



ISA FIRST QUARTER 2014 FINANCIAL RESULTS



Medellin, Colombia, May 8, 2014

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 first 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 AS OF MARCH 2014

- **Consolidated operating revenues** were COP 902,681 million.
- **EBITDA** reached COP 544,137 million, with a 60.3% EBITDA margin.
- **Net income** was COP 155,778 million, with a 25.7% margin before minority interest.
- **Consolidated assets** were COP 25,804,177 million.

The first quarter of 2014 was underscored by the strong results obtained by ISA and its companies, reaching a net income increase of 121.6% compared to March 2013.

The results were positively impacted as a consequence of the following three factors: 1) recognition of Chilean and Brazilian concessions as financial assets, considering that this change took place during the second quarter of 2013¹, 2) completion of the amortization of ISA Capital do Brasil’s goodwill in December 2013 and 3) the recognition of annuities in INTERCOLOMBIA as operating income, related to UPME (*Unidad de Planeación Minero Energética*) projects, the Mining and Energy Planning Division, in virtue of the corporate separation of ISA- INTERCOLOMBIA.

The conversion of the financial information of the foreign subsidiaries generated variations in different items of the financial statements, due to fluctuations of the Colombian Peso against the U.S. Dollar, the Brazilian Real and the Chilean Peso. However, this effect was neutralized in the net result.

EXCHANGE RATES	1Q13 average	1Q14 average	Change %	2013 close	1Q14 close	Change %
COP / DOLAR USD	1,790.46	2,007.70	12.1%	1,926.83	1,965.32	2.0%
REAL / DOLAR USD	2.00	2.36	18.4%	2.34	2.26	-3.4%
CLP / DOLAR USD	472.50	551.76	16.8%	524.61	551.18	5.1%

¹ See Highlights from 2Q13 Results Report

Investor Relations

COP / REAL	897.02	849.28	-5.3%	822.52	868.46	5.6%
COP/ CLP	3.79	3.64	-4.0%	3.67	3.57	-2.9%

■ CONSOLIDATED INCOME STATEMENT

Consolidated operating revenues

For the period ended March 2014, accumulated operating revenues reached COP 902,681 million, a 10.6% increase compared with the same period of 2013. This was mainly the result of higher revenues in Colombia related with UPME projects, the recognition of construction revenues associated to the treatment of Brazilian concessions as financial assets and the new projects entering into operation in Peru that are mentioned below.

(Figures in COP millions)

OPERATING REVENUES	1Q14	1Q13	Change COP	Change %	1Q14 USD
Energy Transmission	623,576	525,487	98,088	18.7%	317
Road Concessions	202,370	240,676	-38,306	-15.9%	103
Telecommunications Transport	55,295	31,437	23,858	75.9%	28
Intelligent Management of Real-time Systems	21,440	18,649	2,791	15.0%	11
TOTAL OPERATING REVENUES	902,681	816,250	86,431	10.6%	459

Composition of accumulated revenues by business

- Energy Transmission** contributed COP 623,576 million, equivalent to 69.1% of consolidated operating revenues for the quarter. This result represented a 18.7% increase compared with the amount reported in the same period in 2013, due to the revenues generated by the financial assets of Brazilian concessions, higher revenues in Peru from the entry into operation of expansion projects Cotaruse and Ampliación 13 that took place during the second half of 2013 and higher revenues in INTERCOLOMBIA, as mentioned previously.
- Road Concessions** accounted COP 202,370 million, which represented 22.4% of all accumulated revenues as of March 2014. This represented a 15.9% decrease compared with the same period last year as a result of lower financial returns associated to the lower accounts receivable, which declined due to higher toll collection.
- Telecommunications Transport** contributed 6.1% of total consolidated revenues, equivalent to COP 55,295 million. Compared with the first quarter of 2013, revenues increased 75.9% as a result of the consolidation of new Brazilian affiliates acquired during the last quarter of 2013.
- Intelligent Management of Real-Time Systems** generated COP 21,440 million equal to 2.4% of accumulated revenues as of March 2014. It increased 15.0% compared with the same period in 2013, due to higher regulated revenues in XM, which depend on investment levels as well as Company expenditures.

Consolidated revenues by country:

In accumulated terms, the composition of revenues by country is as follows: Colombia 40.3%, Brazil 23.1%, Chile 22.6% and Peru 12.5%.

