



## ISA FOURTH QUARTER 2014 FINANCIAL RESULTS



**Medellin, Colombia, March 2, 2015**

ISA S.A. E.S.P. (BVC: ISA; OTC: IESFY) ("ISA" or "the Company"), a Colombian organization engaged in the businesses of Energy Transmission, Road Concessions, Telecommunications Transport and Intelligent Management of Real-Time Systems, today announced financial results for the fourth quarter of 2014. The unaudited figures are expressed in millions of Colombian pesos (COP). The consolidation process includes 100% of the companies where ISA holds control and the homologation of the accounting practices of each country (Chile, Brazil and Peru currently report based on IFRS – International Financial Reporting Standards), according to *Generally Accepted Accounting Principles (GAAP) in Colombia*.

### ■ ECONOMIC AND FINANCIAL RESULTS

#### *Fourth Quarter 2014*

- **Consolidated operating revenues** were COP 1.080.880 million.
- **EBITDA** reached COP 572.415 million, with a 53,0% EBITDA margin.
- **Net income** was COP 136.762 million, with a 12,7% net margin.

#### *Full-Year 2014*

- **Consolidated operating revenues** were COP 3.92.335 million.
- **EBITDA** reached COP 2.274.926 million, with a 58,0% EBITDA margin.
- **Net income** was COP 593.065 million, with a 15,1% net margin.
- **Consolidated assets** were COP 28.994.200 million.

ISA's fourth quarter results reflected a 29.3% increase in net income compared with the fourth quarter of 2013. This variation comprises a combination of positive events such as the entry into operation of new projects in Peru, such as Trujillo – Chiclayo, Pomacocha – Carhuamayo and grid expansions, lower maintenance costs in Peru and the recognition at INTERCOLOMBIA of UPME project's annuities as operating revenues.

Full year income was COP 593,065 million, a 37.0% increase. In addition to comprising the quarterly events described above, this increase included costs and expense optimizations in Brazil and Colombia, the adjustment of remuneration in Brazil since July, higher revenues in Colombia due to a higher PPI and the consolidation of new telecommunications affiliates in Brazil. The variation was also partially due to the completion of amortization of ISA Capital do Brasil's goodwill on December 2013 and the provision made in 2013 under Law 4819.

EXCHANGE RATES	2014 Ave	2013 Ave	Change %	4Q14 close	2013 close	Change %
COP / USD DOLLAR	2.000,68	1.868,90	7,05%	2.392,46	1.926,83	24,17%
COP / REAL	850,07	866,02	-1,84%	900,71	822,52	9,51%
COP/ CLP	3,51	3,77	-7,04%	3,94	3,67	7,44%
REAL / USD DOLLAR	2,35	2,16	9,06%	2,66	2,34	13,39%
CLP / USD DOLLAR	570,37	495,31	15,15%	606,75	524,61	15,66%

The conversion effect of the financial information of the foreign subsidiaries generated variations in different line items of the financial statements, due to fluctuations of the Colombian Peso against the U.S. Dollar, the Brazilian Real and the Chilean Peso, generating a decline in the net result for COP 4.884 million vs. COP 433 million for the same period of 2013.

## ■ CONSOLIDATED INCOME STATEMENT

### Consolidated operating revenues

For the October – December 2014 period, operating revenues reached COP 1.080.880 million, a 12.1% increase compared with the same period of 2013. This variation was mainly due to: a) higher revenues in Colombia related with UPME projects and favorable behavior of the PPI<sup>1</sup>, b) new projects entering into operation in Peru as discussed before, c) increased revenues in Brazil due to the adjustment of the remuneration and higher construction income, and d) the consolidation of new acquisitions in the telecommunications business.

For the full year, revenues increased 8.9%, mainly explained by the same events discussed for the quarter.

(figures in COP millions)

OPERATING REVENUES	4Q14	4Q13	Change COP	Change %	4Q14 USD	2014	2013	Change COP	Change %	2014 USD
Energy Transmission	754.929	661.937	92.992	14,0%	316	2.734.927	2.447.554	287.373	11,7%	1.143
Road Concessions	229.159	232.701	-3.542	-1,5%	96	843.119	918.264	-75.145	-8,2%	352
Telecommunications Transport	65.373	46.557	18.817	40,4%	27	232.086	148.218	83.869	56,6%	97
Intelligent Management of Real-time Systems	31.419	22.962	8.457	36,8%	13	111.203	87.288	23.915	27,4%	46
<b>TOTAL OPERATING REVENUES</b>	<b>1.080.880</b>	<b>964.156</b>	<b>116.724</b>	<b>12,1%</b>	<b>452</b>	<b>3.921.335</b>	<b>3.601.325</b>	<b>320.011</b>	<b>8,9%</b>	<b>1.639</b>

### Composition of accumulated revenues by business

- **Energy Transmission** contributed with 69,8% of total operating revenues, equivalent to COP 754.929 million. Compared with the same period of 2013, the business revenues increased 14,0%, due to higher revenues in Peru from the entry into operation of Trujillo – Chiclayo, Pomacocha – Carhuamayo, Piura – Talara projects and grid expansions during the prior year and from higher revenues in Colombia derived from a higher PPI and the recognition at INTERCOLOMBIA of UPME projects' annuities as operating revenues. In addition, higher revenues were generated due to the remuneration adjusted in the month of July and higher construction revenues in Brazil, namely due to grid improvements carried out by CTEEP.

