Executive Financial Report
First Quarter 2014

Highlights

Summary of the main achievements as of March 2014:

Strategy and Growth

- EPM and Brazilian Companhia Energética de Minas Gerais –CEMIG–, the largest integrated company of the Brazilian electric sector, first in energy distribution (12 million customers and longest distribution system in Latin America), third in transmission (over 9,000 km of lines), and third in generation (more than 7,000 MW capacity), subscribed an alliance to participate in the sale process of shares of Isagen. This materializes EPM Group's interest in staying as minority shareholder, in association with a controlling shareholder that provides value added to boost its growth opportunities both in Colombia and other Latin American markets. According to the agreement, EPM will increase its minority shareholding in Isagen up to 20%. This alliance will allow us to protect and enhance our investment in Isagen and will contribute to pass the company's control to a recognized global company controlled by one of Brazil's most relevant states, fully compatible with Isagen's business philosophy; it would also open for us future growth possibilities in Latin America, particularly in Brazil, one of the major countries in our target market.

- TICSA, a subsidiary of EPM Group in Mexico, was awarded bid for expansion of the waste-water treatment plant of Compañía Cervecera de Coahuila for USD 20 million. This project will contribute to the Group's consolidation in Latin America permitting to work closely with Constellation Brands, the largest premium wine producer in the world, which, with its company Coahuila, is the third largest brewer in the United States.

Investment Projects

- Emvarias awarded construction of the leachate treatment system and first stage of the Altair II vessel in La Pradera sanitary landfill. The awarding of these works signals the beginning of execution of the Waste Management Investment Plan “Linda Calle Siglo XXI” plan for USD 92 million approximately during eight years. These investments seek the environmental sustainability of the city of Medellin. Once the Altair II vessel in La Pradera sanitary landfill is in operation, the disposal of waste from Medellin and other 22 municipalities will be guaranteed for 15 more years. The leachate plant will be one of the most advanced in Latin America with state-of-the-art technology that will permit removal of solids, organic matter, mercury, chlorides, iron, nitrates and many other substances. The leachate treatment system is part of Emvarias's commitment to protect the Medellin River, and one of the goals set in the “Linda Calle Siglo XXI” strategic plan that seeks the environmental sustainability for the city and the well-being of the 18 communities located in the influence area of the La Pradera sanitary landfill.

Corporate Social Responsibility

- Semana magazine, one of the widest circulation publications in Colombia, included EPM in the list of the 20 most sustainable companies in Colombia that with their actions and good practices "are changing the business mentality in the country". The creation of social initiatives and the reduction of the environmental impact of its projects are part of EPM's commitments to sustainability. The economic group works day to day to contribute to build sustainable and competitive territories with a clear purpose: improving the communities' quality of life.

- In its most recent digital edition, Forbes magazine published an article titled "The Transformation Of Medellin, And The Surprising Company Behind It", highlighting the strategic role played by EPM in the transformation of Medellin into an innovative city, where the search for equity via major infrastructure works for the most vulnerable sectors has been a constant of the latest municipal administrations. Thanks to the partnership with EPM, Medellin has been able to foster social inclusion, creating opportunities for traditionally marginalized neighborhoods, obtaining international recognition and attracting investors.

Financial

- USD 305 million will be received this year from companies where we have participation, of these, USD 279 million comes from controlled companies, including USD 129 million of dividends and USD 150 million of reimbursement of paid-in capital. Among dividends of controlled companies the following stand out: DECA for USD 32 million, CHEC for USD 30 million, ESSA for USD 18 million and Aguas Nacionales for USD 10 million.

- Dividends of non-controlled companies totaled USD 27 million and correspond to ISA and Isagen.

- Financial surplus for USD 463 million (USD 252 million ordinary surplus and USD 210 million additional) was declared in favor of the Municipality of Medellin; of this amount, at March, USD 133 million has already been paid.

- Fitch Ratings ratified AAA local rating to the payment capacity of the energy subsidiaries in Colombia CHEC, EDEQ, CENS and ESSA. All ratings consider stable outlook.

