

TGP ACQUISITION UPDATE

January 2014



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1. TRANSACTION DESCRIPTION



Background and current situation

- TGI's vision is to become “the number one independent natural gas transportation company in Latin America by 2024”
- Consistent with this objective, TGI has been looking for growth opportunities outside Colombia, with Perú being a natural market to expand
- Over the past 12 months, several of the shareholders in Transportadora de Gas del Perú (“TGP”) have expressed their willingness to sell their stakes in the company
- TGI has been interested in this process with the objective of not only becoming a shareholder but also of participating in the O&M activities of TGP
- TGI has been in private bilateral discussions with the Techint group (“Techint”) since May 2013 with a view to potentially purchasing their stake in TGP
- On December 16 2013, sent Techint a binding offer for their 23.6% stake in TGP and their 100% stake in COGA (the company that operates TGP)
- Both parties have been in negotiations over the past few weeks, and the signing of an SPA was announced on January 16, 2014

Investment Merits and Strategic Fit

Attractive location

- Perú is a growing, market oriented economy with low inflation rates
- Natural gas transportation infrastructure is of strategic importance given the role of natural gas in its energy matrix
- Ample proved reserves of natural gas and NGL
- Attractive market dynamics, supported by an adequate and stable regulatory environment

A great company

- Responsible for the transportation of natural gas and NGLs from Camisea to the Peruvian coast
- Strategic importance – TGP is the backbone of Perú's economy
- Stable, predictable cash flows based on long term contracts with a diversified client base
- Strong growth prospects
- Strong operational track record
- Long term concessions and legal stability agreements

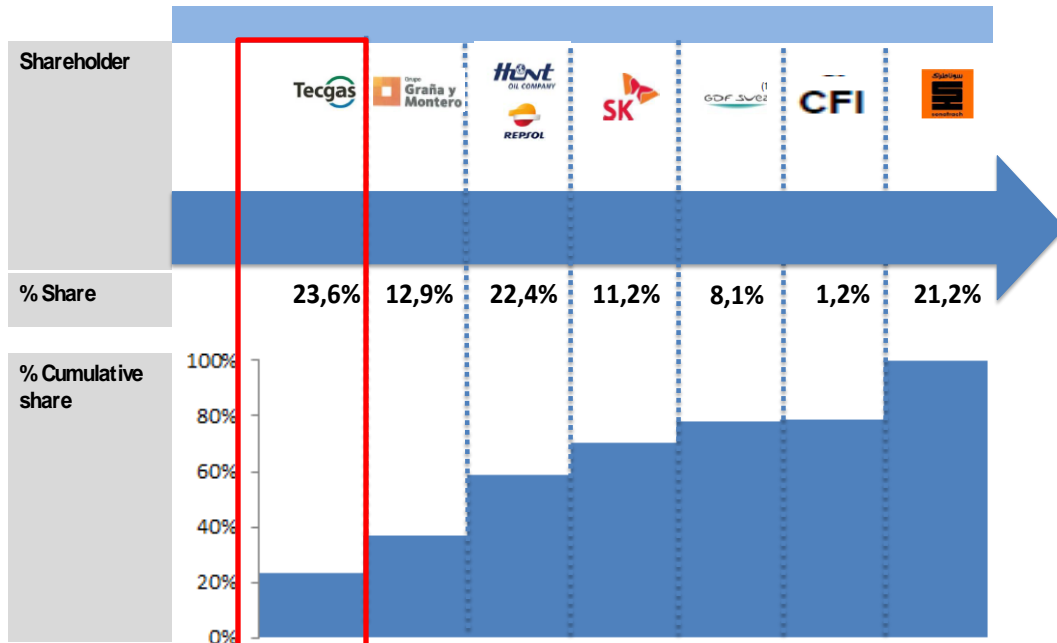
Strategic Fit

- Consolidates TGI as leader in gas transportation in the Andean Region
- Provides increased access to the growing Peruvian market
- Opportunity to make operations more efficient and have bilateral knowledge transfer
- Complements the investments of the EEB Group in Contugas and Calidda

TGP OVERVIEW



Pipeline length (Km)	1.398
Compressor stations	1 (72.000 hp)
Capacity	
Liquids	11.000 bbs/day
Natural Gas	1.230 MCFD
Payroll	
TGP	17
COGA	244
Techint	200
TOTAL:	461



	2013 (E)
REVENUES (MM)	507
EBITDA (MM)	348
EBITDA MARGIN (%)	69%
NET DEBT / EBITDA	1,95

Concession with Peruvian Government until 2033, extendable for additional 30 years.