<sup>1</sup> PPI 2014: 6.33% CPI 2014: 3.66%

- **Road Concessions** accounted COP 229.119 million, representing 21,2% of total revenues. There was a greater toll collections within the period due to higher traffic, which in turn lowered the accounts receivable from concessions and their financial returns. This fact resulted in 1,5% decrease compared with revenues in the same period of 2013.
- **Telecommunications Transport** contributed 6,0% of total revenues, corresponding to COP 65.373 million. It increased 40,4%, mainly due to the consolidation of new Brazilian affiliates acquired during the last quarter of 2013.
- **Intelligent Management of Real-Time Systems** generated COP 31.419 million equal to 2,9% of all revenues of the 4Q14, and represents a 36,8% increase compared with the same period of 2013, due to higher regulated revenues in XM, which depend on the investment level and the company's expenditure recognized by the system.

### Consolidated revenues by country:

During the fourth quarter of the year, the revenue composition by country was as follows: Colombia contributed 36,8%, Brazil 27,0%, Chile 21,4% and Peru with 13,3%.

(figures in COP millions)

	4Q14	4Q13	Change COP	Change %	4Q14 USD	2014	2013	Change COP	Change %	2014 USD
Colombia	397.230	348.661	48.568	13,9%	166	1.510.425	1.367.581	142.844	10,4%	631
Chile	231.161	233.248	-2.087	-0,9%	97	849.114	921.789	-72.676	-7,9%	355
Brazil	291.575	258.876	32.698	12,6%	122	1.016.089	867.922	148.167	17,1%	425
Peru	143.865	109.042	34.824	31,9%	60	488.961	400.823	88.138	22,0%	204
Others	17.050	14.329	2.721	19,0%	7	56.746	43.210	13.537	31,3%	24
<b>TOTAL</b>	<b>1.080.880</b>	<b>964.156</b>	<b>116.724</b>	<b>12,1%</b>	<b>452</b>	<b>3.921.335</b>	<b>3.601.325</b>	<b>320.011</b>	<b>8,9%</b>	<b>1.639</b>

### Operating costs and expenses

**Consolidated operating costs and expenses** in the 4Q14 increased 6.6% compared with the fourth quarter of 2013, from COP 560,303 million to COP 597,011 million. The increase of costs is related to events that also generate revenues such as higher construction costs in Brazil and Chile and higher costs and expenses in Peru due to new projects entering into operation. In Colombia, there is a 1.6% decrease given the implementation of the cost optimization strategy implemented throughout the year.

(figures in COP millions)

	4Q14	4Q13	Var COP	Var. %	4Q14 USD	2014	2013	Var. COP	Var. %	2014 USD
Colombia	219.600	223.194	-3.594	-1,6%	92	794.446	782.462	11.984	1,5%	332
Chile	70.288	67.137	3.151	4,7%	29	255.538	253.360	2.178	0,9%	107
Brazil	235.391	201.369	34.022	16,9%	98	715.284	758.451	-43.167	-5,7%	299
Peru	63.400	61.599	1.802	2,9%	27	246.602	230.259	16.343	7,1%	103
Others	8.333	7.005	1.327	18,9%	4	30.870	25.694	5.176	20,1%	13
<b>TOTAL</b>	<b>597.011</b>	<b>560.303</b>	<b>36.707</b>	<b>6,6%</b>	<b>250</b>	<b>2.042.739</b>	<b>2.050.226</b>	<b>-7.486</b>	<b>-0,4%</b>	<b>854</b>

On the other hand, accumulated operating costs and expenses for the full year decreased 0,4% compared with the same period of 2013, from COP 2.050.226 million to COP 2.042.739 million. This variation was mainly due to the

decrease of operating costs and expenses in Brazil especially lower expenses for personnel, maintenance and contingencies and completion of amortization of ISA Capital do Brasil's goodwill in December 2013.

The composition of operating costs and expenses by country is as follows: 36,8% in Colombia, 39,4% in Brazil, 11,8% in Chile and 10,6% in Peru.

### Operating income

As a result of the mentioned effects, ISA obtained an operating income of 483,870 million in the fourth quarter, 19.8% above the operating income in 4Q13. The stronger results of the quarter were due to higher revenues obtained in the quarter, especially in Colombia, Peru and Brazil and the completion of amortization of ISA Capital do Brasil's goodwill in December 2013. The operating margin reached 44.8%, 2.9% higher than the fourth quarter of 2013.

Accumulated as of December 2014, operating income was COP 1,878,596 million, 21.1% above the figure obtained for the previous year. Operating margin reached 47.9%, 4.8% more than year 2013.

### EBITDA and EBITDA margin

EBITDA for the fourth quarter 2014 increased 9,2% compared with the same period last year, equal to COP 572.415 million. The increase was due to higher revenues generated in the Energy Transmission and Telecommunications Transport businesses. The EBITDA margin reached 53,0%

Accumulated EBITDA as of December 2014 was COP 2.274.926 million, a 13,1% increase compared with the same period last year. In addition to the higher revenues mentioned above, the accumulated EBITDA reflects the efforts to lower operating costs in Brazil. The EBITDA margin was 58,0% accumulated as of December, 2,1% above the margin in 2013.

### Non-operating result (loss)

The non-operating result in the fourth quarter showed a higher expenditure of COP 37.422 million, equal to a 30,0% increase compared with the fourth quarter of 2013, basically explained by the exchange difference (COP 33.736 million) from a greater devaluation of the Chilean, Brazilian and Colombian currencies vs. the U.S. Dollar as well as higher inflation in Chile<sup>2</sup>.

As of December 2014, this result was COP -569.796 million, a decrease of COP 319.712 million compared with the results of the same period of 2013, due to the effect of CTEEP's and ISA Capital do Brasil's provision of the account receivable from the State of São Paulo, related to Law 4819 (COP 354.044 million), made in 2013.