(Figures in COP millions)

	1Q14	1Q13	Change COP	Change %	1Q14 USD
Colombia	364,066	326,762	37,304	11.4%	185
Chile	204,128	241,378	-37,250	-15.4%	104
Brazil	208,594	146,742	61,851	42.1%	106
Peru	112,472	92,989	19,483	21.0%	57
Others	13,421	8,378	5,042	60.2%	7
TOTAL	902,681	816,250	86,431	10.6%	459

Operating costs and expenses

Consolidated operating costs and expenses as of March 2014 decreased 14.0% compared to the same period of 2013, from COP 531,933 million to COP 457,728 million. This variation was mainly due to the decline in the amortizations, due to the elimination of the amortization of intangible assets of road concessions in Chile and energy transmission in Brazil². The decrease was also due to the completion of amortization of ISA Capital do Brasil's goodwill in December 2013.

(Figures in COP millions)

	1Q14	1Q13	Change COP	Change %	1Q14 USD
Sales and operating costs and expenses	366,551	353,452	13,099	3.7%	187
Depreciations	41,083	38,334	2,749	7.2%	21
Amortizations	39,511	129,988	-90,477	-69.6%	20
Provisions	10,583	10,159	424	4.2%	5
TOTAL	457,728	531,933	-74,205	-14.0%	233

The composition of operating costs and expenses by country is as follows: 39.9% in Colombia, 33.0% in Brazil, 13.3% in Peru and 12.2% in Chile.

Operating income

As a result of the previously mentioned, ISA reached an operating income of COP 444,953 million for the first quarter of 2014. This figure was 56.5% above that obtained during the same period last year. The operating margin was 49.3%.

EBITDA and EBITDA margin

Accumulated consolidated EBITDA as of March 2014 was COP 544,137 million, a 15.6% increase compared to the figure reported for the same period of the previous year, due to higher revenues generated in the Energy Transmission and Telecommunications businesses. The EBITDA margin was 60.3% for the 1Q14, 2.6% higher than the same period last year.

Non-operating result (loss)

² See Highlights from 2Q13 Results Report

The non-operating result for the first quarter 2014 was -COP 136,479 million. The expenditure increase of COP 59,457 million, equal to 77.2% compared to the same period of 2013, was mainly explained by:

- **Chile:** Expenditure increase due to greater inflation during 2014, which represents an increase in UF-indexed indebtedness and a greater expenditure due to the financial updating of the liability for preexisting infrastructure.
- **Brazil:** lower financial income due to the decrease of the account receivable associated to the partial collection of indemnity.

Taxes

The accumulated income tax expense as of March 2014 was COP 76,271 million, a 1.5% increase compared to the first quarter of 2013. This variation was mainly due to higher revenues recognized at INTERCOLOMBIA.

The composition of income tax by country was: Colombia COP 51,828 million, Brazil COP 17,038 million, Peru COP 10,947 million and Chile had a net tax in favor of COP 4,990 million.

Income before minority interest

As a result of the events discussed above, the consolidated income before minority interest as of March 2014 was COP 232,203 million, a 75.7% increase compared to the same period last year. The net margin before minority interest was 25.7% compared with 16.2% during the first quarter in 2013.

Minority interest reached COP 76,425 million, a 23.5% increase compared to March 2013, associated to higher results in Brazil due to the recognition of concessions as financial assets.

Net income

In the first quarter 2014, ISA reached an accumulated net income of COP 155,778 million, representing a 121.6% increase compared with the figure reported in the same period of 2013, as a result of higher revenues for the recognition of Chilean and Brazilian concessions as financial assets and lower amortization expenses, among others.

■ CONSOLIDATED BALANCE SHEET

Asset

Assets for ISA and its companies totaled COP 25,804,177 million, a 0.9% increase compared to December 2013. The variation was due to the increased number of projects under construction in Peru (Mantaro – Socabaya) and the devaluation effects of the Colombian Peso versus the U.S. Dollar and the Brazilian Real.

The composition by country of the assets was: 33.0% en Chile, 29.3% en Colombia, 25.7% in Brazil and 11.6% in Peru.

Liabilities

Consolidated liabilities were COP 14,527,581 million, an increase of 0.8% compared with December 2013, as a result of higher dividends decreed in the General Shareholders' Meeting held in March 2014. The distribution of liabilities by country was 44.4% in Chile, 26.0% in Colombia, 15.5% in Brazil and 13.7% in Peru.

Minority interest

Minority interest was COP 3,891,120 million, a 5.0% increase compared with December 2013, mainly due to the devaluation effect of Colombian Peso versus the Brazilian Real and the increase of the minority share in INTERNEXA Participações, due to the purchase of shares by IFC³.