EPM Group figures

(In millions of USD)

Income statement

Concept	as of March, 2013	as of March, 2014	Var.%
Revenues	**1.738**	**1.683**	**(3)**
Costs and administrative expenses	1.184	1.151	(3)
EBITDA	**554**	**532**	**(4)**
Provisions, deprec. & amortizations	181	157	(14)
Operating Income	**372**	**375**	**1**
Others non-operating, nets	(9)	(57)	502
Income tax provision	113	86	(24)
Net Income	**232**	**217**	**(6)**

Average exchange rates used were COP 2,004/USD (March 2014) and COP 1,791/USD (March 2013).

Revenues in the first quarter of 2014 totaled USD 1.7 billion, with 3% decrease with respect to former year explained by the FX impact. The peso exchange rate with respect to the dollar for the first quarter of 2013 and 2014 stood at COP 1,791/USD and COP 2,004/USD, respectively, resulting in 12% depreciation. Excluding the depreciation effect, revenue rose by 8% as a result of increased revenue in the business units of Energy (mainly in Panama) and Telecommunications.

EBITDA stood at USD 532 million, 4% down, as a result of the FX impact. Excluding the FX impact, EBITDA grew 7% mainly due to the revenue increase of the Telecommunications business unit and the lower costs of the Generation segment in EPM Parent Company.

Operating income, at USD 375 million, increased by 1%. Excluding depreciation, operating income increased 13%, mainly as a result of lower costs for the Generation segment in EPM Parent Company derived from fewer energy purchases, at lower prices, in the energy pool. Additionally, revenue for the Telecommunications business unit increased, while provisions for accounts receivable for the Group as a whole, decreased.

Net income totaled USD 217 million, equivalent to 6% decline. Excluding depreciation, net income increased by 6%; this figure is explained by non-operating activities. Interest expense increased due to both higher debt hired by EPM Parent Company and the inclusion of Grupo Ticsa into the Group's figures; also, because of higher provision for suits and claims due to new legal processes and change of amounts in some ongoing processes. Additionally, non-operating revenue declined because of recoveries during 2013 resulting from adjustments made to the accounting policy, specifically, to the methodology for valuation of provisions for accounts receivable, suits and claims.

Revenue

Revenue	as of March, 2014	Var. prev. year %	Share %
EPM Parent Company	638	(11)	38
Colombian Energy Subs	211	(11)	13
International Subsidiares	487	8	29
Colombian Water Subs	13	122	1
TELCO subsidiaries	333	3	20
Other	1	(19)	0
Total revenue	**1.683**	**(3)**	**100**

As of March 2014, revenue dropped by 3% compared with the same period of last year. Excluding the depreciation effect, revenue increased by 8%. The following facts stand out:

Revenue from foreign subsidiaries increased by 21% (8% in Dollars) and constitutes 29% of the Group's total revenue. This is explained by the behavior of ENSA in Panama where energy demand and energy prices were higher.

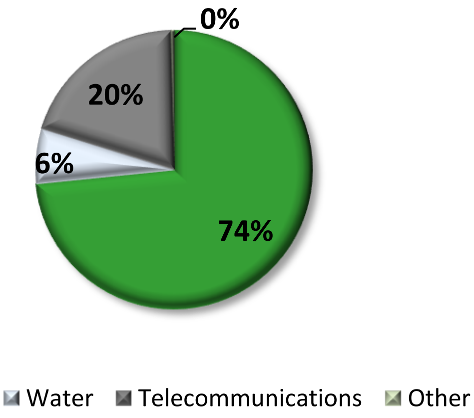
Revenue from telecommunications services, which accounted for 20% of the Group's revenue, increased by 15% (3% in Dollars) as a result of the increase in UNE of revenues from TV, Internet and the 4G LTE product. Additionally, Emtelco's revenue grew 70% due to addition of new customers.

Water subsidiaries in Colombia, which accounted for 1% of the Group's revenue, grew by 149% (122% in Dollars) as a result of the addition of EMVARIAS to the Economic Group.

EPM Parent Company, which represents for 38% of the Group's revenue, declined slightly by 1% (11% in Dollars) as a result, in the Generation segment, of fewer amounts sold under long-term contracts, a fact explained in turn by expectations of a pool price higher than the contracts price.

Of the Group's revenue in the first quarter of 2014, 71% corresponded to operations in Colombia and 29% to foreign subsidiaries.

Revenues breakdown by business unit:



As of March 2014, the Energy business unit accounted for 74% of the Group's consolidated revenue. The Telecommunications business unit participated with 20% and Water with 6%.