COGA Overview

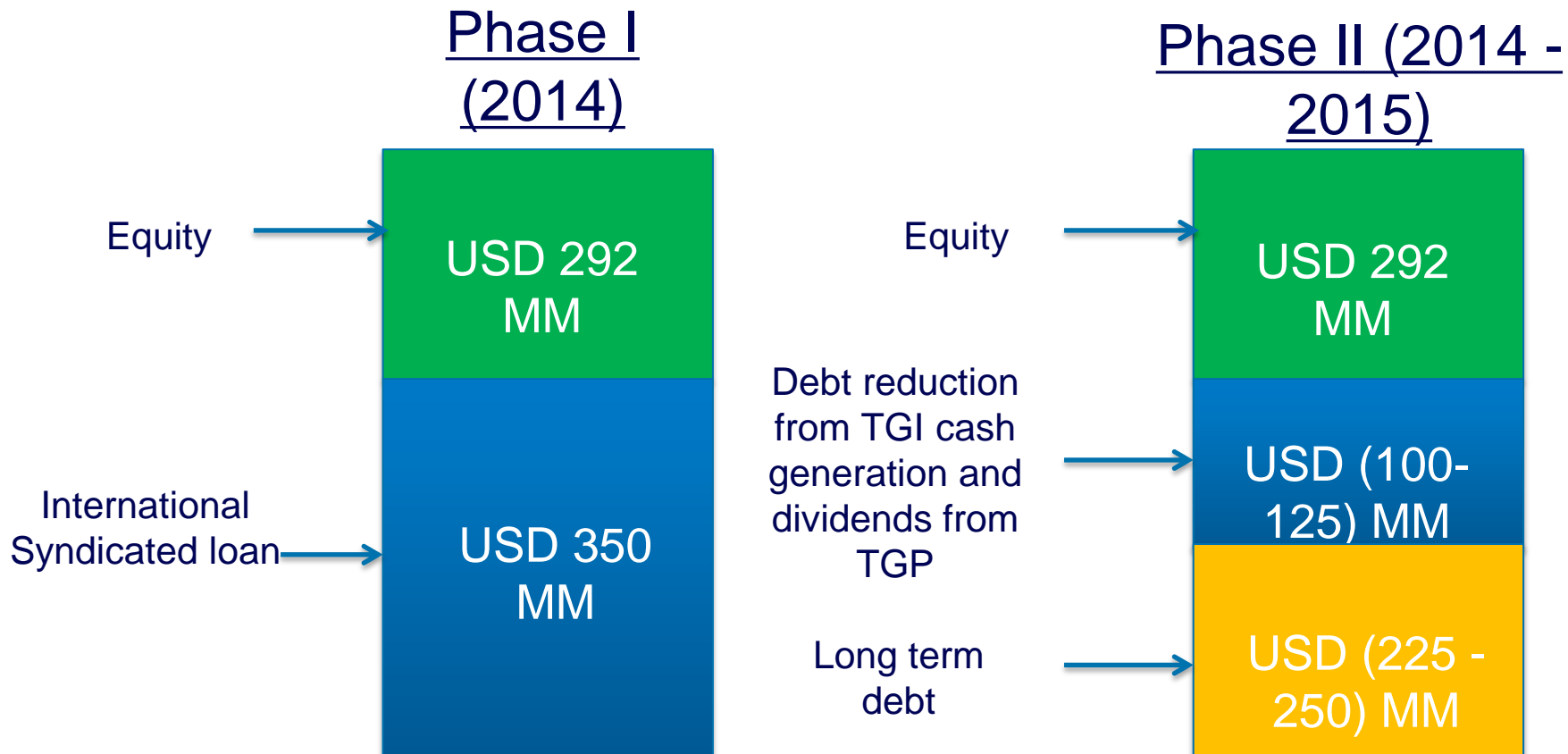
- Responsible for O&M of TGP's natural Gas and NGL pipelines since the beginning of concession (10 years of experience).
- 244 employees.
- Operates from 5 locations owned by TGP: Lurín, Kiteni, Ayacucho, San Clemente and Chiquintirca compressor station.
- O&M contract linked to the life of the concession (2033)
- Cost of O&M are assumed by TGP, COGA has net income of approximately USD 2,5 million.
- TECHINT and COGA have subscribed an agreement for assistance and maintenance for: Geotechnical works, repairs, emergency attention, Maintenance of right of way, personnel. (59% of total costs).

