

ISA FIRST QUARTER 2015 FINANCIAL RESULTS



Medellin, Colombia, April 29, 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, Toll Road Concessions, Telecommunications Transport and Intelligent Management of Real-Time Systems, today announced financial results for the first quarter of 2015. 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 implementation of International Financial Reporting Standards –IFRS– which are applicable in Colombia since January 1, 2015. 2014 results are restated in accordance with IFRS in order to make them comparable with 2015 results¹.

■ ECONOMIC AND FINANCIAL RESULTS

First Quarter 2015

- **Consolidated operating revenues** were COP 1.157.089 million.
- **EBITDA** reached COP 619.844 million, with a 53,6% EBITDA margin.
- **Net income** was COP 145.361 million, with a 12,6% net margin.

In the first quarter of 2015, ISA reached a net income increase of 8,4% compared to the same period of 2014. This result reflects positive factors, such as stronger results in Chile due to the construction works of third lanes and increased returns of receivable related to concessions, the entry into operation of new projects in Peru and higher revenues in Colombia from UPME bidding processes. This result also included the negative effect derived from the application of the most recent tax reform in Colombia and Chile.

EXCHANGE RATES	1Q15 average	1Q14 Average	Change %	1Q15 close	2014 close	Change %
COP / DOLLAR USD	2.468,22	2.007,70	22,94%	2.576,05	2.392,46	7,67%
COP / REAL	861,99	849,28	1,50%	803,01	900,71	-10,85%
COP/ CLP	3,95	3,64	8,52%	4,11	3,94	4,31%
REAL / DOLLAR USD	2,86	2,36	21,19%	3,21	2,66	20,68%
CLP / DOLLAR USD	624,34	551,76	13,15%	626,87	606,75	3,32%

¹ A conference call to explain the effects from the application of IFRS on ISA is posted on the corporate website for reference purposes. [Link](#)

Additionally, 1Q15 results included the conversion effect of the financial information from foreign subsidiaries, which generated variations throughout various financial statement line items, due to the devaluation of the Colombian Peso vs. U.S. Dollar, the Brazilian Real and the Chilean Peso, generating a net result decrease of COP 6.074 million.

■ CONSOLIDATED INCOME STATEMENT

Consolidated operating revenues

Operating revenues for the January – March 2015 period reached COP 1.157.089 million, an increase of 21,6% compared with the same period of 2014. The variation was mainly due to higher construction revenues in Peru and Chile, the entry into operation of projects in Peru and Colombia, increased operating revenues in Brazil and Chile, increased revenues due to a higher Representative Market Rate in Colombia and a higher IGPM/IPCA in Brazil.

(figures in COP millions)

OPERATING REVENUES	1Q15	1Q14 IFRS	Change COP	Change %	1Q15 USD
Energy Transmission	809.619	670.066	139.554	20,8%	314
Road Concessions	252.312	202.271	50.040	24,7%	98
Telecommunications Transport	69.494	57.126	12.368	21,7%	27
Intelligent Management of Real-time Systems	25.664	21.782	3.883	17,8%	10
TOTAL OPERATING REVENUES	1.157.089	951.244	205.845	21,6%	449

Composition of 2015 first quarter revenues by business:

- **Energy Transmission** contributed 70,0% of total operating revenues, equivalent to COP 809.619 million. Compared with the first quarter of 2014, the business revenues increased 20,8%, as a result of higher revenues in Peru from construction services; the entry into operation of Trujillo – Chiclayo projects and grid expansions that took place in the last year; in Colombia, it was mainly due to higher revenues related with UPME bidding processes and higher revenues from connection assets as well as to increased revenues in Brazil from the remuneration adjustment made as of July 2014 and the positive variation of the IGPM/IPCA.
- **Road Concessions** accounted for COP 252.312 million, representing 21,8% of total revenues. During the period, there were higher revenues from construction works of third lanes and higher financial returns related to receivable from concessions. These events caused a 24,7% increase compared with the revenues reported during the same period of 2014.
- **Telecommunications Transport** contributed 6,0% of total revenues, corresponding to COP 69.494 million. It increased 21,7%, mainly due to the acquisition of new clients.
- **Intelligent Management of Real-Time Systems** generated COP 25.664 million, equal to 2,2% of total revenues for 1Q15, representing a 17,8% increase compared with the same period of 2014. The increase was due to higher regulated revenues at XM, which depend on the Company's level of investment and expenditures.