### Taxes

The income tax expense in 4Q14 reached COP 116,383, which represented an increase of 131.7% compared with the same quarter of 2013. For the full year, the increase was 314.5%.

Both the variation for the quarter as well as for the full year were due to greater income, the increased taxable rate for the quarter due to an increase in the calculation of the deferred tax in Chile, from 20% to 27%. In Colombia the rate went from 33% to 34% (COP 13,248 million) and certain lower taxes in 2013 associated with the deferred tax from the provision of the account receivable from the State of São Paulo, under Law 4819 (COP 148,065 million).

<sup>2</sup> IPC Chile 2014: 4.64%

The composition of accumulated income tax by country was: Colombia COP 217.176 million, Brazil COP 70.502 million, Peru COP 54.629 million and Chile COP 31.504 million.

### Minority interest

The minority interest for the quarter was COP 68,698 million, a decrease of COP 54,574 million compared with the same period last year, explained by lower results in telecommunications companies in Brazil.

The accumulated result as of December 2014 reached COP 335,846 million, a 145.3% increase compared with the same period last year given.

### Net income

In the fourth quarter 2014, ISA reached net income of COP 136.362 million representing a 29,3% increase compared with the figure reported in the same period 2013. The increase was explained by the consolidation of the items discussed above, such as higher operating revenues generated in Colombia, Brazil and Peru, the decrease of operating and non-operating costs and expenses in Brazil, and a lower amortization expense at ISA Capital do Brasil.

Accumulated income as of December 2014 was COP 593.065 million, 37,0% above the accumulated income as of December 2013.

## ■ CONSOLIDATED BALANCE SHEET

### Assets

Assets for ISA and its companies totaled COP 28.994.200 million, a 13,4% increase compared with December 2013. The variation was mainly due to the deferred tax increase in Chile in virtue of the tax reform, greater construction projects in Peru, higher financial assets in Brazil and the conversion effect derived from the devaluation of the Colombian Peso versus the U.S. Dollar.

The composition by country of the assets was: 34,4% in Chile, 28,1% in Colombia, 23,9% in Brazil and 13,1% in Peru.

### Liabilities

Consolidated liabilities were COP 16.047.204 million, an 11,4% increase compared with December 2013, which, as in the case of assets, is due to the conversion effect derived from the devaluation of the Colombian Peso versus the US Dollar and higher deferred tax in Chile.

The distribution of liabilities by country was 47,4% in Chile, 21,9% in Colombia, 14,6% in Brazil and 15,6% in Peru.

### Minority interest

Minority interest was COP 4.243.349 million, a 14,5% increase compared with December last year, mainly due to the increase of the minority interest at INTERNEXA Participações, as a result of the acquisition of shares by IFC in April 2014 and the higher results of the Brazilian subsidiaries.

## Equity

Equity reached COP 8.703.647 million, a 16,8% increase compared with COP 7.451.477 million reported on December 2013, as a result of the greater income generated in the year and the conversion effect of the investment of foreign affiliates, which offsets the distribution of profits approved at ISA's General Shareholders Meeting.

## ■ CONSOLIDATED CASH FLOW

As of December 2014, cash and cash equivalents was COP 1,899,467 million, an increase of COP 79,278 million compared to the end of the 2013 period. In 2014, cash provided by operations was COP 1,595,547 million, 41% (COP 1,098,429 million) less than last year given that COP 1,511,879 million more were included in 2013 from the partial collection of the indemnity for new assets at CTEEP; deducting the effect of the partial indemnity payment, the increase was 51.9%.

The funds obtained were used as follows: COP 654,535 million for investment activities such as the purchase of property, plant and equipment, intangibles and investments in shared control companies and COP 861,734 million for payment of debt service, decrease of indebtedness levels and payment of dividends.

## ■ DEBT

At the end of December 2014, the consolidated financial debt was COP 9.425.510 million, an increase of 8,4% compared with December 2013, in Colombian pesos. Although the net effect shows an increase of COP 727.042 million, most companies of the group decreased their net debt in 2014 in approximately COP 341.163 million. The conversion effect generated by the devaluation of Colombian Peso versus the currencies of those countries where ISA is present is the component that explains the increase in Colombian Pesos.

The following events took place throughout 4Q14, which. In addition to those reported in the first nine months of the year explain the change in the debt:

- CTEEP redeemed the First Series of Debentures for BRL 163,6 million and obtained disbursements of net credits for BRL 62,0 million.
- CTEEP's subsidiaries in Brazil made payments for BRL 6,8 million.
- Ruta del Maipo made payments to the holders of Bonds 144A in the amount of USD 18,0 million.
- ISA paid USD1,8 million to the loan held with BNP Paribas.
- Transelca made a payment of COP 7,5 billion to the loan held with Banco de Bogotá.

47,4% of debt is denominated in *Unidades de Fomento* -UF- (Chile), 27,7% in US Dollars, 17,6% in Colombian Pesos, 11,3% in Brazilian Reais and 0,1% in other currencies. Approximately, 73,1% of the debt is placed in the Capital Market and 26,1% in commercial loans.

91,4% of the debt is long-term and the remaining 8,6% is short-term.



