

**SPECIAL PURPOSE FINANCIAL STATEMENTS
WITH EXPLANATORY NOTES**

Colombia Telecomunicaciones S.A. ESP

**At March 31, 2014 and for the three-month period ended
March 31, 2014**

Colombia Telecomunicaciones S.A. ESP
Special Purpose Financial Statements with Explanatory Notes

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Colombia Telecomunicaciones S.A. ESP
Special Purpose Balance Sheets
Unaudited

Notes	At March 31, 2014		At December 31, 2013	
	(in thousands of U.S.\$ (a))	(in thousands of COP\$)	(in thousands of U.S.\$ (a))	(in thousands of COP \$)
Assets	<i>(3a)</i>			
Current assets:				
Cash and cash equivalents	\$ 17,591	\$ 34,644,627	\$ 70,404	\$ 135,656,616
Short - term investments	13,341	26,273,719	4,233	8,155,995
Accounts receivable, net	359,091	707,210,868	335,350	646,161,787
Inventories, net	50,145	98,758,113	41,290	79,559,332
Pre-paid expenses	7,847	15,453,423	5,809	11,192,177
Total current assets	448,014	882,340,750	457,085	880,725,907
Non-current assets:				
Long - term investments	30	60,000	31	60,000
Accounts receivable, net	523,345	1,030,701,674	525,475	1,012,501,525
Property, plant and equipment, net	1,571,137	3,094,275,539	1,610,866	3,103,865,254
Intangibles, net	443,829	874,099,957	342,225	659,408,745
Pre-paid expenses	1,626	3,202,752	1,704	3,284,212
Deferred charges, net	301,215	593,227,552	318,311	613,330,397
Other assets	22	43,737	145	279,511
Revaluation of assets	94,534	186,180,624	114,800	221,199,590
Total non-current assets	2,935,739	5,781,791,835	2,913,557	5,613,929,234
Total assets	\$ 3,383,753	\$ 6,664,132,585	\$ 3,370,643	\$ 6,494,655,141
Liabilities	<i>(3b)</i>			
Current liabilities:				
Financial obligations	\$ 266,993	\$ 525,828,736	\$ 193,727	\$ 373,278,104
Suppliers and accounts payable	541,953	1,067,349,143	521,984	1,005,774,756
Taxes, liens and charges	90,164	177,573,245	76,442	147,291,091
Labor liabilities	7,184	14,148,662	12,308	23,716,158
Estimated liabilities and provisions	203,443	400,670,251	197,483	380,516,878
Deferred liabilities	21,657	42,652,741	21,360	41,156,552
Other liabilities	21,259	41,869,063	16,830	32,428,788
Total current liabilities	1,152,653	2,270,091,841	1,040,134	2,004,162,327
Non-current liabilities:				
Financial obligations	840,308	1,654,945,391	865,452	1,667,579,283
Estimated liabilities and provisions	5,386	10,606,641	4,366	8,413,335
Deferred liabilities	75,802	149,289,189	79,484	153,152,189
Other liabilities	44,442	87,527,260	44,128	85,026,493
Bonds and securities	750,000	1,477,087,500	750,000	1,445,122,500
Total non-current liabilities	1,715,939	3,379,455,981	1,743,430	3,359,293,800
Total liabilities	\$ 2,868,592	\$ 5,649,547,822	\$ 2,783,565	\$ 5,363,456,127
Shareholders' Equity:	<i>(3b)</i>			
Subscribed and paid capital	738,719	1,454,870,740	755,059	1,454,870,740
Additional paid-in capital	1,720,921	3,389,266,946	1,758,986	3,389,266,946
Reserves	15,263	30,059,859	46,989	90,539,756
Equity revaluation	263,069	518,100,791	274,804	529,501,465
Accumulated losses	(2,281,703)	(4,493,699,586)	(2,227,579)	(4,292,166,752)
Net loss of the period	(35,642)	(70,194,611)	(135,981)	(262,012,731)
Valuation surplus	94,534	186,180,624	114,800	221,199,590
Total Shareholders' equity	515,161	1,014,584,763	587,078	1,131,199,014
Total liabilities and shareholders' equity	\$ 3,383,753	\$ 6,664,132,585	\$ 3,370,643	\$ 6,494,655,141