Consolidated revenues by country:

During the first quarter of 2015, the revenue composition by country was: Colombia 34,5%, Brazil 20,7%, Chile 22% and Peru 21,2%. The conversion effect of companies in Peru and Chile positively impacted revenues (COP 54.137 million).

(figures in COP millions)

	1Q15	1Q14 IFRS	Change COP	Change %	1Q15 USD
Colombia	398.917	366.081	32.836	9,0%	155
Chile	254.471	204.030	50.441	24,7%	99
Brazil	240.070	208.594	31.476	15,1%	93
Peru	245.634	159.119	86.514	54,4%	95
Others	17.998	13.421	4.577	34,1%	6
TOTAL	1.157.089	951.244	205.845	21,6%	449

Operating costs and expenses

Operating costs and expenses at March 2015 increased 24,2% compared to the first quarter of 2014, from COP 536.819 million to COP 666.859 million. The variation was explained by the recognition of the 2015 wealth tax in Colombia and higher expenses from the construction of third lanes in Chile. Higher construction costs, higher amortization expenses from the entry into operation of projects and the conversion effect derived from higher devaluation of the Peso vs. the U.S. Dollar in Peru also explained the increased costs and expenses.

(figures in COP millions)

	1Q15	1Q14 IFRS	Change COP	Change %	1Q15 USD
Colombia	249.739	215.982	33.757	15,6%	97
Chile	78.264	54.881	23.383	42,6%	30
Brazil	163.959	151.233	12.727	8,4%	64
Peru	163.649	107.714	55.935	51,9%	64
Others	11.248	7.009	4.238	60,5%	4
TOTAL	666.859	536.819	130.040	24,2%	259

The composition of operating costs and expenses by country was as follows: 37,4% in Colombia, 24,6% in Brazil, 11,7% in Chile and 24,5% in Peru.

Other operating revenues and expenses

Other operating revenues/expenses include the income from ISA's affiliates where control is shared such as IESUL, IEMADEIRA, GARANHUS, IENNE in Brazil, Transnexa in Ecuador, Derivex in Colombia and Interconexión Eléctrica Colombia-Panamá, where there was a 4.5% increase compared with the first quarter of 2014.

EBITDA² and EBITDA margin

EBITDA for the first quarter of 2015 increased 14,0% compared with the same period last year, equal to COP 76.136 million. The increase was due to higher revenues generated in the Energy Transmission, Road Concessions and Telecommunications businesses. EBITDA margin reached 53,6%, 3,6% lower than the figure reported during the same period of 2014. The decrease was explained by the full payment of the equity tax in February for the full year 2015 in Colombian companies for COP 41.729 million.

Operating income

As a result of the aforementioned, ISA reached an operating income of COP 515.978 million during the first quarter, 16,7% higher than the 1Q14 operating income. The strongest results for the quarter were due to the net result of higher revenues and higher operating expenses as discussed previously. Therefore, the operating margin reached 44,6%, compared with 46,5% last year.

Financial revenues/expenses

During the first quarter of 2015, there were higher financial expenses of COP 14.476 million, representing a 7,7% increase compared to the first quarter of 2014. The difference was due to a net result of a higher costs from the monetary adjustment of liabilities in Brazil, lower expenses from the exchange difference in debt in Chile and a higher expense from the exchange difference in tax receivables in Peru.

Taxes

1Q15 income tax expense reached COP 111.538 million, which represents a 71% increase compared with the same quarter last year. This variation was mainly due to the effects of the most recent tax reforms in Chile and Colombia, which includes higher taxes from the rate increase of 20% to 27% in Chile and the creation of the 5% CREE surtax for fiscal year 2015 in Colombia.

The composition of income tax by country was: Colombia COP 54.604 million or 49,0%, Peru COP 24.135 million or 21,6%, Chile COP 15.778 million or 14,1% and Brazil COP 15.336 million or 13,8.

Income before minority interest

As a result of the aforementioned items, the consolidated income before minority interest for the quarter was COP 203.041 million, an increase of COP 12.882 million compared with the same period last year.