EBITDA

EBITDA	as of March, 2014	Var. prev. year %	Share %
EPM Parent Company	303	(7)	57
Colombian Energy Subs	77	0	15
International Subsidiares	53	(12)	10
Colombian Water Subs	3	N.A	1
TELCO subsidiaries	96	5	18
Other	0	(79)	0
Total EBITDA	**532**	**(4)**	**100**

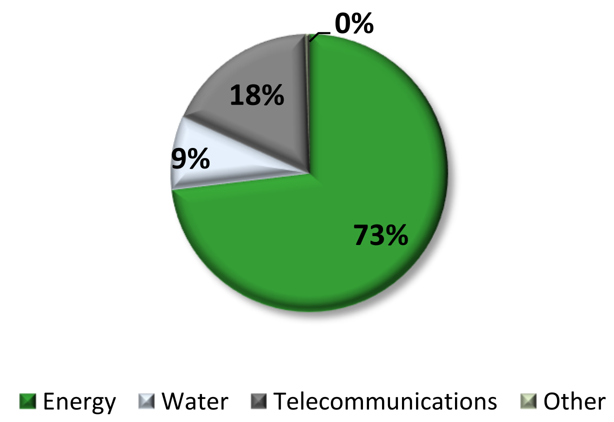
As of March 2014, EBITDA decreased by 4% compared to the same period of last year. Excluding the depreciation effect, EBITDA grew by 7% with the following facts deserving to be mentioned:

EPM Parent Company, which accounted for 57% of the Group's EBITDA, increased by 4% (7% decrease in Dollars), mainly due to lower costs, product in turn of lower purchases in the pool, both in units and price. Additionally, diesel fuel purchases for generation of the La Sierra plant decreased.

Telecommunications subsidiaries with 18% of the Group's EBITDA grew by 18% (5% in Dollars) as a result of increased TV, Internet and Data revenues.

Of the Group's EBITDA during first quarter of 2014, 90% corresponded to operations in Colombia and 10% to the subsidiaries abroad.

EBITDA breakdown by business unit:



The Energy business unit participated with 73% of the Group's consolidated EBITDA, the Water business unit with 9%, and the Telecommunications business unit with 18%.

Quarter's net income

Net Income	as of March, 2014	Var. prev. year %	Share %
EPM Parent Company	153	(8)	70
Colombian Energy Subs	36	(1)	17
International Subsidiares	18	(25)	8
Colombian Water Subs	5	50	2
TELCO subsidiaries	14	N.A	6
Other	(9)	N.A	(4)
Total Net Income	**217**	**(6)**	**100**

As of March 2014, net income fell by 6% with respect to same period of last year. Excluding the depreciation effect, net income increased by 6%. The following facts deserve to be mentioned:

EPM Parent Company, which accounted for 70% of net income, increased by 4% (8% decrease in Dollars) as a result of both the already mentioned EBITDA increase and a decrease in the income tax provision, in turn due to a higher deduction for investment in real productive fixed assets upon inclusion of the Ituango project into EPM parent company figures.

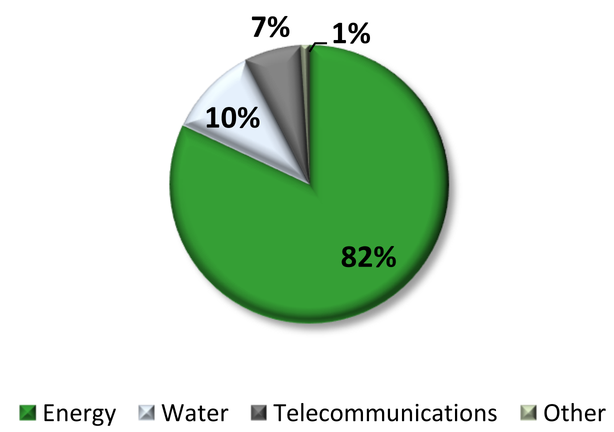
Telecommunications subsidiaries participated with 6% of the Group's net income; they had better operating income during the period because of increased TV, Internet and Data revenue.

Colombian subsidiaries, which participated with 17% of the Group's net income, increased by 11% (1% decrease in Dollars) mainly as a result of the decline in income tax, a consequence of higher fiscal depreciation.