(a) Solely for the convenience of the reader, Colombian pesos amounts for the three month period ended March 31, 2014 have been translated into U.S. dollars at the exchange rate of COP\$1,969.45 to U.S.\$1.00 and for the ended December 31, 2013 have been translated into U.S. dollars at the exchange rate of COP\$1,926.83, to U.S.\$1.00

Colombia Telecomunicaciones S.A. ESP
Special Purpose Statements of Income
Unaudited

	Notes	Period from January 1 to March 31,			
		2014		2013 (a) (b)	
		(in thousands of U.S.\$)(a)	(in thousands of COP\$)	(in thousands of U.S.\$)(a)	(in thousands of COP\$)
Revenues	(2a)	\$ 571,466	\$ 1,125,473,250	\$ 519,756	\$ 1,023,634,245
Operating cost and expenses	(2b)	(378,099)	(744,647,622)	(347,636)	(684,651,769)
Gross profit before Parapat compensation		193,366	380,825,628	172,120	338,982,476
Parapat compensation		(37,124)	(73,113,027)	(18,846)	(37,115,942)
Gross profit after Parapat compensation	(2c)	156,243	307,712,601	153,275	301,866,534
Depreciation and amortization of:					
Deferred charges and intangibles		(76,800)	(151,254,386)	(70,597)	(139,037,672)
Property, plant and equipment		(78,258)	(154,125,747)	(74,166)	(146,065,829)
Depreciation and amortization		(155,059)	(305,380,133)	(144,763)	(285,103,501)
Operating income		1,184	2,332,468	8,512	16,763,033
Non-operating (expenses) revenues:					
Financial expenses, net		(36,763)	(72,402,845)	(44,340)	(87,325,625)
Other (income) expenses, net		575	1,131,984	(301)	(593,705)
Other expenses, net		(36,188)	(71,270,861)	(44,642)	(87,919,330)
Loss before income tax		(35,004)	(68,938,393)	(36,130)	(71,156,297)
Income tax expense		(638)	(1,256,218)	(702)	(1,381,967)
Net loss		\$ (35,642)	\$ (70,194,611)	\$ (36,832)	\$ (72,538,264)

(a) Solely for the convenience of the reader, Colombian pesos amounts for the three-month period ended March 31, 2014 and March 31, 2013 have been translated into U.S. dollars at the exchange rate as of March 31, 2014 of COP\$1,969.45, to U.S.\$1.00.

(b) Only for comparison and presentation purposes of this report have been reclassified in the items, revenue, costs and expenses account in March 2013 as follows:

- i. Access charges and mobile-mobile traffic charges for U.S.\$21,8 million (COP \$43,065 millions) as a result of the change in the rate liquidation scheme of the compensation rate, which for 2014 were accounted as income and costs and in 2013 there were recognized as net.
- ii. In 1Q of 2013 the Company accounted U.S.\$12 million (COP\$23,892 millions) per concept of internal access charges (auto-consumption) which were not related with the commercial operation and therefore revenue and costs were eliminated without any impact from the Statement of Income. These changes were recorded in the memorandum account during the 1Q of 2014.

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Statements of Cash Flows
Unaudited