(figures in COP millions)

Business		Sep. 2014	2013	Change COP	Change %	Sep. 2014 USD
<b>CHILE</b>		<b>4.482.666</b>	<b>4.217.278</b>	<b>265.388</b>	<b>6,3%</b>	<b>1.874</b>
Ruta del Maipo	Road Concessions	2.392.720	2.193.030	199.689	9,1%	1.000
Ruta del Maule	Road Concessions	374.837	374.749	88	0,0%	157
Ruta de la Araucanía	Road Concessions	713.927	673.479	40.448	6,0%	298
Ruta del Bosque	Road Concessions	618.439	595.211	23.228	3,9%	258
Ruta de los Rios	Road Concessions	350.673	352.006	-1.333	-0,4%	147
Internexa in Chile	Telecommunications Transport	32.070	28.802	3.268	11,3%	13
<b>COLOMBIA</b>		<b>1.784.963</b>	<b>1.788.574</b>	<b>-3.611</b>	<b>-0,2%</b>	<b>746</b>
ISA Colombia	Energy Transmission	1.383.807	1.427.574	-43.767	-3,1%	578
Transelca	Energy Transmission	361.156	361.000	156	0,0%	151
Internexa	Telecommunications Transport	40.000	-	40.000		17
<b>BRASIL</b>		<b>1.164.658</b>	<b>1.169.464</b>	<b>-4.806</b>	<b>-0,4%</b>	<b>487</b>
ISA Capital	Energy Transmission	75.724	60.986	14.738	24,2%	32
CTEEP	Energy Transmission	797.166	792.084	5.083	0,6%	333
IEMG	Energy Transmission	38.032	38.898	-866	-2,2%	16
IEPINHEIROS	Energy Transmission	102.256	105.205	-2.949	-2,8%	43
Serra Do Japi	Energy Transmission	68.373	67.924	450	0,7%	29
Internexa Participacoes	Telecommunications Transport	-	74.230	-74.230		-
Internexa Capital	Telecommunications Transport	59.182	10.869	48.313		25
Internexa Brasil	Telecommunications Transport	23.925	19.268	4.656		10
<b>PERU</b>		<b>1.934.281</b>	<b>1.464.947</b>	<b>469.334</b>	<b>32,0%</b>	<b>808</b>
ISA Perú	Energy Transmission	12.801	23.359	-10.558	-45,2%	5
REP	Energy Transmission	595.937	444.389	151.548	34,1%	249
Transmanto	Energy Transmission	1.315.853	984.610	331.243	33,6%	550
Internexa in Peru	Telecommunications Transport	9.689	12.589	-2.899	-23,0%	4
<b>BOLIVIA</b>		<b>51.947</b>	<b>51.134</b>	<b>813</b>	<b>1,6%</b>	<b>22</b>
ISA Bolivia	Energy Transmission	51.947	51.134	813	1,6%	22
<b>ARGENTINA</b>		<b>6.994</b>	<b>7.071</b>	<b>-76</b>	<b>-1,1%</b>	<b>3</b>
Transamerican Telecom	Telecommunications Transport	6.994	7.071	-76	-1,1%	3
<b>TOTAL</b>		<b>9.425.510</b>	<b>8.698.468</b>	<b>727.042</b>	<b>8,4%</b>	<b>3.940</b>

## ■ CAPEX and INVESTMENTS

ISA's and its companies' investments during the fourth quarter totaled COP 301.394 million, (USD 126,0 million). For the full year, the investment totaled COP 1.187.745 million.

The following direct investments and capital contributions were made during the quarter:

- In **Colombia**, ISA invested COP 64.085 million (USD 26,8 million), mainly for projects concerning the Betania substation, expansion of Cerromatoso substation transformer, Sogamoso substation connection, Bacatá substation, other investment projects and scheduled contributions to companies. In turn, INTERNEXA Colombia made investments on operating assets for COP 7.958 million (USD 3,3 million).
- In **Brazil**, investments were concentrated in CTTEP, BRL 84,0 million, (USD 31,6 million) in operating investments and capital contributions to IEGARANHUNS in the amount of BRL 2,6 million, (USD 1,0 million), IESUL in the amount of BRL 5,0 million, (USD 1,9) and IEPinheiros in the amount of BRL 8,8 million, (USD 3,3 million).
- In **Peru** COP 130.790 million (USD 54,4 million) were invested in energy transmission projects under construction and which entry into operation is expected by 2015 and 2016: Trujillo Chiclayo, Machupichu-Abancay-Cotacachi, Mantaro Montalvo, La Planicie-Industriales and Friaspata-Mollepata and Ampliación 3, 13, 14, 15 and 16, among others.

- Road concessions in **Chile** made investments for CLP 4,087 million (USD 6,7 million) in third lanes of Ruta del Maipo, Araucanía CCTV Road safety and the beginning of construction of link Rio Bueno and the Pedestrian Crossing of Ruta de los Rios.
- During this quarter, ISA **Bolivia** made investments for the expansion project of Sucre Substation, whose entry into operation is expected by 2015.

(figures in COP millions)

	1Q14	2Q14	3Q14	4Q14	2014	%
<b>Colombia</b>	105.455	74.573	92.671	64.085	336.784	28,2
<b>Peru</b>	104.952	85.374	102.315	130.790	423.431	35,5
<b>Brazil</b>	122.275	77.168	75.348	94.195	368.987	30,9
<b>Chile</b>	7.518	4.946	28.898	15.974	57.335	4,8
<b>Other</b>	727	3.219	912	1.800	6.657	0,6
<b>TOTAL</b>	<b>340.926</b>	<b>245.280</b>	<b>300.144</b>	<b>306.843</b>	<b>1.193.194</b>	<b>100.0</b>

#### ■ HIGHLIGHTS OCTOBER 2014 – DECEMBER 2014

- ISA, along with ISA Capital Do Brasil S.A., entered into a foreign public debt handling operation to the Interim Credit Agreement signed on December 26, 2006 for up to USD 23.800.000 (twenty-three million eight hundred thousand U.S. dollars), for the extension of the term thereof in two (2) years and the amendment of the prepayment clause.
- Mr. Luis Fernando Alarcón Mantilla, announced his retirement from the Company after 8 years of as ISA's CEO. Mr. Alarcón leaves ISA after the successful implementation of the new strategy as well as the configuring of the Latin American linear infrastructure Business Group with significant geographical and business diversification, presence in 8 countries, through 4 businesses and 33 companies. ISA currently has excellent indicators and the best financial results in its history. Mr. Alarcón will remain in this position until the Ordinary Shareholders' Meeting to be held March 27, 2015.

