

Gas Natural de Lima y Callao S.A.

Financial Statements

As of March 31, 2015 and December 31, 2014

GAS NATURAL DE LIMA Y CALLAO S.A.

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DECEMBER 31, 2014

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GAS NATURAL DE LIMA Y CALLAO S.A.

STATEMENT OF FINANCIAL POSITION MARCH 30, 2015 AND DECEMBER 31, 2014

	<u>31/03/2015</u>	<u>31/12/2014</u>		<u>31/03/2015</u>	<u>31/12/2014</u>
	<u>US\$000</u>	<u>US\$000</u>		<u>US\$000</u>	<u>US\$000</u>
ASSETS			EQUITY AND LIABILITIES		
CURRENT ASSETS:			CURRENT LIABILITIES		
Cash and cash equivalents	78,016	79,413	Other financial Liabilities	-	-
Trade receivables (net)	76,575	73,850	Accounts payable	50,577	49,823
Accounts receivable from related parties	80	92	Accounts payable from related parties	3,780	-
Inventories	20,156	21,145	Current income tax payable	22,697	23,571
Other receivables	17,094	15,276	Other accounts payable	9,794	13,128
Pre-paid expenses	-	2,152			
Other non financial Assets	502	783			
Total Current Assets	<u>192,423</u>	<u>192,711</u>	Total current liabilities	<u>86,848</u>	<u>86,522</u>
NON-CURRENT ASSETS			NON CURRENT LIABILITIES		
Trade receivables (net)	15,640	12,474	Other financial Liabilities	318,103	318,054
Property, plant and equipment (net)	9,143	9,444	Deferred tax liabilities	-	78
Intangible assets	483,204	472,714	Provisions	3,814	3,260
Deferred taxes assets	5	-	Deferred income	765	765
Other receivables	3,915	8,371	Other accounts payable	7,669	7,521
Total non-current assets	<u>511,907</u>	<u>503,003</u>	Total non-current liabilities	<u>330,351</u>	<u>329,678</u>
			Total liabilities	<u>417,199</u>	<u>416,200</u>
			EQUITY		
			Issued capital	235,583	235,583
			Legal reserve	8,633	8,633
			Retained earnings	42,915	35,298
			Total equity	<u>287,131</u>	<u>279,514</u>
TOTAL	<u>704,330</u>	<u>695,714</u>	TOTAL	<u>704,330</u>	<u>695,714</u>

GAS NATURAL DE LIMA Y CALLAO S.A.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEARS ENDED MARCH 31, 2015 AND 2014

	<u>31/03/2015</u>	<u>31/03/2014</u>
	<u>US\$000</u>	<u>US\$000</u>
OPERATIONAL INCOME		
Income from natural gas sales, transport distributions sales, transport distributions and associated services	111,979	99,013
Income from the main grid extension	15,640	42,095
Other operational income	1,681	1,205
Total operational income	129,300	142,313
COST OF SALES		
Cost of natural gas sales, transport distributions and associated services	(83,832)	(76,246)
Cost of sales from the main grid extension	(15,640)	(42,095)
Gross profit	29,828	23,972
Administrative expenses	(6,401)	(6,377)
Commercialization expenses	(2,353)	(1,995)
Other (expenses) income	(419)	324
Operative profit	20,655	15,924
Financial income	830	98
Financial expenses	(3,730)	(3,697)
Exchange difference, net	(2,227)	(812)
Pre-income tax result	15,528	11,513
Income tax expense	(7,911)	(3,065)
Net profit of the year	7,617	8,448
Other integral result of the year	-	-
Total integral result of the year	7,617	8,448
Net profit per share:		
Basic and diluted (in USD)	0.033	0.040

GAS NATURAL DE LIMA Y CALLAO S.A.

STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED MARCH 31, 2015 AND 2014

	<u>Issued Capital</u> US\$000	<u>Legal Reserve</u> US\$000	<u>Retained earnings</u> US\$000	<u>Total Equity</u> US\$000
BALANCE AS OF JANUARY 1, 2014	220,528	6,960	16,728	244,216
Net profit for the year	-	-	8,448	8,448
Other integral result	-	-	-	-
Provision for legal reserve	-	-	-	-
Issue of share capital	-	-	-	-
Retained earnings Capitalization	-	-	-	-
BALANCE AS OF MARCH 31, 2014	<u>220,528</u>	<u>6,960</u>	<u>25,176</u>	<u>252,664</u>
BALANCE AS OF JANUARY 1, 2015	235,583	8,633	35,298	279,514
Net profit for the year	-	-	7,617	7,617
Other integral result	-	-	-	-
Provision for legal reserve	-	-	-	-
Issue of share capital	-	-	-	-
Retained earnings Capitalization	-	-	-	-
BALANCE AS OF MARCH 31, 2015	<u>235,583</u>	<u>8,633</u>	<u>42,915</u>	<u>287,131</u>

GAS NATURAL DE LIMA Y CALLAO S.A.

STATEMENT OF CASH FLOW FOR THE YEARS ENDED MARCH 31, 2014 AND 2013

	31/03/2015	31/03/2014
	US\$000	US\$000
OPERATING ACTIVITIES:		
Collection corresponding to:		
Income for distribution services	104,240	103,289
Other cash income related to operating activities	10,614	257
Payments corresponding to:		
Suppliers of goods and services	(76,918)	(69,247)
Employee benefits	(7,661)	(7,835)
Income tax	(4,436)	(2,799)
Interests	(7,230)	(7,197)
Other cash payments related to operating activities	(3,702)	(5,670)
Net cash provided by operating activities	<u>14,906</u>	<u>10,798</u>
INVESTMENT ACTIVITIES:		
Collection corresponding to:		
Sale of Property, plant and equipment	69	49
Payments corresponding to:		
Investment in concession goods	(16,086)	(22,631)
Software purchase	-	-
Purchase of machinery and equipment and ongoing works	-	-
Net cash provided by operating activities	<u>(64)</u>	<u>(554)</u>
Net cash provided by operating activities	<u>(16,080)</u>	<u>(23,136)</u>
FINANCING ACTIVITIES:		
Collection corresponding to:		
Loans received		
Capital contribution	-	-
Financial contribution and overcharge	-	-
Payments corresponding to:		
Financial contribution and overcharge refund		
Payment of related entity loans	(224)	(10,001)
Payment to related entity loans	-	-
Payment of loan received	-	-
Net cash provided by operating activities	<u>(224)</u>	<u>(10,001)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		
	<u>(1,397)</u>	<u>(22,339)</u>
CASH AND CASH EQUIVALENTS AT THE START OF THE YEAR		
	<u>79,413</u>	<u>104,958</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	<u>78,016</u>	<u>82,619</u>