	Period from January 1 to March 31			
	2014		2013 (a)	
	(in thousands of U.S.\$) (a)	(in thousands of COP\$)	(in thousands of U.S.\$) (a)	(in thousands of COP\$)
Cash flows from operating activities:				
Net loss of the period	\$ (35,642)	\$ (70,194,611)	\$ (36,832)	\$ (72,538,264)
Reconciliation between net loss and net cash provided (used) by operating activities:				
Depreciation of property, plant and equipment	78,258	154,125,747	74,166	146,066,069
Amortization of deferred charges	35,994	70,888,423	34,502	67,950,854
Provision for doubtful accounts	10,396	20,474,682	4,753	9,360,720
Amortization of intangibles	40,806	80,365,963	36,095	71,086,578
Amortization of assets in commodatum	120	235,774	727	1,432,653
Other Amortization	3,411	6,718,691	-	-
Loss from write-off of equipment	12	23,902	-	-
Loss from write-off of intangibles and deferred charges	4	7,698	1,514	2,982,624
Provision for the protection of inventories	1,034	2,036,373	(120)	(236,862)
Valuation of derivatives and exchange difference	8,111	15,973,835	(8,924)	(17,575,216)
Monetary correction	(403)	(794,272)	(403)	(794,272)
Net changes in operating assets and liabilities:				
Accounts receivable	(40,992)	(80,731,852)	(43,356)	(85,387,055)
Inventories	(10,782)	(21,235,154)	(6,361)	(12,527,719)
Prepaid expenses	(13,489)	(26,566,368)	(7,564)	(14,896,810)
Accounts payable	31,265	61,574,387	(247,583)	(487,602,721)
Taxes, levies and charges	15,376	30,282,154	3,399	6,693,601
Labor liabilities	(4,858)	(9,567,496)	(2,416)	(4,758,170)
Deferred liabilities	(312)	(614,566)	57,746	113,728,303
Estimated liabilities and provisions	14,965	29,472,349	(3,617)	(7,123,840)
Other liabilities	4,793	9,440,275	6,430	12,663,609
Net cash provided (used) by operating activities	138,067	271,915,934	(137,844)	(271,475,918)
Cash flows from investment activities:				
Increase of temporary investments	(9,199)	(18,117,724)	(8,239)	(16,225,505)
Acquisition of property, plant and equipment, net of transfers	(73,401)	(144,559,934)	(22,891)	(45,083,278)
Additions of deferred charges, net of transfers	(23,624)	(46,526,059)	(15,914)	(31,341,155)
Acquisition of intangibles	(150,303)	(296,015,148)	(202)	(398,068)
Net cash used in investing activities	(256,528)	(505,218,865)	(47,246)	(93,048,006)
Cash flows from financing activities:				
Increase of financial obligations	64,788	127,596,869	142,918	281,470,472
Increase of long - term estimated liabilities and provisions	1,114	2,193,306	-	-
Increase of other long-term liabilities	1,270	2,500,767	799	1,572,985
Net cash provided by financing activities	67,172	132,290,942	143,717	283,043,457
Net decrease in cash and cash equivalents	(51,289)	(101,011,989)	(41,372)	(81,480,467)
Cash and cash equivalents at beginning of the period	68,880	135,656,616	69,244	136,373,410
Cash and cash equivalents at the end of the period	\$ 17,591	\$ 34,644,627	\$ 27,872	\$ 54,892,943

(a) Solely for the convenience of the reader, Colombian pesos amounts for the three-month period ended March 31, 2014 and March 31, 2013, have been translated into U.S. dollars at the exchange rate as of March 31, 2014 of COP\$1,969.45. 5

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Explanatory Notes to the Special Purpose Financial Statements

Unaudited

NOTE 1 – PRESENTATION OF FINANCIAL AND OTHER INFORMATION

a. General

All references herein to “peso,” “pesos” or “COP\$” are to Colombian pesos, the official currency of Colombia. All references herein to “U.S. dollars,” “dollars” or “U.S.\$” are to U.S. dollars. The Company has books and records in Colombian pesos. Solely for the convenience of the reader, we have translated the amounts included in the “Financial Statements” and “Explanatory Notes to the Special Purpose Financial Statements” and elsewhere in this document from Colombian pesos into U.S. dollars based on the exchange rate as reported by the Central Bank as of March 31, 2014 of COP\$1,969.45 to U.S.\$1.00.