	(2012)
REVENUES (MM)	118
EBITDA (MM)	7
EBITDA MARGIN (%)	6,3%
NET INCOME (MM)	3,41(*)
TOTAL ASSETS (MM)	25
TOTAL LIABILITIES (MM)	20
EQUITY (MM)	5

TGI will acquire 100% of the shares of COGA

* Net income from 2014 will be approximately USD 2,5 million

Financing Plan



Timetable – next steps

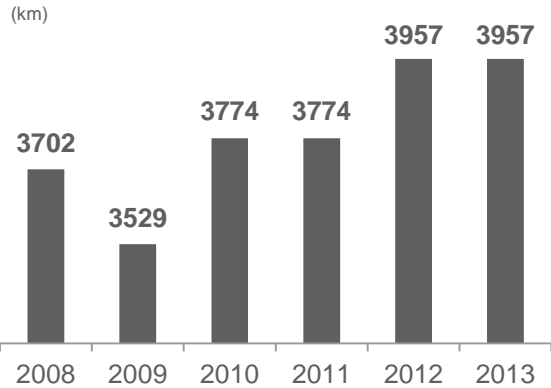
- January 16 SPA signing
- January 17 Start of ROFO process
- February 16 End of ROFO process
- Early March Closing

2. TGI UPDATE

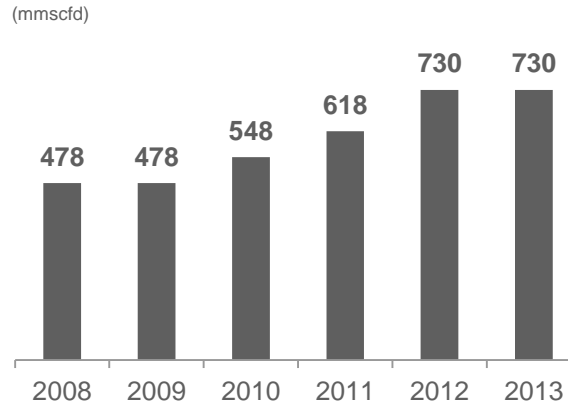


TGI Operational performance 2013