Net income

During the first quarter of 2015, ISA reached net income of COP 145.361 million representing an 8,4% increase compared with the figure reported for the same period of 2014. The increase was explained by higher operating results in Chile, Brazil and Peru, which were diminished by higher

² There is no material EBITDA difference as of March 2014 between the Colombian and international standard as the significant changes in the IFRS implementation are due to the incorporation of revenues and costs from construction services in Peru.

financial expenses, the recognition of the wealth tax and the CREE surtax in Colombia as well as a higher deferred tax rate in Chile.

■ CONSOLIDATED BALANCE SHEET

Assets

Assets for ISA and its companies totaled COP 27.818.794 million, a 1,1% increase compared with December 2014. The variation was mainly due to the devaluation effect of the Colombian Peso vs. the Chilean Peso and the U.S. Dollar, greater financial assets and higher receivables from the updated compensation of new assets (after May 2000) in Brazil and greater construction projects in Peru.

The composition of the assets by country was: 35,6% in Chile, 26,4% in Colombia, 22,3% in Brazil and 15% in Peru.

Liabilities

Consolidated liabilities were COP 18.176.380 million, a 3,4% increase compared with December 2014. The variation was mainly an effect of the devaluation of the Colombian Peso versus the U.S. Dollar, a higher dividends accounts payable and higher debt in Peru.

The distribution of liabilities by country was 41% in Chile, 27,8% in Colombia, 15,4% in Brazil and 15,2% in Peru.

Minority interest

Minority interest was COP 3.192.237 million, a 8,1% decrease compared with December last year, mainly due to the revaluation effect of Colombian Peso versus the Brazilian Real.

Equity

Equity reached COP 6.450.177 million, a 0,2% decrease compared with COP 6.460.472 million reported on December 2014, as a result of the higher income generated during the quarter, which offsets the distribution of profits approved at the Ordinary Shareholders' Meeting.

■ CONSOLIDATED CASH FLOW

As of March 2015, cash and cash equivalents reached COP 2.004.774 million, an increase of COP 71.992 million compared with December 2014. By the first quarter of 2015, cash provided for operations was COP 462.752 million. These funds were used as follows: COP 246.033 million for investment activities and COP 144.727 million for debt service payments and pay down debt..

■ DEBT

As of March 31, 2015, the consolidated financial debt was COP 10.245.056 million, a 0,6% increase compared with December 2014.

(figures in COP millions)

Business		1Q15	2014	Change COP	Change %	1Q15 USD
CHILE		4.599.448	4.482.666	116.781	2,6%	1.785
Ruta del Maipo	Road Concessions	2.506.014	2.392.720	113.294	4,7%	973
Ruta del Maule	Road Concessions	390.759	374.837	15.922	4,2%	152
Ruta de la Araucanía	Road Concessions	711.352	713.927	-2.575	-0,4%	276
Ruta del Bosque	Road Concessions	621.256	618.439	2.817	0,5%	241
Ruta de los Ríos	Road Concessions	339.139	350.673	-11.534	-3,3%	132
Internexa in Chile	Telecommunications Transport	30.927	32.070	-1.143	-3,6%	12
COLOMBIA		1.744.780	1.785.123	-40.343	-2,3%	677
ISA Colombia	Energy Transmission	1.351.674	1.383.807	-32.133	-2,3%	525
Transelca	Energy Transmission	352.868	361.156	-8.288	-2,3%	137
Internexa	Telecommunications Transport	40.238	40.160	78	0,2%	16
BRAZIL		1.700.410	1.922.777	-222.367	-11,6%	660
ISA Capital	Energy Transmission	757.420	833.843	-76.422	-9,2%	294
CTEEP	Energy Transmission	681.935	797.166	-115.231	-14,5%	265
IEMG	Energy Transmission	32.889	38.032	-5.142	-13,5%	13
IEPINHEIROS	Energy Transmission	88.388	102.256	-13.868	-13,6%	34
Serra Do Japi	Energy Transmission	59.656	68.373	-8.718	-12,7%	23
Internexa Capital	Telecommunications Transport	52.813	59.182	-6.369	-10,8%	21
Internexa Brazil	Telecommunications Transport	25.761	23.925	1.836	7,7%	10
NQT	Telecommunications Transport	1.548	-	1.548		1
PERU		2.144.051	1.934.281	209.770	10,8%	832
ISA Peru	Energy Transmission	12.922	12.801	121	0,9%	5
REP	Energy Transmission	638.480	595.937	42.542	7,1%	248
Transmanto	Energy Transmission	1.481.229	1.315.853	165.376	12,6%	575
Internexa in Peru	Telecommunications Transport	11.420	9.689	1.731	17,9%	4
BOLIVIA		49.719	51.947	-2.229	-4,3%	19
ISA Bolivia	Telecommunications Transport	49.719	51.947	-2.229	-4,3%	19
ARGENTINA		6.649	6.994	-346	-4,9%	3
Transamerican Telecom	Telecommunications Transport	6.649	6.994	-346	-4,9%	3
TOTAL		10.245.056	10.183.789	61.268	0,6%	3.977