This report main contain forward-looking statements regarding the performance of ISA and should be taken in good faith by institutions; said forward-looking statements reflect the views of management and are based on currently available information, which assumes risks and uncertainties, including economic conditions and those from other markets, as well as the exchange rate variation and other financial variables respect to which ISA S.A. E.S.P. may not be held responsible, directly or indirectly, for financial operations that the public may conduct in reliance of the information hereby presented.



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## ■ ISA'S DIRECT AND INDIRECT PARTICIPATION IN SUBSIDIARIES

COMPANY	% ISA's direct	% Indirect	Through the subsidiary
<b>ENERGY</b>			
TRANSELCA S.A. E.S.P.	100,0%	0,0%	
RED DE ENERGIA DEL PERÚ -REP	30,0%	30,0%	TRANSELCA S.A. E.S.P.
CONSORCIO TRANSMANTARO S.A.	60,0%	0,0%	
ISA PERÚ S.A.	45,1%	54,9%	TRANSELCA S.A. E.S.P.
ISA BOLIVIA S.A.	51,0%	49,0%	TRANSELCA S.A. E.S.P.
		0,01%	INTERNEXA S.A.
CTEEP - COMPANHIA DE TRANSMISSÃO DE ENERGIA ELÉTRICA PAULISTA -	0,0%	37,37%	ISA CAPITAL DO BRASIL S.A.
INTERLIGACAO ELETRICA NORTE E NORDESTE S.A. - IENNE	0,0%	25,0%	CTEEP
INTERLIGACAO ELETRICA DE MINAS GERAIS S.A. - IEMG -	0,0%	100,0%	CTEEP
INTERLIGACAO ELETRICA PINHEIROS S.A. - IEPINHEIROS	0,0%	100,0%	CTEEP
INTERLIGACAO ELETRICA SUL S.A. - IESUL	0,0%	50,1%	CTEEP
INTERLIGACAO ELETRICA DO MADEIRA S.A. - IEMADEIRA -	0,0%	51,0%	CTEEP
INTERLIGACAO ELÉTRICA SERRA DO JAPI	0,0%	100,0%	CTEEP
INTERLIGACAO ELÉTRICA GARANHUNS S.A.	0,0%	51,0%	CTEEP
EVRECY	0,0%	100,0%	CTEEP
INTERCONEXIÓN ELÉCTRICA COLOMBIA-PANAMA S.A.	50,0%	0,0%	Control compartido
INTERCONEXIÓN ELÉCTRICA COLOMBIA-PANAMA S.A.S ESP	1,2%	97,7%	INTERCONEXIÓN ELÉCTRICA COLOMBIA-PANAMA S.A.
EMPRESA PROPIETARIA DE LA RED S.A. - EPR (*)	11,1%	0,0%	
INTERCHILE S.A.	99,9%	0,1%	ISA INVERSIONES CHILE LTDA
INTERCOLOMBIA S.A. E.S.P.	100,0%	0,0%	INTERNEXA S.A.
		0,0%	ISA PERU
		0,0%	PDI
		0,0%	INTERVAL COLOMBIA
<b>ROADS</b>			
INTERVAL CHILE S.A.	0,0%	55,0%	ISA INVERSIONES CHILE LTDA.
		45,0%	ISA INVERSIONES MAULE LTDA.
		0,0%	INTERNEXA S.A.
Ruta del Maipo Sociedad Concesionaria S.A.	0,0%	100,0%	INTERVAL CHILE S.A.
Ruta del Maule Sociedad Concesionaria S.A.	0,0%	100,0%	INTERVAL CHILE S.A.
Ruta del Bosque Sociedad Concesionaria S.A.	0,0%	100,0%	INTERVAL CHILE S.A.
Ruta de los Rios Sociedad Concesionaria S.A.	0,0%	75,0%	INTERVAL CHILE S.A.
Ruta de la Araucanía Sociedad Concesionaria S.A.	0,0%	100,0%	INTERVAL CHILE S.A.
INTERVAL Colombia S.A.	100,0%	0,0%	
<b>TELECOMMUNICATIONS</b>			
INTERNEXA S.A.	99,4%	0,0%	TRANSELCA S.A. E.S.P.
INTERNEXA S.A. (PERÚ)	0,0%	100,0%	INTERNEXA S.A.
INTERNEXA CHILE S.A.	0,0%	99,0%	INTERNEXA S.A.
INTERNEXA BRASIL OPERADORA DE TELECOMUNICAÇÕES S.A.	0,0%	100,0%	INTERNEXA PARTICIPAÇÕES S.A.
Transamerican Telecommunication S.A. (INTERNEXA ARGENTINA S.A.)	0,0%	98,5%	INTERNEXA S.A.
	0,0%	1,5%	INTERNEXA PERU
REDCA	0,0%	11,1%	INTERNEXA S.A.
TRANSNEXA S.A. E.M.A.	0,0%	5,0%	INTERNEXA S.A.
		45,0%	INTERNEXA PERU
NQIG	0,0%	100,0%	ITX CAPITAL PARTICIPACOES LTDA.
INTERNEXA RIO	0,0%	12,4%	ITX CAPITAL PARTICIPACOES LTDA.
		87,6%	NQIG
IPNET	0,0%	100,0%	ITX CAPITAL PARTICIPACOES LTDA.
<b>INTELLIGENT MANAGEMENT OF REAL-TIME SYSTEMS</b>			
XM S.A. E.S.P.	99,7%	0,0%	
DERIVEX S.A.	0,0%	50,0%	XM S.A. E.S.P.
	0,0%	0,0%	INTERNEXA S.A.
Sistemas Inteligentes en Red S.A.S.	15,0%	85,0%	XM S.A. E.S.P.
<b>FINANCIAL</b>			
ISA CAPITAL DO BRASIL S.A.	66,860%	0,0%	
INTERNEXA PARTICIPAÇÕES S.A.	0,0%	67,2%	INTERNEXA S.A.
ISA INVERSIONES CHILE LTDA.		0,0%	INTERNEXA S.A. (PERÚ)
ISA INVERSIONES MAULE	99,9998%	0,0002%	INTERNEXA S.A.
Financiera de Desarrollo Nacional S.A. (antes FEN)	100,0%	0,0%	INTERNEXA S.A.
ITX CAPITAL PARTICIPAÇÕES LTDA.	0,0007%	0,0%	
CÂMARA DE RIESGO CENTRAL DE CONTRAPARTE DE COLOMBIA S.A. -CRCC-	0,0000%	7,1%	XM S.A. E.S.P.
<b>INFRASTRUCTURE</b>			
PROYECTOS DE INFRAESTRUCTURA DEL PERU S.A.C.	99,97%	0,0%	TRANSELCA S.A. E.S.P.