Equity

Equity reached COP 7,385,476 million, a 0.9% decrease, compared with COP 7,451,477 million reported on December 2013, as a result of the distribution of profits approved in ISA's General Shareholders' Meeting, which offset the conversion effect of foreign affiliates and the results of the period.

■ CONSOLIDATED CASH FLOW

As of March 2014, the figure for cash and cash equivalent was COP 1,860,601 million, an increase of COP 40,412 million compared to the end of the 2013 period. During the first quarter of 2014, cash provided by operations was COP 465,320 million, including the partial collection of indemnity of new assets in CTEEP. These funds were used as follows: COP 278,632 million for investment activities and COP 146,276 million for the payment of debt service and the decrease of indebtedness levels.

■ DEBT

At the end of March 2014, the consolidated financial debt increased to COP 8,711,860 million, a 0.2% variation compared with December 2013. The following events impacting this result took place during the first quarter of 2014:

- Debt amortization of road concessions of Ríos, Bosque and Araucanía in Chile for UF 705,296 (USD 30.1 million).
- The payment of credit granted by HSBC to INTERNEXA Participações for BRL 90 million³.
- New indebtedness of INTERNEXA with Banco ITAU for COP 27,000 million.
- Higher indebtedness of Transmantaro for Trujillo – Chiclayo project in the amount of USD 8.7 million.
- Higher indebtedness at CTEEP for disbursement of BNDES for BRL125 million (USD 53 million) and lower financial expenses for refinancing and debt amortization.

46.7% of debt was denominated in *Unidades de Fomento* -UF- (Chile), 20.2% in U.S. dollars, 19.7% in Colombian pesos, 13.2% in Brazilian Reals and 0.2% in other currencies. Approximately 74.2% of the debt is placed in the Capital Market and 24.9% in commercial loans.

91.9% of the debt is long-term and the remaining 8.1% is short-term.

³ See *Relevant Events* on Page 8.

(Figures in COP millions)

Consolidated debt	Business	2013	2012	Change COP	Change %	2013 USD
CHILE		4,096,420	4,217,278	-120,858	-2.9%	2,084
Ruta del Maipo	Road Concessions	2,174,262	2,193,030	-18,769	-0.9%	1,106
Ruta del Maule	Road Concessions	365,629	374,749	-9,120	-2.4%	186
Ruta de la Araucanía	Road Concessions	639,794	673,479	-33,686	-5.0%	326
Ruta del Bosque	Road Concessions	565,383	595,211	-29,828	-5.0%	288
Ruta de los Ríos	Road Concessions	324,306	352,006	-27,700	-7.9%	165
Internexa in Chile	Telecommunications Transport	27,046	28,802	-1,756	-6.1%	14
COLOMBIA		1,817,624	1,788,574	29,050	1.6%	925
ISA Colombia	Energy Transmission	1,429,624	1,427,574	2,050	0.1%	727
TranSelca	Energy Transmission	361,000	361,000	-	0.0%	184
Internexa	Telecommunications Transport	27,000	-	27,000		14
BRAZIL		1,230,309	1,169,464	60,845	5.2%	626
ISA Capital	Energy Transmission	62,204	60,986	1,218	2.0%	32
CTEEP	Energy Transmission	913,050	792,084	120,966	15.3%	465
IEMG	Energy Transmission	39,970	38,898	1,072	2.8%	20
IEPINHEIROS	Energy Transmission	108,208	105,205	3,003	2.9%	55
Serra Do Japi	Energy Transmission	70,269	67,924	2,346	3.5%	36
Internexa Participacoes	Telecommunications Transport	5,490	74,230	-68,740	-92.6%	3
Internexa Capital	Telecommunications Transport	11,464	10,869	594	5.5%	6
Internexa Brasil	Telecommunications Transport	19,653	19,268	385	2.0%	10
PERU		1,513,947	1,464,947	49,000	3.3%	770
ISA Perú	Energy Transmission	21,833	23,359	-1,526	-6.5%	11
REP	Energy Transmission	459,273	444,389	14,883	3.3%	234
Transmantaro	Energy Transmission	1,021,377	984,610	36,767	3.7%	520
Internexa in Peru	Telecommunications Transport	11,464	12,589	-1,124	-8.9%	6
BOLIVIA		47,414	51,134	-3,720	-7.3%	24
ISA Bolivia	Energy Transmission	47,414	51,134	-3,720	-7.3%	24
ARGENTINA		6,146	7,071	-924	-13.1%	3
Transamerican Telecom	Telecommunications Transport	6,146	7,071	-924	-13.1%	3
TOTAL		8,711,860	8,698,468	13,393	0.2%	4,433

■ CAPEX and INVESTMENTS

ISA's and its companies' investments during the first quarter totaled COP 340,888 million, including direct investments and capital contributions:

- En **Colombia**, ISA invested COP 63,232 million, mainly for the projects of Betania Substation, investment projects and contributions scheduled for companies. INTERNEXA Colombia made scheduled capital contributions to its affiliates in Argentina and Brazil for COP 30,864 million.