b. Economic Entity

Colombia Telecomunicaciones S.A. ESP, hereafter referred to as “the Company”, main corporate purpose is the organization, operation, supply and exploitation of telecommunication activities and services, such as local commuted basic public telephony, local extended and national and international long-distance, mobile services, carriers, teleservices, telematics, added value, satellite services in their various modes, television services in every mode including cable television, broadcasting services, wireless technology, video, lodging services for IT applications, data center services, operation services of private and public telecommunications and total information system operations and any other activity, product or services qualified as of telecommunications, and communication and information (TIC, its Spanish Acronym), including its complementary and supplementary activities in the national territory and abroad and with foreign connection, for such purpose using goods, assets and rights owned or applying the use of third parties goods, assets and rights.

c. Basis of Presentation

According to the offering memorandum related with the issue of the notes, the Company will provide the Trustee with certain financial information to delivery to Holders; in this case an English language version of the Company’s unaudited quarterly special purpose financial statements, prepared in accordance with GAAP. Colombian GAAP, as applied in the Company’s financial statements differs in certain significant respects from International Financial Reporting Standards as issued by the International Accounting Standards Board. (We do not include any additional information about it). To date, the Company maintains accounting principles applied to the financial statements as of December 31, 2013. Solely for informational purposes the balance sheet is presented comparatively with the balance sheet at December 31, 2013; the statement of income and statements of cash flow as of March 31, 2014 and for the three (3) months period then ended is presented comparative with the same period as of March 31, 2013.

d. Overview of the First Quarter

During the first quarter of 2014 the Company has been executing the transformation and operative model strategy that seeks to maximize added value to capture growth opportunities offered by the digital revolution. As of March 2014 revenue was U.S.\$571 million (COP\$1,125,473 millions) with a 10% inter-annual growth, and EBITDA reached U.S.\$157 million (COP\$308,844 millions), up 2.5% compared with the same period of prior year. Adjusted EBITDA grew 12.9% compared with the same period for 2013.

These results confirm a solid performance on both commercial and financial terms, due to the innovation of services and the continued improvement of the network’s quality. Therefore, it is important to detail the enforcement given to 4G LTE¹ services by broadening their capacity and coverage reaching 8 cities in the country at the end of the quarter. On the other hand, it is important to mention the renewal on March 27 of the radioelectric spectrum license for the 1900MHz and 800MHz bands for 10 more years with a value of U.S.\$145.5 million (COP\$286,610 millions).

Regarding Capex, the first quarter investments reached U.S.\$247 million (COP\$487,382 millions) and were mainly allocated to improve the quality of the broadband service and to broaden and increase the capacity of the 3G and 4G network of the mobile

¹ LTE (Long Term Evolution) Technology

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business.

NOTE 2 – STATEMENT OF INCOME

a. Revenues

The following table sets forth the principal component of revenues for the three (3) months period ended March 31:

Description	Period from January 1 to March 31, 2014		Period from January 1 to March 31, 2013		%Var.
	(in millions of U.S.\$)(1)	(in millions of COP\$)	(in millions of U.S.\$)(1)	(in millions of COP\$)	
Mobile Operation					
Basic charge and time on air	227	447,162	207	406,550	10,0%
Services and data transmission (connectivity)	68	133,415	52	103,200	29,3%
Sale of terminals	36	71,211	31	61,832	15,2%
Other income from mobile operations (a)	26	50,702	22	43,304	17,1%
	357	702,490	312	614,886	14,2%
Fixed Operation					
Local telephone services	55	108,771	57	111,680	(2,6)%
National and international long distance	29	57,292	29	56,877	0,7%
Broadband	56	110,942	50	98,457	12,7%
Data transmission service	28	56,068	29	56,842	(1,4)%
Subscription television service	19	36,877	14	26,775	37,7%
Other income from the operation (b)	27	53,034	30	58,117	(8,7)%
	215	422,983	208	408,748	3,5%
Total Net Revenue	571	1,125,473	520	1,023,634	9,9%

(a) Includes mainly complementary and supplementary services, text messaging and content among others,

(b) Includes mainly equipment sales and rentals, IT security services, housing, hosting and hubbing and income from Government subventions among others,

(1) Solely for the convenience of the reader, Colombian pesos amounts for the three-month period ended March 31, 2014 and March 31, 2013 have been translated into U.S. dollars at the exchange rate as of March 31, 2014 of COP\$1,969.45, to U.S. \$1.00.