The following events took place during 1Q15, which explain the variation:

- CTEEP made payments to BNDES for BRL 37,2 million.
- ISA paid USD 16 million towards the loan held with Banco de Bogotá.
- Transelca paid COP 8,8 million towards the loans held with Banco de Bogotá and BBVA.
- CTEEP's subsidiaries in Brazil made payments for BRL 6,6 million to BNDES.
- CTM received disbursements of USD 20 million from Scotiabank and USD 5 million from Banco de Crédito del Peru.

44,6% of debt is denominated in *Unidades de Fomento* -UF- (Chile), 23,6% in U.S. Dollars, 16,1% in Colombian Pesos, 15,6% in Brazilian Reais and 0,2% in other currencies. Approximately, 69,3% of the debt is placed in the capital markets and 30,7% are in commercial loans.

88,9% of the debt is long-term and the remaining 11,1% is short-term.

■ CAPEX and INVESTMENTS

ISA's and its companies' investments during the first quarter of 2015 totaled COP 380.871 million, (USD 147,9 million). The following direct investments and capital contributions were made during the quarter:

- In **Colombia**, ISA invested COP 81,623 million in scheduled contributions to companies and the construction of projects such as: the Bacatá substation, the Chinú-Montería-Urabá transmission line and the Copey second transformer, among others. In turn, INTERNEXA Colombia made investments in operating assets and capital contributions for its businesses in Brazil for COP 17,343 million.
- In Brazil, investments were concentrated in CTEEP, in operating investments for BRL 50 million and capital contributions to IEGARANHUNS, IESUL and IEPinheiros for BRL 17,7 million.
- In Peru, investments for USD 55,4 million were concentrated in those projects that CTM, REP and ISA Peru have under construction, which include Machupicchu-Abancay-Cotaruse, Mantaro Montalvo, La Planicie-Industriales and Friaspata-Mollepata, Expansion 3, 13, 14, 15 and 16.
- Road concessions in Chile made investments for CLP 5.630 million in projects related with third lanes at Ruta del MAIPO, Investments on security and works on the CCTV with 19 viewpoints at Ruta de Araucanía.

(figures in COP millions)

	1Q15	%	2015(E)	%
Colombia	111.801	29,4	983.630	34,2
Peru	148.596	39,0	794.736	27,7
Brazil	95.905	25,2	517.529	18,0
Chile	23.107	6,1	560.488	19,5
Others	1.463	0,4	16.738	0,6
TOTAL	380.871	100,0	2.873.122	100,0

■ HIGHLIGHTS JANUARY 2015 – MARCH 2015

- ISA was awarded the public bid opened by the Mining-Energy Planning Unit (*Unidad de Planeación Minero Energética, UPME*) for the construction of a high-voltage line of approximately 332 kilometers in length, located between Cerromatoso, Chinú and the Copey substations and associated projects. The project generate annual revenues of USD 14,13 million (dollars at December 2014).
- UPME awarded ISA the project to design, build, operate and maintain the 500-kV Ituango and Medellin substations and associated transmission lines which will have an approximate length of 530 kilometers. The project will generate annual revenues of USD 42,42 million (dollars at December 2014).