- In **Brazil**, investments were concentrated in CTEEP, COP 77,284 million as capital contribution to its subsidiaries IEMG, IEGARANHUNS and IEMadeira and approximately COP 36,737 million as investment on assets.
- In **Peru**, COP 104,952 million was invested in energy transmission projects under construction and whose entry into operation is scheduled for the remainder of 2014 as well as for 2015 and 2016.

(Figures in COP millions)

	1Q14	%	2014E
Colombia	105,455	30.9	544,303
Peru	104,952	30.8	504,318
Brasil	122,485	35.9	483,036
Chile	7,518	2.2	12,763
Otro	478	0.1	13,433
TOTAL	340,888	100.0	1,557,854

■ HIGHLIGHTS JANUARY 2014 – MARCH 2014

Relevant Events

- Effective January 1, 2014, the corporate separation between ISA and INTERCOLOMBIA was implemented. ISA, the group's corporate company, will focus on leading the group's activities, profitably manage the portfolio of growth opportunities, define key corporate decisions, provide competitive guidance to the companies and establish the management framework and practices to be implemented in relevant processes. Meanwhile, INTERCOLOMBIA will operate and maintain electrical assets owned by ISA in Colombia.

ISA's Organizational Structure

Name	Position
LUIS FERNANDO ALARCÓN MARTILLA	CEO
CARLOS ALBERTO RODRÍGUEZ LÓPEZ	CORPORATE FINANCE VICE-PRESIDENT
CESAR AUGUSTO RAMÍREZ ROJAS	ENERGY TRANSMISSION TECHNICAL VICE-PRESIDENT
OLGA PATRICIA CASTAÑO DÍAZ	STRATEGY VICE-PRESIDENT
SONIA MARGARITA ABUCHAR ALEMÁN	GENERAL SECRETARY
JHON JAIRO VÁSQUEZ LÓPEZ	CORPORATE AUDITOR
CARMEN ELISA RESTREPO VÉLEZ	COMMUNICATIONS CORPORATE DIRECTOR
DIANA CRISTINA POSADA ZAPATA	ORGANIZATIONAL TALENT CORPORATE DIRECTOR
JORGE IVÁN LÓPEZ BETANCUR	ROAD CONCESSIONS CORPORATE DIRECTOR
OLGA LUCÍA LÓPEZ MARÍN	IT CORPORATE DIRECTOR

- On March 28, ISA held the General Shareholders' Meeting, which approved:
 - The appointment of firm Ernst & Young as External Auditor for the April 1, 2014-March 31, 2015 period.
 - The distribution of profits for COP 214 per share, equal to a 13.8% increase compared with the amount paid in 2013. From the total dividend, COP 196 corresponded to a regular dividend payable on July 21, 2014 and COP 18 corresponded to an extraordinary dividend payable on September 22, 2014.
 - The election of the Board of Directors for the April 2014-March 2015 period:

Principal

Ministry of Mines and Energy – Minister

Alternate

Vice-Minister of Energy

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Minister of Finance and Public Credit – General Vice-Minister	Director of Public Credit and National Treasure
Carlos Mario Giraldo Moreno* - EPM –General Manager	Henry Medina González*
Juan Esteban Calle Restrepo*	Jesús Aristizábal Guevara*
Santiago Montenegro Trujillo*	Camilo Zea Gómez*
Alejandro Linares Cantillo	Tomás González Estrada
Bernardo Vargas Gibsone*	Carlos Felipe Londoño Álvarez*
* Independent members	

- The amendment of Articles 5 – Corporate purpose and general provisions- and 27 –Board of Directors- of ISA’s bylaws.
- During the first quarter, ISA exercised the prepayment option regarding the B Series of the Sixth Tranche of ISA’s Domestic Debt Securities Issue and Placement Program, in order to optimize the debt portfolio. The amount was COP 59.5 billion, with an exercise price corresponding to 101% of the amortized value.
- In March 2014, the International Finance Corporation and IFC GIF BRASIL – FUNDO DE INVESTIMENTO EM PARTICIPAÇÕES acquired shares on Internexa Participações S.A. for BRL 90 million, representing a 32.76% interest in this company. These funds were used for the payment of debt acquired by INTERNEXA Participações with HSBC.