Water subsidiaries in Colombia, which accounted for 2% of net income, increased by 68% (50% in Dollars), as a result of the addition of EMVARIAS to the Economic Group.

Of the Group's net income during the first quarter of 2014, 92% corresponded to operations in Colombia and 8% to the foreign subsidiaries.

Breakdown of fiscal year's net income by business unit:



The Energy business unit participated with 82% of the Group's consolidated income, the Water business unit with 10%, and the Telecommunications business unit with 7%.

Balance Sheet

Item	as of March, 2014	Var. prev. year %	Share %
Assets	**19.354**	(3)	**100**
Current Assets	2.895	(12)	15
Non-Current Assets	16.458	(1)	85
Liabilities	**7.927**	**(0)**	**41**
Current	2.425	12	13
Non-current	5.502	(5)	28
Minority Interest	444	(12)	2
Equity	**10.983**	**(4)**	**57**

The closing exchange rate used as of March 2014 was COP 1,965/USD.

The Group's total assets amounted to USD 19 billion, 3% down on December 2013. The Energy business unit participated with 63% of the Group's assets, the Water business unit with 16%, and the Telecommunications business unit with 12%. The remaining 9% corresponds to the Others segment which includes the Group's investments in non-controlled companies.

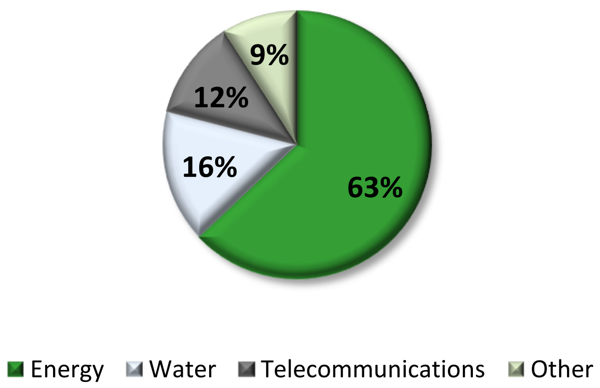
Assets in Pesos, excluding the FX impact, dropped by 1% due mainly to the decline in cash resulting from increased payments of financial liabilities and surpluses to the Municipality of Medellin.

The Group's consolidated liabilities totaled USD 8 billion and had no variation versus December of 2013. Liabilities in Pesos, excluding the FX impact, grew by 2% due mainly to the accrual of financial surpluses payable to the Municipality of Medellin.

Equity at USD 11 billion declined by 4% due to surpluses declared in favor of the Medellin Municipality.

The Group's Total Debt/Total Assets ratio is 41 %. Financial Debt/Total Assets stands at 23%

Assets breakdown by business unit:



Ratios

Ratio	EPM Group 2013	EPM Group 2014	Energy	Water	Teleco.
EBITDA Margin	32%	32%	31%	43%	28%
Net Profit Margin	13%	13%	16%	21%	4%
Total Debt to Total Assets	38%	41%	43%	27%	44%
Financial Debt to Total Assets	21%	23%	25%	9%	21%
EBITDA/Financial expense	7,47	6,79	9,19	8,75	9,19
Debt/EBITDA	1,96	2,08	1,90	1,47	1,30

Supplementary information
In millions of US Dollars

Income Statement

Concept	2011	Var.%	2012	Var.%	2013	Var.%	LTM	Var.%
Revenues	**6.278**	**47**	**6.952**	**11**	**6.948**	**(0)**	**6.893**	**(1)**
Costs and administrative expenses	4.302	54	4.833	12	4.919	2	4.886	(1)
EBITDA	**1.976**	**35**	**2.119**	**7**	**2.029**	**(4)**	**2.007**	**(1)**
Provisions, deprec. & amortizations	670	15	790	18	687	(13)	662	(4)
Operating Income	**1.306**	**49**	**1.329**	**2**	**1.342**	**1**	**1.345**	**0**
Others non-operating, nets	(116)	N.A	(40)	(66)	(98)	147	(145)	48
Income tax provision	321	98	350	9	320	(8)	293	(8)
Net Income	**822**	**15**	**885**	**8**	**869**	**(2)**	**855**	**(2)**

Average growth rate of revenues in the last 4 years is 3%.

Balance Sheet