



TRANSPORTADORA DE GAS INTERNACIONAL S.A. E.S.P. - TGI S.A. E.S.P. AND SUBSIDIARY



CONSOLIDATED BALANCE SHEETS AS OF MARCH 31, 2011 AND MARCH 31, 2012
(Expressed in millions of Colombian pesos (Col\$) and thousands of U.S. dollars (\$USD))

ASSETS	As of march 31, 2011		As of march 31, 2012	
	Col\$		Col\$	\$USD
CURRENT ASSETS:				
Cash and cash equivalents	746.545		330.335	184.331
Restricted cash	7.673		7.241	4.041
Accounts receivable	169.730		127.781	71.304
Inventories	25.648		27.181	15.167
Prepaid expenses	39.696		7.706	4.300
Total current assets	989.292		500.244	279.143
Long-term accounts receivable	3.414		5.473	3.054
Permanent Investments	39.634		37.313	20.821
Property, plant and equipment, net	2.212.833		2.825.541	1.576.691
Other assets, net	1.278.386		1.323.652	738.616
Asset valuations	322.749		354.682	197.917
Total not current assets	3.857.016		4.546.661	2.537.100
Total assets	Col\$ 4.846.308		Col\$ 5.046.905	\$USD 2.816.243
Memorandum Accounts	1.835.750		166.022	\$USD 92.643
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Financial obligations	-		138.792	77.448
Accounts payable	72.853		77.997	43.523
Labor obligations	635		640	357
Collections on behalf of third parties	9.941		12.882	7.188
Deferred income	220		435	243
Provisions	12.840		14.031	7.829
Total current liabilities	96.489		244.777	136.589
LONG-TERM LIABILITIES:				
Financial obligations	2.105.006		2.007.118	1.120.000
Hedging	133.265		178.119	99.393
Accounts payable	48.293		33.427	18.653
Provisions	6.302		6.074	3.389
Other liabilities	79.053		104.364	58.237
Total long-term liabilities	2.371.919		2.329.102	1.299.671
Total liabilities	2.468.408		2.573.879	1.436.260
SHAREHOLDERS' EQUITY:				
Capital stock	1.139.054		1.139.054	635.608
Additional paid-in capital	426.433		426.433	237.956
Reserves	429.951		455.565	254.212
Heritage valuation investment	-		-	-
Heritage revaluation	(720)		(2.560)	(1.429)
Asset valuations	322.749		354.682	197.917
Previous years' losses	-		-	-
Accumulated results	60.433		99.852	55.719
Total shareholders' equity	2.377.900		2.473.026	1.379.983
Total liabilities and shareholders' equity	Col\$ 4.846.308		Col\$ 5.046.905	\$USD 2.816.243
Memorandum Accounts	Col\$ 1.835.750		Col\$ 166.022	\$USD 92.643


RICARDO ROA BARRAGAN
Legal Representative


MARTIN ALONSO MALDONADO RAMIREZ
Accountant - PC 46851-T




CONSOLIDATED INCOME STATEMENTS

FOR THE PERIOD FROM JANUARY 01, 2011 TO MARCH 31, 2011 AND FROM JANUARY 01, 2012 TO MARCH 31, 2012

(Expressed in millions of Colombian pesos (Col\$) and thousands of U.S. dollars (\$USD))

	As of march 31, 2011		As of march 31, 2012			
			IMPLEMENTED			
OPERATING REVENUES:						
Sales:						
Capacity charges	Col\$	119.486	Col\$	134.663	\$USD	75.144
Variable charges		20.678		20.104		11.218
Non-recurring charges		10.573		5.454		3.043
Other revenues		5.602		3.654		2.039
		<u>156.339</u>		<u>163.875</u>		<u>91.445</u>
OPERATING COSTS:						
Operation and maintenance		18.064		21.186		11.822
Depreciation, amortization and provisions		29.207		30.886		17.235
Other operating costs		2.677		2.633		1.469
		<u>49.948</u>		<u>54.705</u>		<u>30.526</u>
Gross Margin		106.391		109.170		60.918
OPERATING AND ADMINISTRATIVE EXPENSES:						
Personnel and general services		7.881		7.857		4.384
Depreciation, amortization and provisions		3.070		3.439		1.919
Equity tax		4.224		4.178		2.332
		<u>15.175</u>		<u>15.474</u>		<u>8.635</u>
Operating income		91.216		93.696		52.283
NON-OPERATING INCOME						
Foreign exchange gain		22.334		172.359		96.179
Valuation coverage operating		-		-		-
Other non-operating income		5.401		10.474		5.845
		<u>27.735</u>		<u>182.833</u>		<u>102.023</u>
NON-OPERATING EXPENSES						
Interest expenses		50.018		40.513		22.607
Foreign exchange gain		-		-		-
Valuation coverage operating		2.614		11.000		6.138
Other non-operating expenses		(604)		116.184		64.832
		<u>52.028</u>		<u>167.697</u>		<u>93.577</u>
Income before income tax		66.923		108.832		60.730
INCOME TAX						
		6.490		8.980		5.011
Net income (loss)	Col\$	60.433	Col\$	99.852	\$USD	55.719