Sustainability

Business sustainability is the approach used by ISA to manage its business that based on responsible, transparent and ethical behavior, enabling the Company to effectively face the impacts, opportunities and risks inherent in the economic, environmental and social development in order to create value for each of its stakeholders, and thus contribute to sustainable development of the communities where it operates.

ISA undertook a great challenge when stating its position in 2020 as *multilatina* leader in technical excellence and business sustainability. This translates into adapting daily practices in order to respond to better risk management, achieve superior profitability and procure added value for stakeholders, with the firm intention of contributing to a better world.

In this context, the Company has designed a strategy of aligning itself with Dow Jones Sustainability Indicators throughout all of its companies. This is intended to propose an improvement plan to continue with its position as one of the most sustainable companies in Colombia.

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.

ISA'S DIRECT AND INDIRECT PARTICIPATION IN SUBSIDIARIES

COMPANY	% ISA's direct	% Indirect	Through the subsidiary
ENERGY			
TRANSELCA S.A. E.S.P.	99.9973%	0.0000%	
RED DE ENERGIA DEL PERÚ -REP	30.0000%	30.0000%	TRANSELCA S.A. E.S.P.
CONSORCIO TRANSMANTARO S.A.	60.0000%	0.0000%	
ISA PERÚ S.A.	45.1464%	54.8536%	TRANSELCA S.A. E.S.P.
ISA BOLIVIA S.A.	50.9999%	48.9900%	TRANSELCA S.A. E.S.P.
		0.0101%	INTERNEXA S.A.
CTEEP - COMPANHIA DE TRANSMISSÃO DE ENERGIA ELÉTRICA PAULISTA -	0.0000%	37.8053%	ISA CAPITAL DO BRASIL S.A.
INTERLIGACAO ELETRICA NORTE E NORDESTE S.A. – IENNE	0.0000%	25.0000%	CTEEP
INTERLIGACAO ELETRICA DE MINAS GERAIS S.A. – IEMG –	0.0000%	100.0000%	CTEEP
INTERLIGACAO ELETRICA PINHEIROS S.A. - IEPINHEIROS	0.0000%	99.9990%	CTEEP
INTERLIGACAO ELETRICA SUL S.A. - IESUL	0.0000%	50.1000%	CTEEP
INTERLIGACAO ELETRICA DO MADEIRA S.A. - IEMADEIRA -	0.0000%	51.0000%	CTEEP
INTERLIGACAO ELÉTRICA SERRA DO JAPI	0.0000%	99.9990%	CTEEP
INTERLIGACAO ELÉTRICA GARANHUNS S.A.	0.0000%	51.0000%	CTEEP
EVRECY	0.0000%	100.0000%	CTEEP
INTERCONEXIÓN ELÉCTRICA COLOMBIA-PANAMA S.A.	50.0000%	0.0000%	
INTERCONEXIÓN ELÉCTRICA COLOMBIA-PANAMA S.A.S ESP	50.0000%	0.0000%	
EMPRESA PROPIETARIA DE LA RED S.A. - EPR (*)	11.1111%	0.0000%	
INTERCHILE S.A.	99.9000%	0.1000%	ISA INVERSIONES CHILE LTDA
INTERCOLOMBIA S.A. E.S.P.	99.9973%	0.0007%	INTERNEXA S.A. E.S.P.
		0.0007%	ISA PERU
		0.0007%	PDI
		0.0007%	INTERVIAL COLOMBIA
ROADS			
INTERVIAL CHILE S.A.	0.0000%	55.0000%	ISA INVERSIONES CHILE LTDA.
		44.9900%	ISA INVERSIONES MAULE LTDA.
		0.0100%	INTERNEXA S.A.
Ruta del Maipo Sociedad Concesionaria S.A.	0.0000%	99.9999%	INTERVIAL CHILE S.A.
Ruta del Maule Sociedad Concesionaria S.A.	0.0000%	99.9993%	INTERVIAL CHILE S.A.
Ruta del Bosque Sociedad Concesionaria S.A.	0.0000%	99.9909%	INTERVIAL CHILE S.A.
Ruta de los Rios Sociedad Concesionaria S.A.	0.0000%	75.0000%	INTERVIAL CHILE S.A.
Ruta de la Araucanía Sociedad Concesionaria S.A.	0.0000%	99.9999%	INTERVIAL CHILE S.A.
INTERVIAL Colombia S.A.	100.0000%	0.0000%	
TELECOMMUNICATIONS			
INTERNEXA S.A.	99.2745%	0.0000%	TRANSELCA S.A. E.S.P.
INTERNEXA S.A. (PERÚ)	0.0000%	100.00%	INTERNEXA S.A.
INTERNEXA CHILE S.A.	0.0000%	99.0000%	INTERNEXA S.A.
INTERNEXA BRASIL OPERADORA DE TELECOMUNICAÇÕES S.A.	0.0000%	100.00%	INTERNEXA PARTICIPAÇÕES S.A.
Transamerican Telecommunication S.A. (INTERNEXA ARGENTINA S.A.)	0.0000%	98.54%	INTERNEXA S.A.
	0.0000%	1.4600%	INTERNEXA PERU
REDCA	0.0000%	11.00%	INTERNEXA S.A.
TRANSNEXA S.A. E.M.A.	0.0000%	5.0000%	INTERNEXA S.A.
ITX CAPITAL PARTICIPACOES LTDA.	0.0000%	45.0000%	INTERNEXA PERU
	0.0000%	100.0000%	INTERNEXA PARTICIPAÇÕES S.A.
NQIG	0.0000%	100.0000%	ITX CAPITAL PARTICIPACOES LTDA.
NQT	0.0000%	12.4400%	ITX CAPITAL PARTICIPACOES LTDA.
		87.5600%	NQIG
IPNET	0.0000%	100.0000%	ITX CAPITAL PARTICIPACOES LTDA.
INTELLIGENT MANAGEMENT OF REAL-TIME SYSTEMS			
XM S.A. E.S.P.	99.7303%	0.0000%	
DERIVEX S.A.	0.0000%	49.9500%	XM S.A. E.S.P.
	0.0000%	0.0250%	INTERNEXA S.A.
Sistemas Inteligentes en Red S.A.S.	15.0000%	85.0000%	XM S.A. E.S.P.
XM S.A. E.S.P.	99.7303%	0.0000%	
FINANCIAL			
ISA CAPITAL DO BRASIL S.A.	63.3202%	0.0000%	
INTERNEXA PARTICIPAÇÕES S.A.	0.0000%	67.2416%	INTERNEXA S.A.
ISA INVERSIONES CHILE LTDA.	99.9998%	0.0002%	INTERNEXA S.A. E.S.P.
ISA INVERSIONES MAULE	99.9998%	0.0002%	INTERNEXA S.A. E.S.P.
Financiera de Desarrollo Nacional S.A. (antes FEN)	0.0007%	0.0000%	
CAMARA DE RIESGO CENTRAL DE CONTRAPARTE DE COLOMBIA S.A. -CRCC-	0.0000%	7.1254%	XM S.A. E.S.P.
INFRASTRUCTURE			
PROYECTOS DE INFRAESTRUCTURA DEL PERU S.A.C.	99.9667%	0.0333%	TRANSELCA S.A. E.S.P.