# ISA S.A. E.S.P. - CONSOLIDATED - INCOME STATEMENT (Unaudited)

JANUARY – DECEMBER 2014

Figures in millions of Colombian pesos

	4Q14	4Q13	Change COP	Change %	4Q14 USD	2014	2013	Change COP	Change %	2014 USD
<b>OPERATING REVENUES</b>										
Energy transmission services	691.120	603.617	87.503	14,5%	289	2.502.977	2.226.573	276.404	12,4%	1.046
Connection charges	48.734	44.550	4.184	9,4%	20	176.245	176.499	(254)	-0,1%	74
Dispatch and CND (National Dispatch Center)	17.332	10.995	6.336	57,6%	7	58.817	46.146	12.671	27,5%	25
MEM Services	11.152	9.270	1.882	20,3%	5	38.546	34.108	4.437	13,0%	16
Roads	229.148	232.670	(3.523)	-1,5%	96	842.999	918.131	(75.132)	-8,2%	352
Telecommunications	65.001	46.969	18.031	38,4%	27	231.714	148.630	83.083	55,9%	97
Other services	18.394	16.085	2.309	14,4%	8	70.037	51.237	18.800	36,7%	29
<b>TOTAL OPERATING REVENUES</b>	<b>1.080.880</b>	<b>964.156</b>	<b>116.724</b>	<b>12,1%</b>	<b>452</b>	<b>3.921.335</b>	<b>3.601.325</b>	<b>320.011</b>	<b>8,9%</b>	<b>1.639</b>
<b>COSTS AND OPERATING EXPENSES</b>										
Operating costs and administration expenses	512.930	450.766	62.164	13,8%	214	1.674.746	1.624.665	50.082	3,1%	700
Depreciation	43.269	38.747	4.522	11,7%	18	166.043	156.827	9.216	5,9%	69
Amortization	41.657	53.893	(12.236)	-22,7%	17	159.950	205.340	(45.390)	-22,1%	67
Provisions	(846)	16.898	(17.743)		0	41.999	63.394	(21.395)	-33,7%	18
<b>TOTAL COSTS AND OPERATING EXPENSES</b>	<b>597.011</b>	<b>560.303</b>	<b>36.707</b>	<b>6,6%</b>	<b>250</b>	<b>2.042.739</b>	<b>2.050.226</b>	<b>(7.486)</b>	<b>-0,4%</b>	<b>854</b>
<b>Operating Income</b>	<b>483.870</b>	<b>403.853</b>	<b>80.016</b>	<b>19,8%</b>	<b>202</b>	<b>1.878.596</b>	<b>1.551.099</b>	<b>327.497</b>	<b>21,1%</b>	<b>785</b>
<b>NON - OPERATING REVENUES</b>										
Financial	71.091	80.142	(9.051)	-11,3%	30	251.886	347.713	(95.827)	-27,6%	105
Equity method – revenue	16.308	8.828	7.479	84,7%	7	78.532	163.568	(85.036)	-52,0%	33
Exchange difference	170.365	74.098	96.267	129,9%	71	430.446	312.808	117.638	37,6%	180
Other	15.274	31.353	(16.079)	-51,3%	6	78.479	65.545	12.934	19,7%	33
<b>Total non-operating revenues</b>	<b>273.038</b>	<b>194.422</b>	<b>78.616</b>	<b>40,4%</b>	<b>114</b>	<b>839.343</b>	<b>889.634</b>	<b>(50.292)</b>	<b>-5,7%</b>	<b>351</b>
<b>NON - OPERATING EXPENSES</b>										
Financial	160.490	187.523	(27.033)	-14,4%	67	623.119	881.327	(258.208)	-29,3%	260
Equity method – expense	2.917	1.975	942	47,7%	1	6.196	15.488	(9.292)	-60,0%	3
Exchange difference	263.207	133.204	130.003	97,6%	110	726.107	421.346	304.761	72,3%	303
Other	8.451	-3.675	12.126	-330,0%	4	53.716	460.981	(407.265)	-88,3%	22
<b>Total non-operating expenses</b>	<b>435.065</b>	<b>319.027</b>	<b>116.038</b>	<b>36,4%</b>	<b>182</b>	<b>1.409.138</b>	<b>1.779.142</b>	<b>(370.004)</b>	<b>-20,8%</b>	<b>589</b>
<b>Non-operating results</b>	<b>(162.027)</b>	<b>(124.605)</b>	<b>(37.422)</b>	<b>30,0%</b>	<b>(68)</b>	<b>(569.796)</b>	<b>(889.508)</b>	<b>319.712</b>	<b>-35,9%</b>	<b>(238)</b>
<b>Income before taxes</b>	<b>321.842</b>	<b>279.249</b>	<b>42.594</b>	<b>15,3%</b>	<b>135</b>	<b>1.308.800</b>	<b>661.591</b>	<b>647.209</b>	<b>97,8%</b>	<b>547</b>
Income tax provision	116.383	50.237	66.146	131,7%	49	379.889	91.648	288.241	314,5%	159
<b>Income before minority interests</b>	<b>205.460</b>	<b>229.011</b>	<b>(23.552)</b>	<b>-10,3%</b>	<b>86</b>	<b>928.911</b>	<b>569.943</b>	<b>358.968</b>	<b>63,0%</b>	<b>388</b>
Minority interest (MI)	68.698	123.271	(54.574)	-44,3%	29	335.846	136.895	198.951	145,3%	140
<b>NET INCOME</b>	<b>136.762</b>	<b>105.740</b>	<b>31.022</b>	<b>29,3%</b>	<b>57</b>	<b>593.065</b>	<b>433.048</b>	<b>160.017</b>	<b>37,0%</b>	<b>248</b>
EBITDA	572.415	524.272	48.143	9,2%	239	2.274.926	2.011.673	263.253	13,1%	951
EBITDA Margin	53,0%	54,4%				58,0%	55,9%			
Operating Margin	44,8%	41,9%				47,9%	43,1%			
Net Margin before MI	19,0%	23,8%				23,7%	15,8%			
Net Margin	12,7%	11,0%				15,1%	12,0%			

