Investors Report 2014

Bogota D.C., March 4th, 2015

Index

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1. EXECUTIVE SUMMARY AND HIGHLIGHTS

1.1. Natural Gas Market in Colombia

Table N° 1 – Natural gas demand in Colombia

Demand (GBTUD)	Quarterly demand 4Q 14*	4Q 13	Var. %	Year Demand 2014*	2013	Var. %
Thermal	330.0	293.2	12.5	311.3	294.9	5.6
Residential – commercial	185.1	208.1	-11.1	172.3	179.8	-4.2
Industrial – refineries	369.7	420.2	-12.0	339.8	350.9	-3.2
Vehicle	71.2	91.3	-22.0	95.6	84.8	12.8
Petrochemical	15.1	23.3	-35.3	18.7	22.1	-15.5
Others	24.6	24.9	-1.4	22.9	25.2	-8.9
Domestic Demand	**995.5**	**1,061.1**	**-6.2**	**960.7**	**957.7**	**0.3**
Export	82.5	189.7	-56.5	90.4	202.5	-55.3
Total	**1,078.0**	**1,250.7**	**-13.8**	**1,051.1**	**1,160.2**	**-9.4**

Source: Concentra
* Figures do not include December

During 2014, the natural gas market experienced contraction of its total demand by 9.4%, when compared to 2013. It is worth highlighting that in previous years, 2013 and 2012, total demand growth was 14.6%. In 2014, reduced demands in the petrochemical and export sectors set the downward trend in terms of consumption. However, the thermal electric and GNV sectors increased their internal natural gas demand by 12.8% and 5.6%, respectively. Thermal electric consumption experienced growth due mainly to the moderate likelihood of El Niño phenomenon during third and fourth quarter of the year. Lastly, regarding NGV consumption, its increase was due to the fact that sector companies have driven the conversion of vehicles from gasoline to natural gas.

1.2. Summary of Financial Results TGI 2014

TGI conducted an interim financial statements closing as of 31 August 2014 in order to distribute dividends to shareholders. This report presents accumulated results for a twelve-month period from 1 January to 31 December 2014, only for comparison purposes vis-à-vis the same period in 2013.

Table Nº 2 – TGI Selected indicators

	2014	2013	Var %
Operating revenue - COP million	960,346	874,645	9.8
Operating profit - COP million	593,588	468,057	26.8
EBITDA LTM - COP million	770,111	674,163	14.2
Net Profit - COP million	-102,582	130,067	-178.9
Transported volume - Mm cfd	494.5	454.7	8.7
Firm Contracted capacity - Mm cdf	647.3	620.6	4.3
Latest international credit ratings:			
S&P – Sep. 14:	BBB-, stable		
Fitch - Oct.14:	BBB, stable		
Moody's – Apr. 14:	Baa3, stable		

- Operational revenues at the closing of 2014 grew by 9.8%, when compared to the previous year. In addition to the existing tariff scheme, which was fully applied at the end of 1Q 2013, as well as capacity enhancement in the Ballena – Barrancabermeja and Cusiana gas pipeline, this increase was driven mainly by:
  - Adjustment conducted to Medium Term Maximum Capacity – CMMP (for its Spanish acronym) of the TGI system in the Cusiana- Apiay – Ocoa stretch, enhancing in firm contracting capacity of the system.
  - Increase of transported volume (+8.7%).
  - Increase of in firm contracting (+4.3%).

- When comparing the previous year, in 2014, operational profit grew at a higher rate than operational revenues, 26.8% and 9.8% respectively. This is due to the fact that operational costs and expenses showed jointly a reduction of 9.8%, similar to the increase in revenues, due in part to better fuel provision conditions for compression stations, as well as lower maintenance times in compressor stations.
  In spite of these improved operational results, net results decreased from a profit of COP 130,067 million in 2013 to a loss of COP 102,582 million in 2014, particularly on the foreign exchange account due to the devaluation of the Colombian peso and its impact in expressing again TGI's debt in local currency, originally agreed in USD. For this period, the difference in the foreign exchange account had a negative effect (expense on the difference in the foreign exchange account of COP 488,438). This account, together with financial expenses, represents the accounts showing greater impact during the period. Accordingly, net profit of the company decreased by COP 232,649 million compared to 2013.