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

JANUARY – MARCH 2014

Figures in millions of Colombian pesos

	1Q14	1Q13	Change COP	Var. %	1Q14 USD
OPERATING REVENUES					
Energy transmission services	566,150	476,615	89,535	18.8%	288
Connection charges	42,365	41,525	840	2.0%	22
Dispatch and CND (National Dispatch Center)	11,041	12,458	(1,417)	-11.4%	6
MEM Services	8,206	4,936	3,270	66.2%	4
Roads	202,330	240,637	(38,307)	-15.9%	103
Telecommunications	55,295	31,437	23,858	75.9%	28
Other services	17,294	8,642	8,652	100.1%	9
TOTAL OPERATING REVENUES	902,681	816,250	86,431	10.6%	459
COSTS AND OPERATING EXPENSES					
Operating costs and administration expenses	366,551	353,452	13,099	3.7%	187
Depreciation	41,083	38,334	2,749	7.2%	21
Amortization	39,511	129,988	(90,477)	-69.6%	20
Provisions	10,583	10,159	424	4.2%	5
TOTAL COSTS AND OPERATING EXPENSES	457,728	531,933	(74,205)	-14.0%	233
Operating Income	444,953	284,317	160,636	56.5%	226
NON - OPERATING REVENUES					
Financial	72,442	103,117	(30,675)	-29.7%	37
Exchange difference	107,401	81,658	25,743	31.5%	55
Other	18,195	22,784	(4,589)	-20.1%	9
Total non-operating revenues	198,038	207,559	(9,521)	-4.6%	101
NON - OPERATING EXPENSES					
Financial	157,612	221,982	(64,370)	-29.0%	80
Exchange difference	174,483	57,006	117,477	206.1%	89
Other	2,422	5,593	(3,171)	-56.7%	1
Total non-operating expenses	334,517	284,581	49,936	17.5%	170
Non-operating results	(136,479)	(77,022)	(59,457)	77.2%	-69
Income before taxes	308,474	207,295	101,179	48.8%	157
Income tax provision	76,271	75,133	1,138	1.5%	39
Income before minority interests	232,203	132,162	100,041	75.7%	118
Minority interest (MI)	76,425	61,860	14,565	23.5%	39
NET INCOME	155,778	70,302	85,476	121.6%	79
EBITDA	544,137	470,886	73,251	15.6%	277
EBITDA Margin	60.3%	57.7%			
Operating Margin	49.3%	34.8%			
Net Margin before MI	25.7%	16.2%			
Net Margin	17.3%	8.6%			