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## ISA S.A. E.S.P. - CONSOLIDATED – BALANCE SHEET

DECEMBER 31, 2014

*Figures in millions of Colombian pesos*

	2014	% Part.	2013	Change COP	Change %	2014 USD
<b>CURRENT ASSETS</b>						
Cash	613.674	2,1%	479.739	133.935	27,9%	257
Marketable investments	1.285.793	4,4%	1.340.450	(54.657)	-4,1%	537
Accounts receivable, net	2.879.029	9,9%	2.287.334	591.696	25,9%	1.203
Inventories	108.046	0,4%	111.129	(3.082)	-2,8%	45
Deferred charges and other assets	144.233	0,5%	129.356	14.877	11,5%	60
<b>Total current assets</b>	<b>5.030.776</b>	<b>17,4%</b>	<b>4.348.008</b>	<b>682.768</b>	<b>15,7%</b>	<b>2.103</b>
<b>NON-CURRENT ASSETS</b>						
Long-term investments	1.297.674	4,5%	956.784	340.889	35,6%	542
Long-term accounts receivable	9.468.951	32,7%	8.964.725	504.226	5,6%	3.958
Inventories	59.046	0,4%	59.503	(458)	-0,8%	25
Property, plant and equipment, net	3.362.888	11,6%	3.208.813	154.075	4,8%	1.406
Deferred charges and other assets	6.451.750	22,3%	5.147.848	1.303.902	25,3%	2.697
Reappraisal of assets	3.323.117	11,5%	2.881.680	441.437	15,3%	1.389
<b>Total non- current assets</b>	<b>23.963.425</b>	<b>82,6%</b>	<b>21.219.354</b>	<b>2.744.071</b>	<b>12,9%</b>	<b>10.016</b>
<b>TOTAL ASSETS</b>	<b>28.994.200</b>	<b>100,0%</b>	<b>25.567.361</b>	<b>3.426.839</b>	<b>13,4%</b>	<b>12.119</b>
<b>CURRENT LIABILITIES</b>						
Outstanding bonds	415.679	1,4%	300.097	115.582	38,5%	174
Financial liabilities	392.880	1,4%	284.054	108.826	38,3%	164
Accounts payable	756.695	2,6%	838.539	(81.844)	-9,8%	316
Labor liabilities	40.664	0,1%	32.220	8.444	26,2%	17
Accrued liabilities and estimated provisions	640.086	2,2%	201.856	438.229	217,1%	268
Other liabilities	453.514	1,6%	380.538	72.976	19,2%	190
<b>Total current liabilities</b>	<b>2.699.517</b>	<b>9,3%</b>	<b>2.037.304</b>	<b>662.213</b>	<b>32,5%</b>	<b>1.128</b>
<b>LONG-TERM LIABILITIES</b>						
Outstanding bonds	6.477.808	22,3%	6.145.715	332.093	5,4%	2.708
Financial liabilities	2.139.143	7,4%	1.968.602	170.541	8,7%	894
Accounts payable	1.381.629	4,8%	1.120.718	260.911	23,3%	577
Labor liabilities	1.661	0,0%	1.483	178	12,0%	1
Accrued liabilities and estimated provisions	479.095	1,7%	791.543	(312.448)	-39,5%	200
Other liabilities	2.868.351	9,9%	2.345.975	522.376	22,3%	1.199
<b>Total long-term liabilities</b>	<b>13.347.687</b>	<b>46,0%</b>	<b>12.374.036</b>	<b>973.651</b>	<b>7,9%</b>	<b>5.579</b>
<b>TOTAL LIABILITIES</b>	<b>16.047.204</b>	<b>55,3%</b>	<b>14.411.340</b>	<b>1.635.864</b>	<b>11,4%</b>	<b>6.707</b>
<b>Minority interests</b>	<b>4.243.349</b>	<b>14,6%</b>	<b>3.704.545</b>	<b>538.805</b>	<b>14,5%</b>	<b>1.774</b>
Subscribed and paid in capital	36.916	0,1%	36.916	0	0,0%	15
Capital Surplus	1.445.509	5,0%	1.445.509	-	0,0%	604
Reserves	1.195.191	4,1%	999.186	196.005	19,6%	500
Net income	593.065	2,0%	433.048	160.017	37,0%	248
Cumulative translation adjustment	74.576	0,3%	3.935	70.641	1795,3%	31
Equity revaluation	415.645	1,4%	415.645	-	0,0%	174
Surplus from asset reappraisals	2.891.280	10,0%	2.542.404	348.876	13,7%	1.208
Surplus from equity method	2.051.464	7,1%	1.574.833	476.632	30,3%	857
<b>Total Shareholders' Equity</b>	<b>8.703.647</b>	<b>30,0%</b>	<b>7.451.477</b>	<b>1.252.170</b>	<b>16,8%</b>	<b>3.638</b>
<b>TOTAL LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY</b>	<b>28.994.200</b>	<b>100,0%</b>	<b>25.567.361</b>	<b>3.426.839</b>	<b>13,4%</b>	<b>12.119</b>