1.3. Highlights

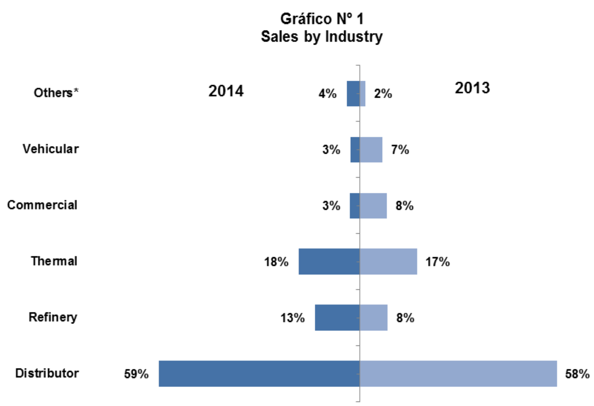
- Approval of the Board of Directors of the Cusiana Phase III expansion project, for the start up of three new natural gas compression units (Miraflores, Puente Guillermo and Vasconia), with estimated CapEx of USD 31.6 million.
- Payment of dividends of COP 646,532 million corresponding to reserves and period profits in 2013, as well as to distributable profit for the period comprising January and August 2014.
- Acquisition of 7.78% of Oleoducto al Pacifico, a project seeking to transport heavy crude to export to Asian Pacific and US West Coast markets.
- Increase of EEB's share in TGI by acquiring 31.92% of shares outstanding of the The Rohatyn Group (TRG).
- Coming on stream of La Sabana Compression Station, with which it increased transport capacity of this gas pipeline.
- The Board of Directors appoints a new CEO for a period of two years.
- Moody's Ratings and Standard & Poor's affirmed corporate debt rating of TGI in local and foreign currency, maintaining the investment grade with stable perspective. Fitch Ratings improved its corporate debt rating and issuance from 'BBB-' to 'BBB'. Thus TGI in 2014 continued with its investment grade in the three main international credit risk agencies.
- In December 2014, TGI was acknowledged as one of the best places to work in Colombia (Great Place to Work) occupying place N° 11 within companies with less than 500 workers.
- In 2014, average transported volume in TGI's infrastructure was 494.5 Mmpcd, representing a positive increase of 8.7% compared to the previous year and 17.1% with respect to 2012.
- TGI maintains the first place in the market in terms of natural gas transport, with a market share of 49% at the closing of 2014, in terms of transported volume.
- TGI received the Corporate Social Responsibility rating -WORLDCOB-CSR: 2011.2, granted by World Confederation of Businesses, during the III CSR Encounter, which ensures the commitment of the organization with the culture of ethical values and policies and Corporate Social Responsibility management.

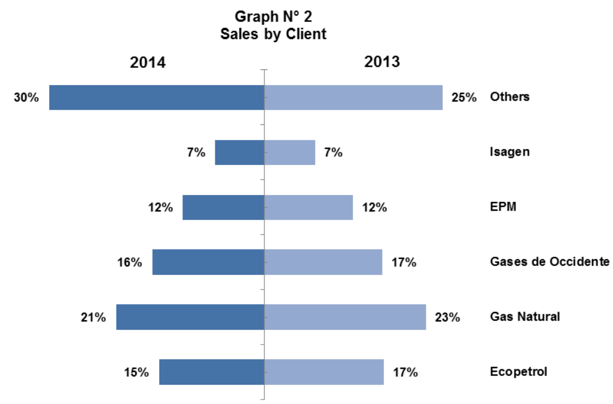
2. COMMERCIAL PERFORMANCE

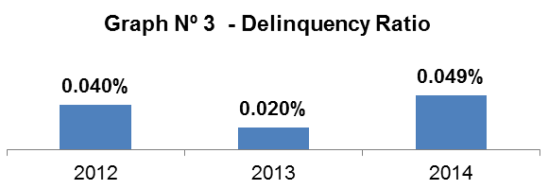
2.1. Sales by Sector

The distribution sector, which includes residential consumption, continues being the main revenue driver for the company with a participation of 59%. It is worth to highlight the growth of revenues related to the Ecopetrol refinery, as well as the thermal sector, ending the year with a share of 13% and 18% respectively. The latter, depends, to a great extent, on climate conditions of the country or when electricity transmission is affected, meaning, when consumption is increased in these two sectors. However, during fourth quarter 2014, thermal generation showed an average daily consumption of 50.7 Mmpcd, a significantly lower amount to the one experienced during the end of second quarter of this year, which reached 63.3 and 106 Mmpcd respectively.