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**ISA S.A. E.S.P. - CONSOLIDATED -
BALANCE SHEET (Unaudited)**

March 31, 2014

Figures in millions of Colombian pesos

	March 2014	% Part.	2013	Change COP	Change %	March 2014 USD
CURRENT ASSETS						
Cash	557,504	2.2%	479,739	77,765	16.2%	284
Marketable investments	1,303,097	5.0%	1,340,450	(37,353)	-2.8%	663
Accounts receivable, net	2,453,819	9.5%	2,287,334	166,485	7.3%	1,249
Inventories	110,147	0.4%	111,129	(982)	-0.9%	56
Deferred charges and other assets	129,688	0.5%	129,359	329	0.3%	66
Total current assets	4,554,255	17.6%	4,348,011	206,244	4.7%	2,317
NON-CURRENT ASSETS						
Long-term investments	1,097,600	4.3%	956,785	140,815	14.7%	558
Long-term accounts receivable	8,747,640	33.9%	8,964,725	(217,085)	-2.4%	4,451
Inventories	57,402	0.2%	59,503	(2,101)	-3.5%	29
Property, plant and equipment, net	3,244,417	12.6%	3,208,813	35,604	1.1%	1,651
Deferred charges and other assets	5,220,963	20.2%	5,147,845	73,118	1.4%	2,657
Reappraisal of assets	2,881,900	11.2%	2,881,680	220	0.0%	1,466
Total non-current assets	21,249,922	82.4%	21,219,351	30,571	0.1%	10,812
TOTAL ASSETS	25,804,177	100.0%	25,567,362	236,815	0.9%	13,130
CURRENT LIABILITIES						
Outstanding bonds	333,153	1.3%	300,097	33,056	11.0%	170
Financial liabilities	368,615	1.4%	284,054	84,561	29.8%	188
Accounts payable	1,041,140	4.0%	838,539	202,601	24.2%	530
Labor liabilities	21,239	0.1%	32,220	(10,981)	-34.1%	11
Accrued liabilities and estimated provisions	230,571	0.9%	201,856	28,715	14.2%	117
Other liabilities	363,289	1.4%	380,538	(17,249)	-4.5%	185
Total current liabilities	2,358,007	9.1%	2,037,304	320,703	15.7%	1,200
LONG-TERM LIABILITIES						
Outstanding bonds	6,132,756	23.8%	6,145,715	(12,959)	-0.2%	3,120
Financial liabilities	1,877,337	7.3%	1,968,602	(91,265)	-4.6%	955
Accounts payable	1,077,004	4.2%	1,120,718	(43,714)	-3.9%	548
Labor liabilities	1,494	0.0%	1,483	11	0.7%	1
Accrued liabilities and estimated provisions	804,240	3.1%	791,543	12,697	1.6%	409
Other liabilities	2,276,743	8.8%	2,345,975	(69,232)	-3.0%	1,158
Total long-term liabilities	12,169,574	47.2%	12,374,036	(204,462)	-1.7%	6,192
TOTAL LIABILITIES	14,527,581	56.3%	14,411,340	116,241	0.8%	7,392
Minority interests	3,891,120	15.1%	3,704,545	186,575	5.0%	1,980
Subscribed and paid in capital	36,916	0.1%	36,916	-	0.0%	19
Capital Surplus	1,445,509	5.6%	1,445,509	-	0.0%	736
Reserves	1,195,191	4.6%	999,186	196,005	19.6%	608
Net income	155,778	0.6%	433,048	(277,270)	-64.0%	79
Cumulative translation adjustment	(1,864)	0.0%	3,935	(5,799)	-147.4%	-1
Equity revaluation	415,645	1.6%	415,645	-	0.0%	211
Surplus from asset reappraisals	2,542,624	9.9%	2,542,404	220	0.0%	1,294
Surplus from equity method	1,595,677	6.2%	1,574,834	20,843	1.3%	812
Total Shareholders' Equity	7,385,476	28.6%	7,451,477	(66,001)	-0.9%	3,758
TOTAL LIABILITIES, MINORITY INTERESTS AND SHAREHOLDERS' EQUITY	25,804,177	100.0%	25,567,362	236,815	0.9%	13,130