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**ISA S.A. E.S.P. - CONSOLIDATED -  
CASH FLOW STATEMENT (Unaudited)**  
DECEMBER 2013 – DECEMBER 2014  
*Figures in millions of Colombian pesos*

	2014	2013	Change COP	Change %	2014 USD
<b>Cash flows from operating activities:</b>					
Net income	593.065	433.048	160.017	37%	248
Plus (minus) – Adjustments to reconcile net income with the net cash provided by operating activities:					
Minority interest	335.846	136.895	198.951	145%	140
Depreciation of properties, plant and equipment	166.065	156.827	9.238	6%	69
Amortization of deferred and other assets	159.886	205.340	(45.454)	-22%	67
Amortization of retirement pensions and extralegal benefits – net	28.338	35.014	(6.676)	-19%	12
Provision for accounts receivable	679	451.987	(451.308)	-100%	0
Provision for inventory protection	-	300	(300)	-100%	-
Investment provision	7	349	(342)	-98%	0
Income tax provision	379.889	91.648	288.241	315%	159
Loss in property, plant and equipment disposal and retirement	22.237	4.058	18.179	448%	9
Expense for foreign exchange rate conversion	611.230	316.401	294.829	93%	255
Equity method with share control	(72.336)	(152.118)	79.782	-52%	(30)
Accrued interest and commissions	362.060	451.753	(89.693)	-20%	151
	<b>2.586.966</b>	<b>2.131.502</b>	<b>455.464</b>	<b>21%</b>	<b>1.081</b>
<b>Changes in operating assets and liabilities:</b>					
Debtors	(503.886)	(413.334)	(90.552)	22%	(211)
Receivables for early contract renewal compensation 059/2001	384.727	1.896.606	(1.511.879)	-80%	161
Inventories	17.557	449	17.108	3810%	7
Deferred and other assets	1.119	(8.840)	9.959	-113%	0
Accounts payable and other liabilities	(238.150)	37.981	(276.131)	-727%	(100)
Labor liabilities	8.622	11.351	(2.729)	-24%	4
Estimated liabilities and provisions	(33.384)	30.870	(64.254)	-208%	(14)
Collections in favor of third parties	52.158	27.854	24.304	87%	22
Minority interest	(281.760)	(534.347)	252.587	-47%	(118)
Cash flows in other operations:					
Retirement pension payments	(24.227)	(26.873)	2.646	-10%	(10)
Tax payments	(374.194)	(459.242)	85.048	-19%	(156)
<b>Net cash provided by operating activities</b>	<b>1.595.547</b>	<b>2.693.976</b>	<b>(1.098.429)</b>	<b>-41%</b>	<b>667</b>
<b>Cash flows from investment activities:</b>					
Variation of permanent and long term investments	(184.389)	(63.178)	(121.211)	192%	(77)
Sale of property, plant and equipment	2.454	970	1.484	153%	1
Intangible acquisitions	(178.893)	(533.313)	354.420	-66%	(75)
Purchase of property, plant and equipment	(293.707)	(337.862)	44.155	-13%	(123)
<b>Net cash used by investment activities</b>	<b>(654.535)</b>	<b>(933.383)</b>	<b>278.848</b>	<b>-30%</b>	<b>(274)</b>
<b>Cash flows from financing activities:</b>					
Interest received in cash	70.685	124.646	(53.961)	-43%	30
Interest and commissions paid in cash	(368.787)	(616.617)	247.830	-40%	(154)
Dividends paid in cash	(237.043)	(208.244)	(28.799)	14%	(99)
Increase in financial obligations	546.327	370.894	175.433	47%	228
Bond Issue	44.865	1.567.686	(1.522.821)	-97%	19
Payment of financial obligations	(535.911)	(1.666.112)	1.130.201	-68%	(224)
Bond payment/decrease	(381.870)	(1.189.563)	807.693	-68%	(160)
<b>Net cash used by financing activities</b>	<b>(861.734)</b>	<b>(1.617.310)</b>	<b>755.576</b>	<b>-47%</b>	<b>(360)</b>
Net increase in cash and cash equivalents	<b>79.278</b>	<b>143.283</b>	<b>(64.005)</b>	<b>-45%</b>	<b>33</b>
Cash and cash equivalents at the beginning of period	<b>1.820.189</b>	<b>1.676.906</b>	<b>143.283</b>	<b>9%</b>	<b>761</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>1.899.467</b>	<b>1.820.189</b>	<b>79.278</b>	<b>4%</b>	<b>794</b>

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