Gas Natural, Gases de Occidente, Ecopetrol, EPM and Isagen continue being TGI's main clients, but their total share in operational revenues of the company decreased from 75% to 70%, opening the way to new clients with which TGI diversified its portfolio a bit more. This increase in other clients is specifically the result of greater consumption of thermal generators such as Termovalle and Termoemcali.







Collection support tasks conducted during 2014, allowed obtaining a delinquent index of 0.049% on revenues invoiced during the past twelve months. There is evidence of a slight increase of this Index with respect to the same period of the previous year, although in general terms it continues being significantly low, without producing relevant impact on the company's cash flow. The company is currently undergoing a dispute of controversies with two thermal carriers, due to a new charge set established at the beginning of 2013.

2.2. Contractual Structure

The main sectors serviced by TGI show stable consumption without seasonality. 100% of its contracts are in firm and are agreed upon under a set of charges comprising ~84% fixed charges and 16% variable charges.

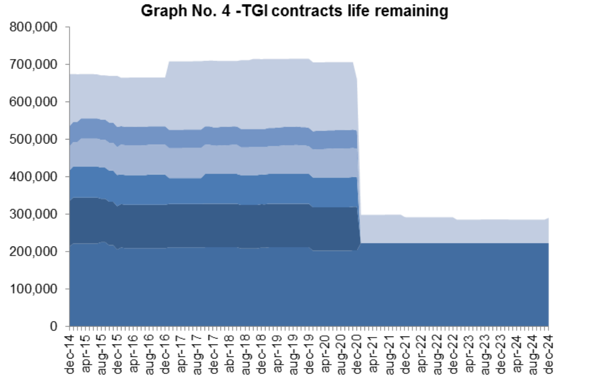
At the end of the fourth quarter, total contracted capacity in firm reached 647.3 Mmpcd, corresponding to 89% of available capacity.

Table N° 3 – Contractual structure

	2014			2013		
Type of contract	No	Volume	Average remaining	No	Volume	Average remaining
Firms (1)	795	647.3	8.02	131	620.6	8.0
Interruptibles (2)	-	-	-	-	-	-

Footnotes annex 6

Graph No. 4 -TGI contracts life remaining



During 2014, 50 natural gas transport contracts expired; however, the market serviced by these contracts was renewed or serviced by means of other contracts with the same carriers. On the other hand, to date there are 795 active natural gas transport in firm contracts related to the enhancement projects proposed by the company (Project Cusiana - Apiay 108 contracts and Project Cusiana Vasconia Phase III - 120 contracts).

It is worth highlighting that increase in number of contracts with respect to the preceding year is explained by regulatory changes affecting the company (Resolution CREG089-2013), according to which, carriers should contract for each stretch in the system and with standard capacity in each of these stretches.

3. FINANCIAL PERFORMANCE

3.1. Financial Results

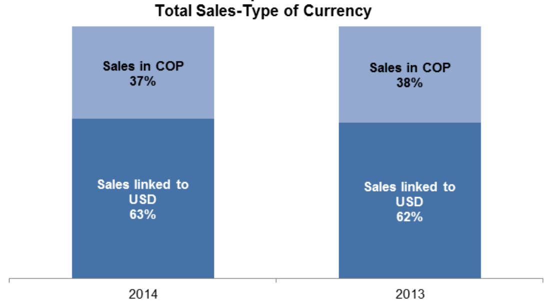
During 2014, 84% of TGI's revenues on account of natural gas transport services were the result of fixed charges established in in-firm contracts; 2% corresponds to non-regulated revenues; therefore, only 14% of the remaining revenues could be affected by potential fluctuations in demand.