- ISA is awarded the new public bid in Colombia for the design, construction, operation and maintenance of the expansion of 220-kV Valledupar substation. It will generate annual revenues of USD 631 thousand for the Company (dollars at December 2014).
- At ISA's Ordinary Shareholders' Meeting of ISA, held on March 27 in Medellin, the payment of the 2015 dividend for COP 268 per share was approved, representing a 25% increase compared with the previous year. The composition of the Board of Directors was also approved for a period of one year. Details of these and other approvals are published in website www.isa.co.

This report may contain forward-looking statements regarding the performance of ISA and should be taken in good faith by institutions; said forward-looking statements reflect management's views 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 variations and other financial variables with 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 herein presented.



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■ ISA'S DIRECT AND INDIRECT PARTICIPATION IN SUBSIDIARIES

COMPANY	% ISA's direct	% Indirect	% total	Through the subsidiary
ENERGY				
TRANSELCA S.A. E.S.P.	100,00%	0,00%	100,00%	
RED DE ENERGIA DEL PERU -REP	30,00%	30,00%	60,00%	TRANSELCA S.A. E.S.P.
CONSORCIO TRANSMANTARO S.A.	60,00%	0,00%	60,00%	
ISA PERU S.A.	45,15%	54,85%	100,00%	TRANSELCA S.A. E.S.P.
ISA BOLIVIA S.A.	51,00%	48,99%	100,00%	TRANSELCA S.A. E.S.P.
		0,01%		INTERNEXA S.A.
CTEEP - COMPANHIA DE TRANSMISSÃO DE ENERGIA ELÉTRICA PAULISTA -	0,00%	37,19%	24,87%	ISA CAPITAL DO BRAZIL S.A.
INTERLIGACAO ELETRICA NORTE E NORDESTE S.A. - IENNE	0,00%	25,00%	6,22%	CTEEP
INTERLIGACAO ELETRICA DE MINAS GERAIS S.A. - IEMG -	0,00%	100,00%	24,87%	CTEEP
INTERLIGACAO ELETRICA PINHEIROS S.A. - IEPINHEIROS	0,00%	100,00%	24,86%	CTEEP
INTERLIGACAO ELETRICA SUL S.A. - IESUL	0,00%	50,10%	12,46%	CTEEP
INTERLIGACAO ELETRICA DO MADEIRA S.A. - IEMADEIRA -	0,00%	51,00%	12,68%	CTEEP
INTERLIGACAO ELÉTRICA SERRA DO JAPI	0,00%	100,00%	24,86%	CTEEP
INTERLIGACAO ELÉTRICA GARANHUNS S.A.	0,00%	51,00%	12,68%	CTEEP
EVRECY	0,00%	100,00%	24,87%	CTEEP
INTERCONEXIÓN ELÉCTRICA COLOMBIA-PANAMA S.A.	50,00%	0,00%	50,00%	Control compartido
INTERCONEXIÓN ELÉCTRICA COLOMBIA-PANAMA S.A.S ESP	1,17%	97,66%	50,00%	IcplA-PANAMA S.A.
EMPRESA PROPIETARIA DE LA RED S.A. - EPR	11,11%	0,00%	11,11%	
INTERCHILE S.A.	99,99%	0,01%	100,00%	ISA INVERSIONES CHILE LTDA
	99,997%	0,001%	100,00%	INTERNEXA S.A.
INTERCOLOMBIA S.A. E.S.P.		0,001%		ISA PERU
		0,001%		PDI
		0,001%		INTERVIAL COLOMBIA
ROADS				
INTERVIAL CHILE S.A.	0,00%	55,00%	100,00%	ISA INVERSIONES CHILE LTDA.
		44,99%		ISA INVERSIONES MAULE LTDA.
		0,01%		INTERNEXA S.A.
Ruta del Maipo Sociedad Concesionaria S.A.	0,00%	100,00%	100,00%	INTERVIAL CHILE S.A.
Ruta del Maule Sociedad Concesionaria S.A.	0,00%	100,00%	100,00%	INTERVIAL CHILE S.A.
Ruta del Bosque Sociedad Concesionaria S.A.	0,00%	99,99%	99,99%	INTERVIAL CHILE S.A.
Ruta de los Rios Sociedad Concesionaria S.A.	0,00%	75,00%	75,00%	INTERVIAL CHILE S.A.
Ruta de la Araucanía Sociedad Concesionaria S.A.	0,00%	100,00%	100,00%	INTERVIAL CHILE S.A.
INTERVIAL Colombia S.A	100,00%	0,00%	100,00%	
TELECOMMUNICATIONS				
INTERNEXA S.A.	99,42%	0,00%	99,42%	TRANSELCA S.A. E.S.P.
INTERNEXA S.A. (PERU)	0,00%	100,00%	99,42%	INTERNEXA S.A.
INTERNEXA CHILE S.A.	0,00%	99,00%	98,43%	INTERNEXA S.A.
INTERNEXA BRAZIL OPERADORA DE TELECOMUNICAÇÕES S.A.	0,00%	100,00%	66,85%	INTERNEXA PARTICIPAÇÕES S.A.
Transamerican Telecommunication S.A. (INTERNEXA ARGENTINA S.A.)	0,00%	98,54%	99,42%	INTERNEXA S.A.
	0,00%	1,46%		INTERNEXA PERU
REDCA	0,00%	11,11%	11,05%	INTERNEXA S.A.
TRANSNEXA S.A. E.M.A.	0,00%	5,00%	49,71%	INTERNEXA S.A.
		45,00%		INTERNEXA PERU
NQIG	0,00%	100,00%	66,85%	ITX CAPITAL PARTICIPACOES LTDA
INTERNEXA RIO	0,00%	12,44%	66,85%	ITX CAPITAL PARTICIPACOES LTDA
		87,56%		NQIG
IPNET	0,00%	100,00%	66,85%	ITX CAPITAL PARTICIPACOES LTD
INTELLIGENT MANAGEMENT OF REAL-TIME SYSTEMS				
XM S.A. E.S.P.	99,73%	0,00%	99,73%	
DERIVEX S.A.	0,00%	49,95%	49,84%	XM S.A. E.S.P.
	0,00%	0,03%		INTERNEXA S.A.
Sistemas Inteligentes en Red S.A.S.	15,00%	85,00%	99,77%	XM S.A. E.S.P.
FINANCIAL				
ISA CAPITAL DO BRAZIL S.A.	66,86%	0,00%	66,86%	
INTERNEXA PARTICIPAÇÕES S.A.	0,00%	67,24%	66,85%	INTERNEXA S.A.
ISA INVERSIONES CHILE LTDA.		0,00%		INTERNEXA S.A. (PERU)
ISA INVERSIONES CHILE LTDA.	100,00%	0,00%	100,00%	INTERNEXA S.A.
ISA INVERSIONES MAULE	100,00%	0,00%	100,00%	INTERNEXA S.A.
Financiera de Desarrollo Nacional S.A.	0,00%	0,00%	0,00%	
CAMARA DE RIESGO CENTRAL DE CONTRAPARTE DE COLOMBIA S.A. - CRCC-	0,00%	7,13%	7,11%	XM S.A. E.S.P.
Linear Systems RE LTD	100,00%		100,00%	
INFRASTRUCTURE				
PROYECTOS DE INFRAESTRUCTURA DEL PERU S.A.C.	99,97%	0,03%	100,00%	TRANSELCA S.A. E.S.P.