Regarding the Company's revenue it is important to mention that the Mobile Operation generated U.S.\$357 million (COP \$702,490 millions) up 14,2% versus year ago quarter. Below is a detail of the main variances:

- Growth in basic charge and time on air revenue is mainly due to: the subscribers' interannual growth of 8%, the strong traffic evolution of the virtual network operator (MVNOs), and the increase in voice prepaid ARPU of 4,6% as a result of the incentive of micro-recharges. Additionally, it is important to highlight the decrease of churn rate because of subscribers' retention campaigns.
- Data transmission revenue grew as a result of greater commercial activity and to the increasing Smartphone's market penetration, which allows users to have a greater interaction and a variety of connectivity apps generating more traffic in the network.
- Revenue from sale of terminals increased 15,2% due to changes in technology such as 4G LTE, and subscribers' higher demand of data and web browsing which requires other type of terminals such as smartphones.
- The growth of other income is due to the increase of added value services primarily on data and short messages service (SMS).

Fixed Operations revenue totaled U.S.\$215 million (COP \$422,983 millions) down 2,2% versus the first quarter of 2013. Main variances are:

- Local telephony service subscribers' base showed an interannual growth of 2%, nevertheless ARPU had an interannual decrease of 2,5% generated by the launching of package services offers, such as Duo and Trio, diminishing local telephony revenue share.
- Broadband services showed a strong growth of commercial activity reflected in an increase of subscribers' base, up 18%, within a highly competitive business environment.
- Subscription-based television services had an interannual growth of 37,7% and continued to have a positive trend driven by

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commercial activity. It is important to highlight the subscribers' base growth as a result of the higher penetration of the "stand-alone" TV service and promotional packages that include HD channels.

b. Operating Cost and Expenses

The following table sets forth the principal component of operating cost and expenses for the three (3) months period ended March 31:

Description	Period from January 1 to March 31, 2014		Period from January 1 to March 31, 2013		%Var.
	(in millions of U.S.\$)(1)	(in millions of COP\$)	(in millions of U.S.\$)(1)	(in millions of COP\$)	
Access and interconnection charges	73	144,670	75	145,843	(0,8)%
Terminal equipment cost and accessories	61	119,405	49	94,622	26,2%
Other operations costs and expenses (a)	41	80,559	34	67,673	19,0%
Service (customer service)	39	77,431	40	77,951	(0,7)%
Personnel costs	39	76,795	38	75,514	1,7%
Maintenance, repair and rental	31	60,775	28	55,724	9,1%
Commissions	25	49,897	22	42,990	16,1%
Advertising, publicity and brand fee	17	32,681	15	30,248	8,0%
Compensation rate	16	31,627	18	35,912	(11,9)%
Public services	15	28,839	14	27,041	6,6%
Provisions	11	21,773	6	12,660	72,0%
Tax, levies and charges	9	18,030	8	15,414	17,0%
Fees	1	2,153	1	2,817	(23,6)%
Legal expenses	-	13	-	243	(94,7)%
Total Operating Cost and Expenses	378	744,648	348	684,652	8,8%

(a) Include: rental for others infrastructure, cost of energy services, other maintenance and repair, among others,

(1) Solely for the convenience of the reader, Colombian pesos amounts for the three-month period ended March 31, 2014 and March 31, 2013 have been translated into U.S. dollars at the exchange rate as of March 31, 2014 of COP\$1,969,45, to U.S.\$1.00.

b. Operating Cost and Expenses

The costs and expenses showed an interannual increase of 8,8%. A summary of the main impacts is presented below:

- Cost of terminals and accessories had an interannual increase of 26,2%, which is consistent with the increase of commercial activity and new technology needs that require the use of Smartphones.
- Other operating costs grew 19% versus the year-ago quarter explained by the increase of costs of TV service due to a higher demand of HD and Premium Channels.
- The costs associated to maintenance, repairs and rental increased 9,1%, U.S.\$2,5 million (COP\$5,051 millions), as a result of the maintenance of IT applications and rental of new infrastructure required for network expansion.
- Commissions grew 16% versus first quarter 2013, U.S.\$3,5 million (COP \$6,907 millions), is explained by the growth of commercial activity.
- There was an increase in advertising costs of 8% equivalent to U.S.\$1,2 million (COP\$2,433 millions) as a result of the marketing and advertising plan issued by the Company to acquire and retain customers.
- Regarding tax expenses, there was an increase of 17% of the municipal tax associated with the growth of the Company's income.
- Increase of provisions is mainly due to the accounting of: i) provision for obsolescence of terminals equipment and ii) extraordinary provision of accounts receivable with international operators of Venezuela that exceed the maturity as a result of

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exchange restrictions and to the seniority of other commercial accounts receivable.

c. Operating and net results

Gross Profit before the Parapat compensation was U.S.\$193 million (COP\$380,825 million) at the end of March 2014 with an interannual increase of 12%, as a result of the excellent performance in revenue and commercial activity.

For its part, operating result after the Parapat compensation, depreciations and amortizations at the end of March 2014 totaled U.S.\$1.1 million (COP\$2,332 million) versus U.S.\$8.5 million (COP\$16.763 million) in first quarter of 2013. This decrease was mainly due to the increase in the Parapat compensation quote, up 97%, and the increase of 7% of the depreciations and amortizations as a result of the LTE license acquired last year and new property, plant and equipment.

Net financial expenses drops 17%, year over year as a result of less financial expenses associated to derivative instruments and minor interest expenses of Parapat obligations that were accrued as of March 2013.

Income tax totaled U.S.\$ 0,6 million (COP\$1,256 million) at the end of March 2014 compared to U.S.\$ 0,7 million (COP\$1.382 million) at the end of March 2013.

Based on the above the net loss fell from U.S.\$36,8 million (COP\$72,538 millions) in March 2013 to U.S.\$35,6 million (COP\$70,195 millions) in the same period this year.

NOTE 3 – BALANCE SHEETS

a. Assets

The Company's total assets at March 2014 are U.S.\$3.384 million (COP\$6,664,133 millions) with a growth of 2.6% compared to December 2013. Below is a detail of the main variances:

- a) Cash and cash equivalent resources were used to comply with the short-term commitments acquired by the Company.
- b) Increase of accounts receivable and inventories was mainly due to greater commercial activity in the last months for both the Mobile and Fixed Operation.
- c) Prepaid expenses had a net increase in the first quarter of 2014 of U.S.\$2 million (COP\$4.261 millions), mainly due to the annual payment for the use of the radio electric spectrum (microwave frequencies) utilized in both the fixed and mobile operations.
- d) Intangible assets Increase of 33% compared to the end of 2013, mainly due to the renewal of the licenses in 1900MHz and 800MHz bands, which totaled U.S.\$145.5 million (COP\$286,609 millions), allowing the Company to continue providing services, improving quality service and enhancing the capacity of 3G and 4G networks. For its part, amortizations of U.S.\$39.1 million (COP\$77,039 millions) were recorded, and attributable to concessions, goodwill and software licenses.
- e) Decrease of assets reappraisals for U.S.\$17.7 million (COP\$35,019 millions) was due to the depreciation of the appraisals of the first quarter of 2014.

b. Liabilities and Shareholders' Equity

The Company's total liabilities as of March 2014 amounted to U.S.\$2,868 million (COP \$5,649,547 millions), up 5% versus December 2013. Below is a detail of the main variances:

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- a) Short and long-term financial obligations, including bonds, increased 4.8% compared with December 2013.
- b) Labor liabilities dropped U.S.\$4,9 million (COP\$9,567 million), mainly due to provisions recorded in 2013 and cancelled during the 1Q of 2014.

Equity at the end of March 2014 reached U.S.\$515 million (COP\$1,014,585 millions), down U.S.\$59 million (COP\$116,614, millions) versus December 2013 mainly due to the depreciation of appraisal of assets for U.S.\$18 million (COP \$35,019 millions) in accordance with regulations in force, and the results of the first quarter of 2014 for U.S.\$36 million (COP\$70,195 millions).