Table N° 4 - Revenue Structure - COP mm - USD mm

	COP Million		Variance		USD Million		Variance	
	2014	2013	COP	%	2014	2013	USD	%
Operating Revenue	960,346	874,645	85,701	9.8	477.2	465.2	12.0	2.6
By currency								
Sales linked to USD (1)	608,594	540,199	68,395	12.7	302.3	287.1	15.2	5.3
Sales in COP (1)	351,752	334,446	17,306	5.2	174.9	178.1	(3.2)	-1.8
By type of charge								
Sales capacity charges and AO&M (2)	806,958	725,598	81,360	11.2	400.3	385.9	14.3	3.7
Sales volume charges (3)	104,300	96,449	7,850	8.1	52.4	51.3	1.1	2.2
Non - Recurring charges (4)	33,746	37,407	(3,661)	-9.8	17.1	19.9	(2.9)	-14.3
Others (5)	15,342	15,191	152	1.0	7.5	8.1	(0.6)	-7.4

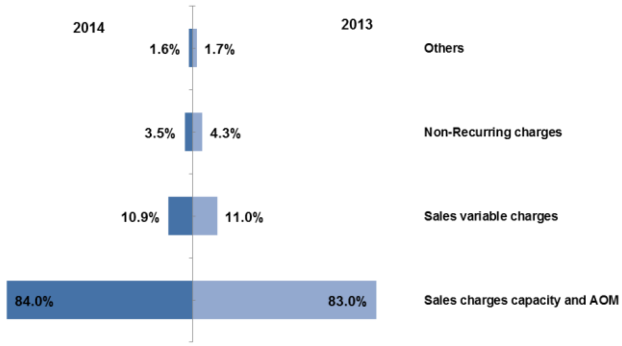
Footnotes annex 6

Graph N° 5
Total Sales-Type of Currency



Tariffs in force remunerate capital investments through charges in US Dollars and the recovery of administration, operation and maintenance expenses through charges in Colombian pesos has affected positively company revenues. In COP, sales expressed in USD show an increase of 12.7% when compared to 2013, resulting in a 5.3% increased expressed in USD and represent, to date, 63% of TGI total sales.

Graph N° 6
Type of Charge



Regarding type of charge composition, sales corresponding to capacity charges and AOM, which represent 84% of total company sales, did no show significant changes compared to 2013. However, in nominal terms, these charges increased by 11.2%. Lastly it is worth highlighting 8.1% increase on account of variable charges resulting from the volume transported by the company, specifically during 2Q of this year.

Table N° 5 – Income Statement 4Q[1]

	COP Million		Var		USD Million		Var	
	2014	2013	COP	%	2014	2013	USD	%
Operating revenue	**960,346**	**874,645**	**85,701**	**9.8**	**477.2**	**465.2**	**12.0**	**2.6**
Operating costs and expenses	-366,758	-406,588	39,830	-9.8	-180.6	-215.4	34.8	-16.2
Operating profit	**593,588**	**468,057**	**125,531**	**26.8**	**296.6**	**250**	**46.8**	**18.7**
Operating margin %	**61.8%**	**53.5%**			**62.2%**	**53.7%**		**15.8**
Provisions, depreciation and amortization	159,809	189,392	-29,583	-15.6	78.2	100.1	-21.8	-21.8
Equity Tax	-16,713	-16,713			-8.3	-8.9	0.6	-6.3
Accumulated EBITDA	**770,111**	**674,163**	**95,948**	**14.2**	**383.2**	**358.7**	**24.5**	**6.8**
EBITDA margin %	**80.2%**	**77.1%**		**4.0**	**80.3%**	**77.1%**		**4.1**
Non Operational (Loss)/Gain	-660,581	-253,680	-406,901	160.4	-298.9	-135.1	-163.8	121.2
Income Tax	-35,589	-84,310	48,721	-57.8	-24.6	-44.7	20.1	-45.0
Net Profit	**-102,582**	**130,067**	**-232,649**	**-178.9**	**-26.8**	**69.9**	**-96.8**	**-138.4**
Net Margin %	**-10.7%**	**14.9%**			**-5.6%**	**15.0%**		

Footnotes annex 6

Capacity increase due to start up of La Sabana compression station, the increase of in firm contracted capacity and greater transported volumes have led to an increase in sales on account of capacity charges and variable charges, specially by requests from carriers such as ISAGEN, EPM and Termoemcali for thermal generation during 2014. Consequently, operational revenues evidenced an increased of 9.8% when compared to the same period of the preceding year.