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

JANUARY - MARCH 2015

Figures in millions of Colombian pesos

	1Q15	1Q14	Change \$	Change %	1Q15 USD
Operating Revenues					
Energy transmission services	746.656	613.152	133.504	21,8%	290
Connection charges	48.510	41.763	6.747	16,2%	19
Dispatch and CND (National Dispatch Center)	15.885	11.041	4.844	43,9%	6
MEM Services	6.839	8.547	(1.708)	-20,0%	3
Roads	252.302	202.231	50.071	24,8%	98
Telecommunications	69.494	57.126	12.368	21,7%	27
Other services	17.403	17.384	19	0,1%	7
Total Operating Revenues	1.157.089	951.244	205.845	21,6%	449
Costs And Operating Expenses					
Operating costs and administration expenses	539.608	414.087	125.522	30,3%	209
Depreciation	64.811	71.623	(6.812)	-9,5%	25
Amortization	49.870	40.527	9.344	23,1%	19
Provisions	12.569	10.583	1.986	18,8%	5
Total Costs And Operating Expenses	666.859	536.819	130.040	24,2%	259
Other operating revenues/expenses					
Others, net	12.650	15.336	(2.686)	-17,5%	5
Equity method	13.098	12.536	562	4,5%	5
Operating Income	515.979	442.297	73.682	16,7%	200
Financial revenues/expenses					
Financial, net	(186.797)	(112.798)	(73.999)	65,6%	(73)
Net Exchange difference	(14.603)	(74.126)	59.523	-80,3%	(6)
Total financial revenues/expenses	(201.400)	(186.923)	(14.476)	7,7%	(78)
Income before taxes	314.579	255.374	59.205	23,2%	122
Income tax provision	111.538	65.215	46.323	71,0%	43
Income before minority interests	203.041	190.159	12.882	6,8%	79
Minority interest	57.680	56.013	1.668	3,0%	22
Net Income	145.361	134.146	11.215	8,4%	56
EBITDA	619.844	543.709	76.136	14,0%	241
EBITDA Margin	53,6%	57,2%			
Operating Margin	44,6%	46,5%			
Net Margin before MI	17,5%	20,0%			
Net Margin	12,6%	14,1%			

