

TRANSPORTADORA DE GAS DEL INTERIOR S.A. E.S.P. - TGI S.A. E.S.P.

INCOME STATEMENTS

FOR THE PERIOD FROM JANUARY 01, 2008 TO JUNE 30, 2008 AND FROM JANUARY 01, 2009 TO JUNE 30, 2009

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

	As of june 30, 2008		As of june 30, 2009			
OPERATING REVENUES:						
Sales:						
Capacity charges	Col\$	159.951	Col\$	201.275	\$USD	93.240
Variable charges		31.663		44.130		20.443
Non-recurring charges		18.687		23.646		10.954
Other revenues		5.937		6.969		3.228
		<u>216.238</u>		<u>276.020</u>		<u>127.866</u>
OPERATING COSTS:						
Operation and maintenance		21.296		37.864		17.540
Depreciation and amortization		41.615		42.938		19.891
Other operating costs		3.906		4.918		2.278
		<u>66.817</u>		<u>85.720</u>		<u>39.710</u>
Gross Margin		149.421		190.300		88.156
OPERATING AND ADMINISTRATIVE EXPENSES:						
Personnel and general services		9.557		12.422		5.754
Provisions, depreciation and amortization		2.711		3.273		1.516
		<u>12.268</u>		<u>15.695</u>		<u>7.271</u>
Operating income		137.153		174.605		80.885
NON-OPERATING INCOME						
Foreing exchange gain		105.296		96.127		44.531
Valuation coverage operating		-		(28.419)		(13.165)
Other non-operating income		10.886		11.371		5.268
		<u>116.182</u>		<u>79.079</u>		<u>36.633</u>
NON-OPERATING EXPENSES						
Interest expenses		94.572		122.131		56.577
Other non-operating expenses		407		2.359		1.093
		<u>94.979</u>		<u>124.490</u>		<u>57.670</u>
Income before income tax		158.356		129.194		59.849
INCOME TAX		13.484		9.619		4.456
Net income (loss)	Col\$	144.872	Col\$	119.575	\$USD	55.393


GABRIEL TURBAY MARULANDA
 Legal Representative


MARTIN ALONSO MALDONADO RAMIREZ
 Accountant - PC 46851-T


TRANSPORTADORA DE GAS DEL INTERIOR S.A. E.S.P. - TGI S.A. E.S.P.

BALANCE SHEETS AS OF JUNE 30, 2008 AND 2009

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

ASSETS	As of June 30, 2008		As of June 30, 2009	
	Col\$		Col\$	\$USD
CURRENT ASSETS:				
Cash and cash equivalents	162.013		251.405	116.463
Restricted cash	7.003		8.687	4.024
Accounts receivable	73.041		110.862	51.357
Inventories	23.929		26.841	12.434
Prepaid expenses	13.647		17.555	8.132
Total current assets	279.633		415.350	192.410
LONG-TERM ACCOUNTS RECEIVABLE	7.426		9.321	4.318
PROPERTY, PLANT AND EQUIPMENT, NET	957.177		985.667	456.608
OTHER ASSETS, NET	2.223.815		2.188.167	1.013.664
Total assets	<u>3.468.051</u>		<u>3.598.505</u>	<u>1.667.001</u>
Memorandum Accounts	<u>1.443.044</u>		<u>4.587.720</u>	<u>2.125.253</u>
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Financial obligations	42.796		48.006	22.239
Accounts payable	4.400		11.479	5.318
Labor obligations	107		61	28
Collections on behalf of third parties	6.849		10.550	4.887
Provisions	3.905		8.853	4.101
Total current liabilities	58.057		78.949	36.572,982
LONG-TERM LIABILITIES:				
Financial obligations	2.153.782		2.417.710	1.120.000
Coverage operations	-		28.419	13.165
Other liabilities	46.647		69.859	32.362
Total long-term liabilities	<u>2.200.429</u>		<u>2.515.988</u>	<u>1.165.527</u>
Total liabilities	<u>2.258.486</u>		<u>2.594.937</u>	<u>1.202.100</u>
SHAREHOLDERS' EQUITY:				
Capital stock	750.000		750.000	347.436
Additional paid-in capital	24.703		24.703	11.444
Reserves	289.990		289.990	134.337
Previous years' losses	-		(180.700)	(83.709)
Accumulated results	144.872		119.575	55.393
Total shareholders' equity	<u>1.209.565</u>		<u>1.003.568</u>	<u>464.901</u>
Total liabilities and shareholders' equity	<u>3.468.051</u>		<u>3.598.505</u>	<u>1.667.001</u>
Memorandum Accounts	<u>1.443.044</u>		<u>4.587.720</u>	<u>2.125.253</u>


GABRIEL TURBAY MARULANDA
 Legal Representative


MARTIN ALONSO MALDONADO RAMIREZ
 Accountant - PC 46851-T

TRANSPORTADORA DE GAS DEL INTERIOR S.A. E.S.P. - TGI S.A. E.S.P.

STATEMENTS OF CASH FLOWS

FOR THE PERIOD FROM JANUARY 01, 2008 TO JUNE 30, 2008 AND FROM JANUARY 01, 2009 TO JUNE 30, 2009

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

	As of June 30, 2008		As of June 30, 2009			
	Col\$		Col\$	\$USD		
CASH FLOWS FROM OPERATING ACTIVITIES:						
Net income	Col\$	144.872	Col\$	119.575	\$USD	55.393
Reconciliation between net income and net cash provided by operating activities:						
Depreciation and amortization		45.991		43.089		19.961
Exchange (gain) loss		(106.464)		(90.844)		(42.083)
Deferred tax		13.484		5.787		2.681
Provisions		-		3.060		1.417
		97.883		80.667		37.369
Changes in assets and liabilities of operation, net:						
Current Assets						
Restricted cash		994		342		159
Accounts receivable		(32.439)		(57.939)		(26.840)
Inventories		8		9.335		4.324
Prepaid expenses		130		650		301
Non-Current Assets						
Long-Term Accounts receivable		(782)		(390)		(181)
Other assets		-		-		-
Current liabilities						
Accounts payable		7.072		(48.607)		(22.517)
Labor obligations		(262)		(231)		(107)
Collections in favor of third parties		(540)		3.104		1.438
Provisions		2.199		(8.649)		(4.007)
Long-Term Liabilities						
Provisions		(13.988)		51.738		23.968
Other liabilities		-		-		-
Net cash provided by operating activities		60.275		30.020		13.907
CASH FLOWS FROM INVESTING ACTIVITIES:						
Permanent investments		-		298		138
Property, plant and equipment		(4.625)		(34.544)		(16.002)
Other assets		1.630		(27.502)		(12.740)
Net cash used by investing activities		(2.995)		(61.748)		(28.604)
CASH FLOWS FROM FINANCING ACTIVITIES:						
Financial obligations		1.192		22.397		10.375
Net cash provided by (used in) financing activities		1.192		22.397		10.375
NET INCREASE IN CASH	Col\$	58.472		(9.331)		(4.322)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		103.541		260.736		120.785
CASH AND CASH EQUIVALENTS AT END OF PERIOD	Col\$	162.013	Col\$	251.405	\$USD	116.463


GABRIEL TURBAY MARULANDA
 Legal Representative


MARTIN ALONSO MALDONADO RAMIREZ
 Accountant - PC 46851-T