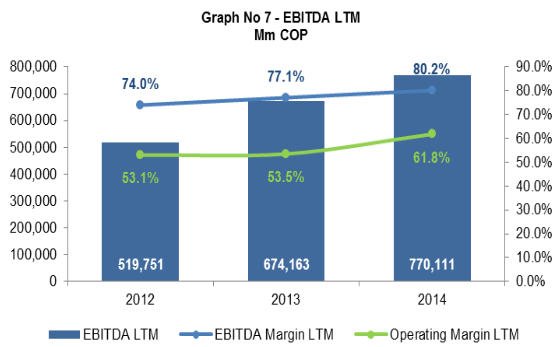
On the other hand, operational costs and expenses together decreased by 9.8%, mainly due to a reduction of COP 14,315 million generated by an extraordinary event, which occurred in 2013, where investment values on studies and projects from the Cusiana – Apiay San Fernando enhancement Project were reclassified at cost for an amount of COP 12,089 million given that the project's execution never took place. Regarding costs of goods and services there was a reduction of COP 2,075 million related mainly to reduced fuel gas purchase expenditures on compressor stations, and this reduction was mainly the result of a negotiation entailing better conditions in fuel supply contracts in which MBTU price in 2014 decreased vis-à-vis 2013. Regarding orders and maintenance and

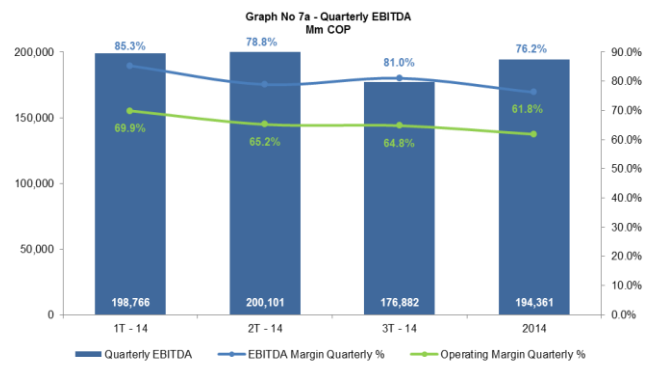
[1] TGI conducted an interim financial statements closing as of 31 August 2014 in order to distribute dividends to shareholders. This report presents accumulated results for a twelve-month period from 1 January to 31 December 2014, only for comparison purposes vis-à-vis the same period in 2013.

repair contracts, there was a reduction amounting to COP 10,303 million, explained mainly by a reduced execution of topics related to repair on casing changes and reduced maintenance times in compressor stations.

With regards to depreciations, amortization and provisions of costs, similar levels to 2013 were maintained. Not withstanding the above, those related to administrative expenses were considerably reduced (COP 31,574 million representing 46% less) given that in 2013 a technical valuation was conducted to establish the status, conditions, location and valuation of reasonable prices to update and reflect in TGI financial statements the value of fixed assets and BOMT rights at execution prices. As a result of such valuation, during 2013 an appreciation amounting to COP 286,067 million on fixed assets was evidenced together with a provision amounting to COP 51,504 million on fixed assets and BOMTs, the provision affected administrative expenses provisions (Provision on property, plant and equipment) from 2013, and this situation did not occur in 2014.

Accordingly, operational profit for this period grew by 26.8% when compared to 2013. As previously mentioned, the depreciation, amortization and provisions account shows a reduction of 15.6%. EBITDA YTD increased by 14.2%, with respect to the closing of 2013, as previously explained.





Regarding non-operational line items, non-operational gain (loss) increased by 160.4%, generating a negative impact on the period's final results. Exchange rate variation during the last months of 2014, led to an increase in expenses on the exchange rate difference account, which equaled COP 311,465 million, evidencing a loss of COP 488,438 billion in 2014. It is important to point out that these records have accounting effects and do not correspond to cash expenditures.