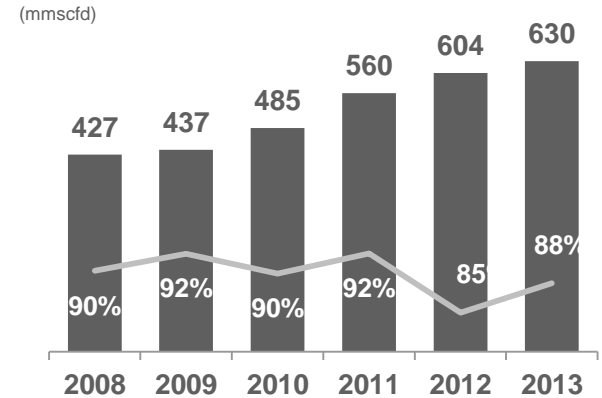
Network length



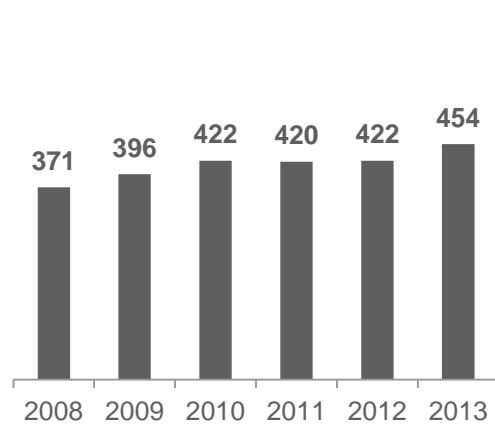
Capacity



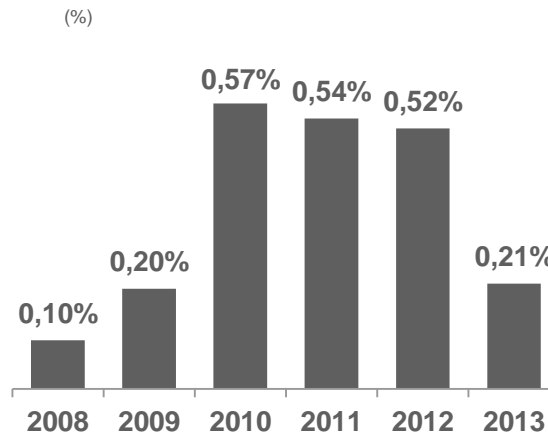
Firm Contracted Capacity



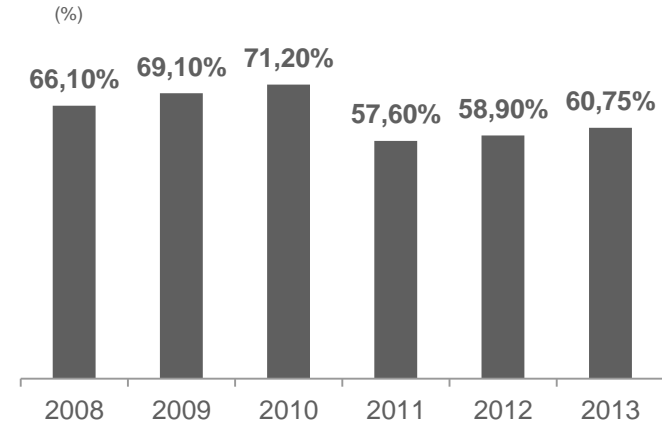
Transported Volume



Gas Losses



Load factor



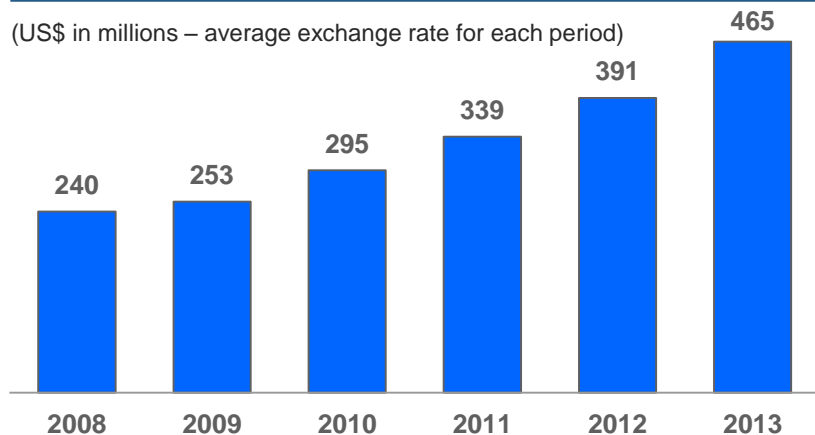
Source: Company information.

TGI Financial performance 2013

2013 Preliminary figures subject to changes and board of directors approval

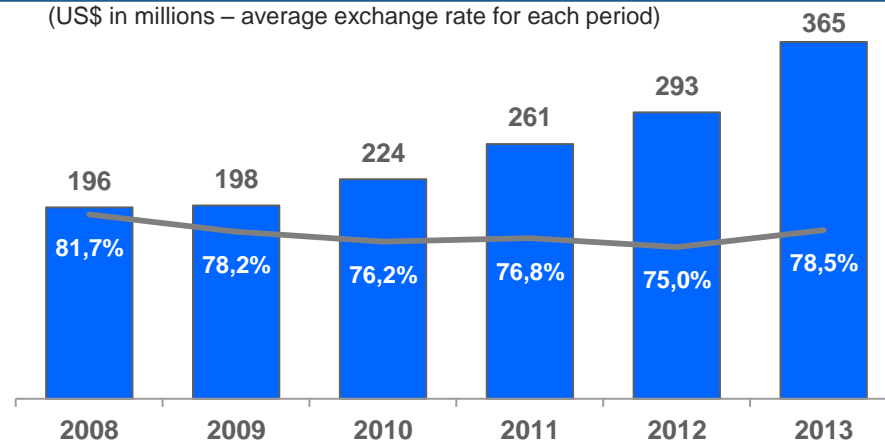
Revenues

(US\$ in millions – average exchange rate for each period)