NOTE 4 – OTHER FINANCIAL AND OPERATING INFORMATION

a. Cash Flow Data

	Period from January 1 to March 31, 2014		Period from January 1 to March 31 2013	
	(in millions of U.S.\$)(1)	(in millions of COP\$)	(in millions of U.S.\$)(1)	(in millions of COP\$)
Net cash provided (used) by operating activities	138	271,916	(138)	(271,476)
Net cash used in investing activities	(257)	(505,219)	(47)	(93,048)
Net cash provided by financing activities	67	132,291	144	283,043

(For more detail, see Statement of Cash Flow, page 4.)

b. Capital Expenditures

	Period from January 1 to March 31, 2014		Period from January 1 to March 31, 2013	
	(in millions of U.S.\$)(1)	(in millions of COP\$)	(in millions of U.S.\$)(1)	(in millions of COP\$)
Capital expenditures	257	505,219	47	93,048

c. EBITDA (a)

	Period from January 1 to March 31, 2014		Period from January 1 to March 31, 2013		%Var.
	(in millions of U.S.\$)(1)	(in millions of COP\$)	(in millions of U.S.\$)(1)	(in millions of COP\$)	
Net loss	(36)	(70.195)	(37)	(72.538)	(3,2)%
Plus:					
Depreciation and amortization (b)	155	305.380	145	285.104	7,1%
Financial expenses, net (c)	37	72.403	44	87.326	(17,1)%
Income tax	1	1.256	1	1.382	(9,1)%
EBITDA	157	308.844	153	301.274	2,5%
Plus:					
Accrued PARAPAT payment obligation	37	73.113	19	37.116	97,0%
Adjusted EBITDA:	194	381.957	172	338.390	12,9%

- (a) EBITDA means: net loss before depreciation and amortization; financial expenses, net and income tax.
- (b) Includes, amortization of deferred charges and prepaid expenses of U.S.\$35,9 million (COP\$70,888 million), intangible U.S.\$40,8 million (COP\$80,365 million), and depreciation U.S.\$78,2 million (COP\$154,125 million) for the three-month periods ended March 31, 2014, respect to U.S.\$144 million (COP\$285,103 million) in 2013.
- (c) Includes net income (expense) from foreign exchange rate variances and interest rate expenses for the three-month periods ended March 31, 2014 and March 31, 2013.
- (1) Solely for the convenience of the reader, Colombian pesos amounts for the three-month period ended March 31, 2014 and March 31, 2013 have been translated into U.S. dollars at the exchange rate as of March 31, 2014 of COP\$1,969,45, to U.S.\$1.00.

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d. EBITDA Margin	Period from January 1 to March 31, 2014	Period from January 1 to March 31, 2013
EBITDA margin (a)	27,44%	29,99%
EBITDA Adjusted margin (b)	33,94%	33,69%

- (a) Represents EBITDA divided by net revenues
(b) Represents EBITDA adjusted divided by net revenues

e. Net Debt to EBITDA Ratio	Period from March 31, 2013 to March 31, 2014	Period from March 31, 2012 To March 31, 2013
Net Debt to EBITDA Ratio (a)	2,72	2,64
Net Debt to EBITDA Adjusted Ratio	2,38	2,39

- (a) Net debt means: short and long-term financial obligations less cash and cash equivalents and short-term investment as of the end of the relevant period. The net debt to EBITDA ratio is calculated as net debt as of the end of the relevant period divided by EBITDA for the 12-month period ended.

Note: EBITDA and Adjusted EBITDA are not Colombian GAAP or IFRS measures, do not represent cash flow for the periods indicated and should not be considered an alternative to net income (loss), as an indicator of Company's operating performance or as an alternative to cash flows as a source of liquidity, Company's definition of EBITDA and Adjusted EBITDA may not be comparable with EBITDA or Adjusted EBITDA as defined by other companies, Although Company's EBITDA and Adjusted EBITDA do not provide a Colombian GAAP or IFRS measure of operating cash flows, our management uses it as a measure of the operating performance of Company's operations.