As a result of the foregoing, at the closing of 2014 net profit decreased by COP 232,649 billion when compared to net profit in 2013, showing a loss of COP 102,582 million at the end of the year. For greater details on the statement of results, please go to Annex 7.

Finally, as of 2015, the company adopted International Financial Reporting Standards – IFRS, adhering to timetables established by the Public Services Superintendence. Additionally, and facing company's accounting policy, during 2014 the Board of Directors approved the change in functional currency to USD, in which most revenues are created, investments and financing adequately reflect economic facts of the company.

3.2. Debt Indicators

Table Nº 6- Debt Indicators

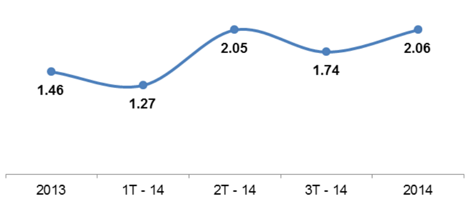
	2014	2013	Unit	Coupon (%)	Maturity
Net Senior Debt (1) / EBITDA LTM (2) OM: < 4,8	2.06	1.46	Times		
EBITDA LTM (2) / Interests UDM (3) OM: > 1,7	6.53	5.93	Times		
Debt structure					
Senior - international bonds (4)	750	750	USD Mm	5,7	20-mar-22
S&P - Sep. 14: BBB-; stable					
Fitch - Oct 14: BBB-; stable					
Moody's – Apr 14: Baa3; stable					
Subordinated (5)	370	370	USD Mm	6,125	21-Dec-2022

footnotes in annex 6

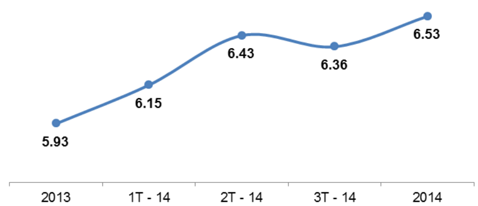
Table Nº 7 – Breakdown

	COP Million		USD Million	
	2014	2013	2014	2013
EBITDA LTM	770,111	674,163	383.2	358.7
Total debt	2,066,488	1,676,665	863.8	870.2
Cash and cash equivalents	482,614	694,265	201.7	360.3
Net debt	1,583,874	982,400	662.0	509.9
Interest Expenses LTM	117,867	113,695	49.3	59.0

Graph Nº 8 - Net Debt/EBITDA LTM



Graph Nº 9 - EBITDA LTM/Interest LTM



The company continues complying with the net senior leverage indicator as stipulated in the indenture of bonds issued on 2012 and expiring in 2022, which suggests a ratio less than 4.8x, even though it is worth noting that the relevant covenant related to the indicator is suspended as TGI 2022 bond received investment grade rating from three risk rating agencies that follow up on it. Coupon reduction achieved with the debt management operation on international bonds in 2012 and growth in year-to-date EBITDA have allow the company to fully comply with such metrics.

During 2Q 2014, TGI granted two intercompany loans to its headquarters EEB, amounting to COP$400 billion, which were entirely paid up in September 2014 and January 2015.

4. OPERATIONAL PERFORMANCE

TGI maintains its leadership in the market with a market share of 49.1% resulting from having transported 494 Mmpcd, which represents an increase of 39.82 Mmpcd (+8.7%) when compared to 2013. It is worth highlighting increase of transported volume by 7.6% for all market operators, reflecting an increase in the demand of natural gas in the entire country.

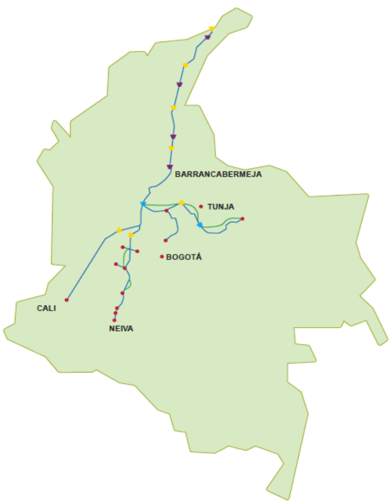


Table Nº 8 – Volume by carrier – Mmscfd

	2014	Part. %	2013	Part. %
TGI	494.5	49.1	454.7	48.6
Promigas	364.3	36.1	341.3	36.4
Others*	149.0	14.8	140.4	15.0
Total	**1,007.9**	**100.0**	**936.4**	**100.0**