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**ISA S.A. E.S.P. - CONSOLIDATED -
CASH FLOW STATEMENT (Unaudited)**

JANUARY – MARCH 2014

Figures in millions of Colombian pesos

	1Q14	1Q13	Change COP	Change %	2013 USD
Cash flows from operating activities:					
Net income	155,778	70,302	85,476	122%	79
Plus (minus) – Adjustments to reconcile net income with the net cash provided by operating activities:					
Minority interest	76,425	61,860	14,565	24%	39
Depreciation of properties, plant and equipment	41,084	38,334	2,750	7%	21
Amortization of deferred and other assets	39,510	129,988	(90,478)	-70%	20
Amortization of retirement pensions and extralegal benefits – net	8,006	8,088	(82)	-1%	4
Provision for accounts receivable	118	161	(43)	-27%	0
Investment provision	-	412	(412)	-100%	-
Income tax provision	76,271	75,133	1,138	2%	39
Loss in property, plant, equipment and rights disposal and retirement	108	851	(743)	-87%	0
Income (expense) for foreign exchange rate conversion	149,570	(15,437)	165,007	-1069%	76
Equity method with share control	(11,929)	-	(11,929)		(6)
Recovery of provisions	-	(182)	182	-100%	-
Accrued interest and commissions	85,072	126,826	(41,754)	-33%	43
	620,013	496,336	123,677	25%	315
Changes in operating assets and liabilities:					
Debtors	(14,172)	139,959	(154,131)	-110%	(7)
Receivables for early contract renewal compensation 059/2001	125,926	1,344,703	(1,218,777)	-91%	64
Inventories	8,187	42,060	(33,873)	-81%	4
Deferred and other assets	514	(31,815)	32,329	-102%	0
Accounts payable and other liabilities	(441)	(210,426)	209,985	-100%	(0)
Labor liabilities	(10,970)	1,885	(12,855)	-682%	(6)
Estimated liabilities and provisions	(41,243)	(16,087)	(25,156)	156%	(21)
Collections in favor of third parties	(19,384)	(10,322)	(9,062)	88%	(10)
Minority interest	(77,780)	(8,190)	(69,590)	850%	(40)
Cash flows in other operations:					
Retirement pension payments	(6,113)	(6,071)	(42)	1%	(3)
Tax payments	(119,217)	(161,058)	41,841	-26%	(61)
Net cash provided by operating activities	465,320	1,580,974	(1,115,654)	-71%	237
Cash flows from investment activities:					
Variation of permanent and long term investments	(79,490)	578	(80,068)	-13853%	(40)
Sale of property, plant and equipment	85	725	(640)	-88%	0
Intangible acquisitions	(127,063)	269,783	(396,846)	-147%	(65)
Purchase of property, plant and equipment	(72,164)	(85,047)	12,883	-15%	(37)
Net cash used by investment activities	(278,632)	186,039	(464,671)	-250%	(142)
Cash flows from financing activities:					
Interest received in cash	18,741	56,610	(37,869)	-67%	10
Interest and commissions paid in cash	(111,579)	(237,765)	126,186	-53%	(57)
Increase in financial obligations	148,961	70,682	78,279	111%	76
Bond Issue	-	73,072	(73,072)	-100%	-
Payment of financial obligations	(183,303)	(471,837)	288,534	-61%	(93)
Bond payment/decrease	(19,096)	(69,415)	50,320	-72%	(10)
Net cash (used by) provided for financing activities	(146,276)	(578,653)	432,378	-75%	(74)
Net increase in cash and cash equivalents	40,412	1,188,360	(1,147,947)	-97%	21
Cash and cash equivalents at the beginning of period	1,820,189	1,676,906	143,283	9%	926
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,860,601	2,865,265	(1,004,664)	-35%	947

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