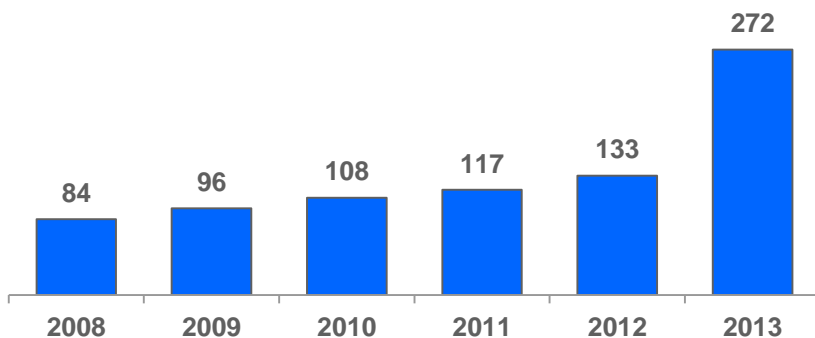
EBITDA and EBITDA margin

(US\$ in millions – average exchange rate for each period)



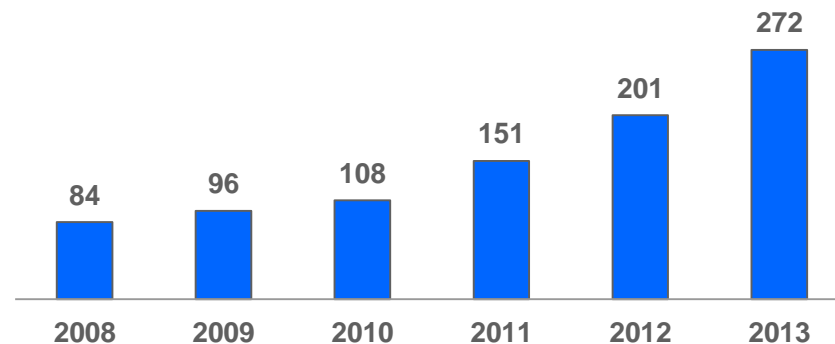
Funds from operations ⁽¹⁾

(US\$ in millions – average exchange rate for each period)



Recurring Funds from operations

(US\$ in millions – average exchange rate for each period)



Source: Company information

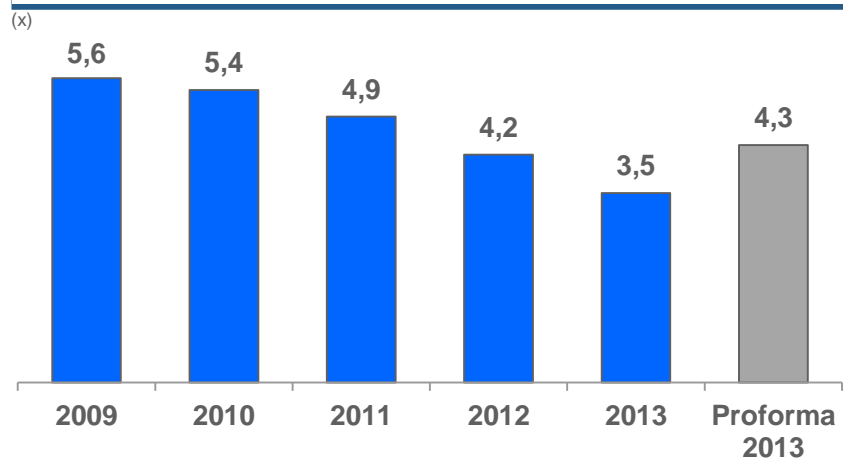
(1) FFO calculated as net income plus depreciation, amortization and provisions, adjusted for effect from exchange rate and hedges.

