OF SALES</b>	<b>(1.062.179.453)</b>	<b>(681.909.432)</b>
Energy purchases	(505.639.116)	(253.570.182)
Gas purchases	(30.728.680)	(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)	(30.938.590)
<b>GROSS PROFIT</b>	<b>1.711.400.627</b>	<b>1.485.632.054</b>
Personnel expenses associated to projects	2.024.102	17.075.379
Personnel expenses	(53.671.720)	(59.036.575)
Other expenses	(106.031.514)	(100.490.339)
<b>EBITDA</b>	<b>1.553.721.494</b>	<b>1.343.180.518</b>
Depreciation and amortization	(142.284.014)	(111.782.759)
Recoveries	(3.539.310)	597.974
<b>EBIT</b>	<b>1.407.898.171</b>	<b>1.231.995.734</b>
<b>FINANCIAL, NET</b>	<b>(343.243.989)</b>	<b>(95.610.511)</b>
Financial revenues	33.089.484	9.005.994
Financial expenses	(382.448.239)	(248.531.711)
Capitalized interest expense	3.617.711	141.000.715
Exchange rate adjustments	2.497.054	2.914.490
Profits from Subsidiaries accounted by equity participation	-	-
Profits from other investments	-	-
Profits from the sale of properties, plant, and equipment	(10.162.604)	26.488
<b>PROFITS BEFORE TAXES</b>	<b>1.054.491.577</b>	<b>1.136.411.710</b>
Income Tax	(423.712.972)	(417.924.305)
<b>PROFITS AFTER TAXES</b>	<b>630.778.605</b>	<b>718.487.405</b>
<b>NET INCOME</b>	<b>630.778.605</b>	<b>718.487.405</b>

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



Cash Flow Statements	Six 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>	2.820.099.351	2.020.184.426
<i>Other revenues</i>	48.703.110	10.648.533
Expenses from operational activities		
<i>Operational expenses</i>	1.181.505.194	639.337.936
<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>1.542.291.616</b>	<b>1.280.253.975</b>
Equity tax payment	434.276.351	455.520.486
Other revenues net	63.989.362	69.057.341
<b>Total net cash used in operational activities</b>	<b>1.044.025.903</b>	<b>755.676.148</b>
<b>Investment activities</b>		
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	(233.639.232)	(549.774.597)
Advance payments	(69.221.620)	(61.694.371)
Repayment of advances and loans to third parties	233.782	-
Charge to related companies	55.000.000	-
Revenues from hedging activities (swaps)	-	5.525.526
Revenues from financial investments	28.149.515	14.948.089
Others revenues from investment activities, net	-	-
<b>Total net cash used in investment activities</b>	<b>(274.576.189)</b>	<b>(513.530.356)</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>581.965.562</b>	<b>(311.052.519)</b>
Currency rate effects on cash flow	-	-
<b>Net increase in cash and cash equivalents</b>	<b>581.965.562</b>	<b>(311.052.519)</b>
Cash and cash equivalents at the beginning of the year	299.178.512	880.729.362
<b>Cash and cash equivalents at year end</b>	<b>881.144.075</b>	<b>569.676.843</b>