Source: Concentra.Inteligencia en Energía
*Industries directly linked to transport

Table Nº 9 - Selected operational indicators

	2014	2013	Var %
Total capacity – mm cfd (1)	730.3	730.3	
Transported volume – mm cfd (2)	494.5	454.7	8.7
Firm contracted capacity – mm cfd (3)	647.3	620.6	4.3
Load factor - % (4)	62.3	60.8	2.5
Availability - % (5)	99.9	100.0	-0.1
Losses - % (6)*	-	0.21	-100.0
Gas pipeline length – Km	3,957.0	3,957.0	
Pipeline length – Mi	2,459.0	2,459.0	

Footnotesannex 6

At the closing of the period, increase of contracted in firm capacity is explained by the company's commercial task aimed at finding new contracts. Likewise, system losses are below 1%, the figure accepted by regulators.

Table Nº 10 – TGI Total capacity by section

	Transport capacity	Average transported 2014
Ballena – Barrancabermeja	260.0	77.7
Mariquita – Gualanday	15.0	16.1
Gualanday – Neiva	11.0	10.1
Cusiana – Porvenir	392.0	348.3
Cusiana – Apiay	29.5	29.9
Apiay – Usme	17.8	9.2
Morichal – Yopal	5.0	3.3
TOTAL	**730.3**	**494.5**

5. CAPITAL INVESTMENTS

Table Nº 11 - Capex

	COP Million		USD Million	
	2014	2013	2014	2013
Investment (1)	76,056	57,785	31.8	31.9
Maintenance (2)	10,454	6,182	4.4	3.2

Footnotes in annex 6

Table Nº 12 – Status of expansion projects in Colombia

	La Sabana Station
Capex - USD mm	55
Financing Plan	Own Resources
Additional capacity - mm cfd	75
New nominal capacity	215
Completed 4Q 2014 - %	96.65
In operation	3Q 14

La Sabana Station:

The construction of natural gas compression of La Sabana station (ECGSB), which is part of the gas pipeline expansion project having the same name, shows progress of 96.65%. On July 7, the company began the commercial operation of this station to increase transport capacity in La Sabana pipeline from 140 Mmpcd to 215 Mmpcd and an expected peak of 270 Mmpcd. Start-up of ECGSB represents an opportunity of being able to ensure supply of service for the coming years and it also provides the company the possibility of setting the foundations for industry development in the capital city and in the Cundiboyacense highlands. Civil works aimed at completing the project continue.

Cusiana Phase III:

The Cusiana Phase III project, consisting on starting the tender offer for the supply, transport, nationalization and start-up of three new natural gas compressor units, namely Miraflores, Puente Guillermo and Vasconia. The project will provide capacity enhancement by 20 Mmpcd and comprises a total investment of approx. USD 32 million. Commercial start-up is estimated in 4Q 2015.

6. ANNEXES

Annex 1: Legal Notice and Clarifications

This document contains words such as "anticipate", "believe", "expect", "estimate" and others which meaning is similar. Any historic information, including, but without limiting to that referring to the Company's financial situation, its business strategy, its plans and management objectives, relates to forecasts.

Forecasts in this report were made under assumptions related to the economic, competitive, regulatory and operational environment of the business and took into account risks beyond the Company's control. Forecasts are uncertain and they may not materialize. One may also expect that unexpected events or circumstances occur. As a result of the foregoing, actual results may differ significantly from forecasts herein contained. Accordingly, forecasts in this report must not be considered as true facts. Potential investors must not take forecasts or assumptions in this report, neither should they base their investment decisions upon them.

The Company expressly waives any obligation or commitment to distribute updates or reviews of any of the forecasts herein contained.

Company's past performance may not be considered as a pattern for future performance.