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

MARCH 31, 2015

Figures in millions of Colombian pesos

	1Q15	% Part.	2014	Change \$	Change %	1Q15 USD
Current Assets						
Cash	847.344	3%	701.210	146.134	20,8%	329
Marketable investments	1.157.430	4,2%	1.231.571	(74.141)	-6,0%	449
Accounts receivable, net	2.749.630	9,9%	2.762.877	(13.247)	-0,5%	1.067
Inventories	105.393	0,4%	108.002	(2.609)	-2,4%	41
Deferred charges and other assets	229.936	0,8%	199.348	30.589	15,3%	89
Total current assets	5.089.733	18,3%	5.003.008	86.725	1,7%	1.976
Non-current Assets						
Long-term investments	1.111.443	4,0%	1.222.314	(110.871)	-9,1%	431
Long-term accounts receivable	9.443.347	33,9%	9.564.312	(120.966)	-1,3%	3.666
Inventories	58.508	0,2%	59.046	(538)	-0,9%	23
Property, plant and equipment, net	5.908.709	21,2%	5.881.867	26.842	0,5%	2.294
Deferred charges and other assets	6.207.054	22,3%	5.791.086	415.969	7,2%	2.410
Reappraisal of assets	(0)	0,0%	-	(0)	x	0
Total non- current assets	22.729.061	81,7%	22.518.625	210.436	0,9%	8.823
Total Assets	27.818.794	100,0%	27.521.633	297.161	1,1%	10.799
Current Liabilities						
Outstanding bonds	744.037	2,7%	511.209	232.828	45,5%	289
Financial liabilities	614.671	2,2%	414.208	200.463	48,4%	239
Accounts payable	875.910	3,1%	596.689	279.221	46,8%	340
Labor liabilities	26.842	0,1%	41.108	(14.266)	-34,7%	10
Accrued liabilities and estimated provisions	718.586	2,6%	648.080	70.506	10,9%	279
Other liabilities	456.329	1,6%	388.204	68.125	17,5%	177
Total current liabilities	3.436.375	12,4%	2.599.498	836.877	32,2%	1.334
Long-Term Liabilities						
Outstanding bonds	6.160.038	22,1%	6.111.033	49.004	0,8%	2.391
Financial liabilities	2.520.144	9,1%	2.883.111	(362.967)	-12,6%	978
Accounts payable	1.322.133	4,8%	1.375.968	(53.836)	-3,9%	513
Labor liabilities	2.425	0,0%	2.282	143	6,3%	1
Accrued liabilities and estimated provisions	623.530	2,2%	599.790	23.740	4,0%	242
Other liabilities	4.111.736	14,8%	4.014.424	97.312	2,4%	1.596
Total long-term liabilities	14.740.006	53,0%	14.986.609	(246.603)	-1,6%	5.722
Total Liabilities	18.176.380	65,3%	17.586.107	590.273	3,4%	7.056
Minority interests	3.192.237	11,5%	3.475.054	(282.817)	-8,1%	1.239
Equity						
Subscribed and paid in capital	36.916	0,6%	36.916	-	0%	14
Capital Surplus	1.445.509	22,4%	1.445.509	-	0%	561
Reserves	1.491.399	23,1%	1.195.191	296.208	25%	579
Net income	145.361	2,3%	561.669	(416.308)	-74%	56
Retained earnings	3.283.497	50,9%	3.069.461	214.036	7%	1.275
Exchange difference by conversion	6.427	0,1%	109.178	(102.751)	-94%	2
Surplus from equity method	1.008	0,0%	2.475	(1.467)	-59%	0
Other Comprehensive Income -OCI-	40.060	0,6%	40.073	(13)	0%	16
Total Shareholders' Equity	6.450.177	100,0%	6.460.472	(10.295)	-0,2%	2.504
total liabilities, minority interests and shareholders' equity	27.818.794	100,0%	27.521.633	297.161	1,1%	10.799