(2) 2012 FFO includes the LM transaction premium~ USD 69 million (one time event)

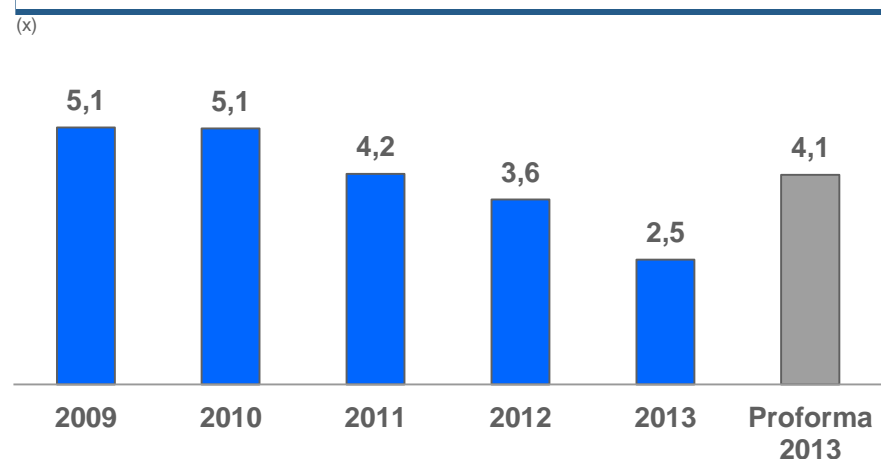
Financial performance 2013

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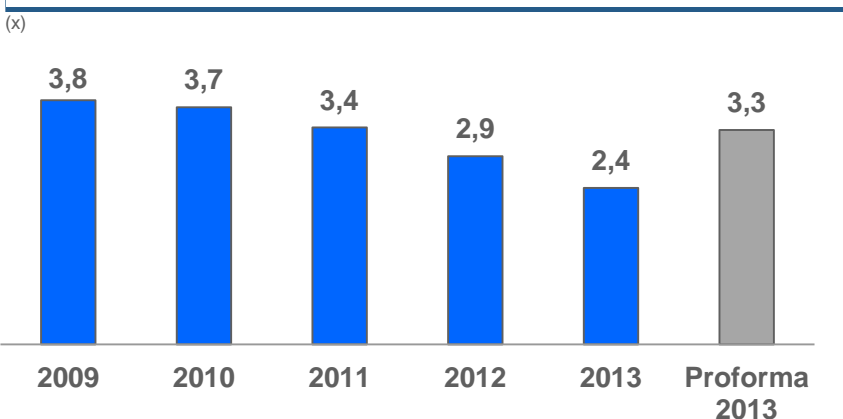
Debt / EBITDA



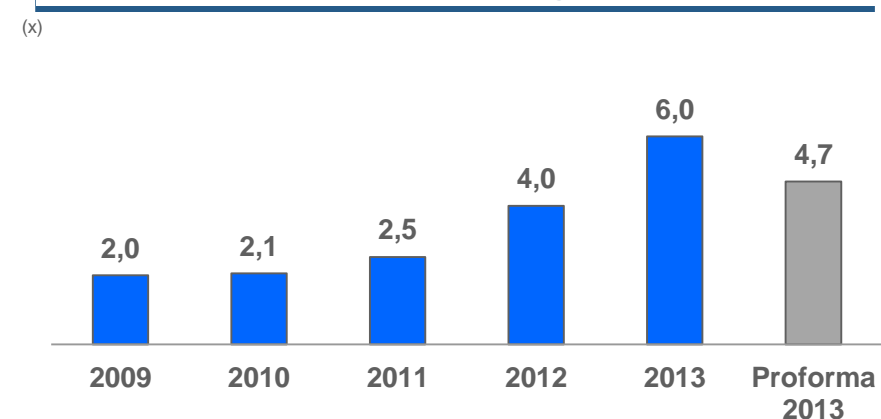
Net debt / EBITDA



Senior Debt / EBITDA



Interest coverage (1)



Source: Company information.

Note: Total debt includes senior debt, subordinated debt and mark-to-market.

(1) Interest coverage ratio calculated as EBITDA / net interest

(2) FFO calculated as net income plus depreciation, amortization and provisions, adjusted for effect from exchange rate and hedges.




(3) Interest: net interest

3. RATINGS IMPACT



RATINGS IMPACT

- Prior to announcing the transaction, TGI talked with all 3 rating agencies
- Actions taken by the rating agencies are as follows:

RATING AGENCY	FEEDBACK
	Affirmed BBB- Rating, outlook stable
	Affirmed Baa3 Rating, outlook stable
	No action taken as of COB on 21/01/2014