 RICARDO PIZA BARRAGAN

Legal Representative

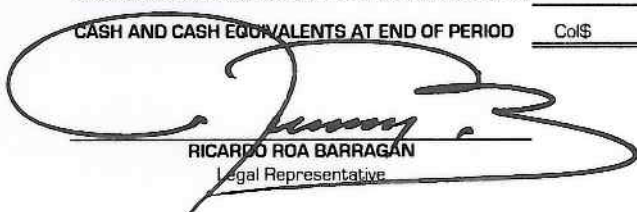

 MARTIN ALONSO MALDONADO RAMIREZ


Accountant - PC 46851-T



CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD FROM JANUARY 01, 2011 TO MARCH 31, 2011 AND FROM JANUARY 01, 2012 TO MARCH 31, 2012
(Expressed in millions of Colombian pesos (Col\$) and thousands of U.S. dollars (\$USD))

	As of march 31, 2011		As of march 31, 2012	
	Col\$		Col\$	\$USD
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net income	60.433		99.852	55.719
Reconciliation between net income and net cash provided by operating activities:				
Depreciation and amortization	26.725		27.404	15.292
Exchange (gain) loss	(39.540)		(172.863)	(96.460)
Equity method	(40)		474	264
Hedging operations	2.614		11.000	6.138
Deferred tax	3.628		4.146	2.314
Net gain from sales of property, plant and equipment	-		-	-
Provision accounts receivable	15		1.685	940
Provision inventories	1.062		146	81
Provision Property, plant and equipment	-		-	-
Provision BOMT right	-		-	-
Provision permanent investments	-		-	-
Provisions	7.980		9.758	5.445
	<u>62.877</u>		<u>(18.398)</u>	<u>(10.266)</u>
Changes in assets and liabilities of operation, net:				
Current Assets				
Restricted cash	-		-	-
Accounts receivable	(82.196)		(3.540)	(1.975)
Inventories	(532)		(545)	(304)
Prepaid expenses	(21.611)		4.055	2.263
Non-Current Assets				
Long-Term Accounts receivable	5.472		(1.711)	(955)
Other assets	(54.353)		12.531	6.993
Current liabilities				
Accounts payable	5.681		(12.807)	(10.560)
Labor obligations	(427)		(545)	(304)
Collections in favor of third parties	(954)		2.725	1.521
Other liabilities	(1)		207	116
Provisions	(6.217)		(3.451)	(1.926)
Long-Term Liabilities				
Accounts payable	48.293		-	-
Provisions	66		(10.189)	(5.686)
Net cash provided by operating activities	<u>(43.902)</u>		<u>(31.668)</u>	<u>(21.085)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Permanent investments	-		-	-
Property, plant and equipment	(157.630)		(121.039)	(67.542)
Other assets	104.106		(4)	(2)
Net cash used by investing activities	<u>(53.524)</u>		<u>(121.043)</u>	<u>(67.544)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Transcogas, fusion	-		-	-
Capital additional	765.284		-	-
Heritage revaluation	(114)		-	-
Financial obligations	(49.858)		137.664	(629)
Net cash provided by (used in) financing activities	<u>715.312</u>		<u>137.664</u>	<u>(629)</u>
NET INCREASE IN CASH	<u>617.886</u>		<u>(15.047)</u>	<u>(89.258)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF PE	<u>136.332</u>		<u>352.623</u>	<u>196.769</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>Col\$ 754.218</u>		<u>Col\$ 337.576</u>	<u>\$USD 107.511</u>


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