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**ISA S.A. E.S.P. - CONSOLIDATED -
CASH FLOW STATEMENT (Unaudited)**
JANUARY - MARCH 2015
Figures in millions of Colombian pesos

	1Q15	1Q14	Change \$	Change %	1Q15 USD
Cash flows from operating activities:					
Net income	145.361	134.146	11.215	8%	56
Plus (minus) – Adjustments to reconcile net income with the net cash provided by operating activities:					
Minority interest	57.680	56.013	1.667	3%	22
Depreciation of properties, plant and equipment	64.811	71.624	(6.813)	-10%	25
Amortization of deferred and other assets	49.870	40.526	9.344	23%	19
Amortization of retirement pensions and extralegal benefits – net	2.363	6.551	(4.188)	-64%	1
Provision for accounts receivable	222	118	104	88%	0
Income tax provision	111.538	65.215	46.323	71%	43
Loss in property, plant and equipment disposal and retirement	-	372	(372)	-100%	-
Expense for foreign exchange rate conversion	186.062	149.989	36.073	24%	72
Equity method with share control	(13.098)	(12.536)	(562)	4%	(5)
Accrued interest and commissions	150.486	94.086	56.400	60%	58
	755.295	606.104	149.191	25%	293
Changes in operating assets and liabilities:					
Debtors	(8.678)	(75.250)	66.573	-88%	(3)
Receivables for early contract renewal compensation 059/2001	-	125.926	(125.926)	-100%	-
Inventories	(2.938)	8.231	(11.169)	-136%	(1)
Deferred and other assets	(32.613)	98.229	(130.842)	-133%	(13)
Accounts payable and other liabilities	43.829	120.207	(76.378)	-64%	17
Labor liabilities	(14.123)	(11.565)	(2.558)	22%	(5)
Estimated liabilities and provisions	44.570	(24.224)	68.794	-284%	17
Collections in favor of third parties	(36.682)	(19.384)	(17.298)	89%	(14)
Minority interest	(57.090)	2.119	(59.208)	-2795%	(22)
Cash flows in other operations:					
Retirement pension payments	(746)	(5.309)	4.563	-86%	(0)
Tax payments	(228.072)	(174.379)	(53.693)	31%	(89)
Net cash provided by operating activities	462.753	650.705	(187.951)	-29%	180
Cash flows from investment activities:					
Variation of permanent and long term investments	(5.808)	(79.490)	73.682	-93%	(2)
Intangible acquisitions	(160.771)	(152.046)	(8.725)	6%	(62)
Purchase of property, plant and equipment	(79.454)	(111.153)	31.699	-29%	(31)
Net cash used by investment activities	(246.033)	(342.689)	96.656	-28%	(96)
Cash flows from financing activities:					
Interest received in cash	17.538	19.445	(1.907)	-10%	7
Interest and commissions paid in cash	(44.702)	(111.579)	66.877	-60%	(17)
Increase in financial obligations	67.966	148.961	(80.995)	-54%	26
Payment of financial obligations	(159.779)	(263.201)	103.422	-39%	(62)
Bond payment/decrease	(25.750)	(19.096)	(6.654)	35%	(10)
Net cash used by financing activities	(144.727)	(225.470)	80.743	-36%	(56)
Net increase in cash and cash equivalents	71.993	82.546	(10.552)	-13%	28
Cash and cash equivalents at the beginning of period	1.932.781	1.820.189	112.592	6%	750
CASH AND CASH EQUIVALENTS AT END OF PERIOD	2.004.774	1.902.735	102.039	5%	778

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