Clarifications to the report

- Only for information purposes, we have converted some of the figures in this report to their equivalent in USD, using the market representative rate (TRM – for its Spanish acronym) at the end of the period as listed by the Colombian Financial Superintendence. Balance and debt balances are converted into TRM at the end of the period. Exchange rates used in such conversion, are as follows:

	4Q 14	4Q 13
nov-14	2,050.5	1,884.1
dic-14	2,206.2	1,931.9
oct-14	2,392.5	1,926.8

- In the figures, a comma is used (,) to separate thousand and a full stop (.) is used to separate decimals.
- EBITDA is not an acknowledged indicator under accounting standards in Colombia or the United States, and may show some difficulties as an analytical tool. Therefore, it should not be taken into account in an isolated manner as a company cash flow indicator.
- EBITDA for the period was calculated taking operational profit (or loss), plus amortization of intangibles and depreciation of fixed assets for said period.

Annex 2: Link to Consolidated Financial Statements 2014:

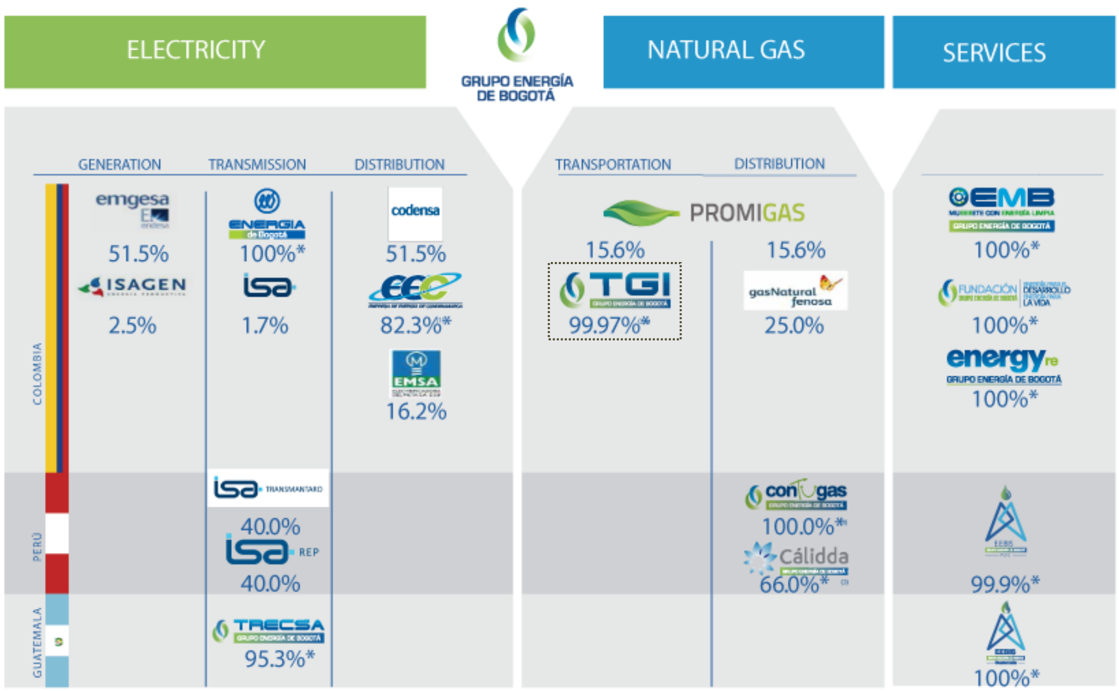
http://www.grupoenergiadebogota.com/inversionistas/estados-financieros

Annex 3: Outlook of Holding Company – EEB

- EEB is an integrated company in the energy sector with operations in Colombia, Peru and Guatemala;
- The Company was founded in 1896 and controlled by the District of Bogota – 76.2%. Due to the fact that EEB's share is listed in the Colombian public market, it abides by international standards of corporate governance.
- EEB has in place an expansion strategy focused on transport and distribution of electric power in Colombia and other countries within the American region.
- EEB participates in the entire power value chain and in almost the entire value chain for natural gas; it does not participate in E&P activities for this hydrocarbon.

- Grupo EB is among the most important corporate debt issuers in international capital markets. In October 2007, EEB and TGI conducted a corporate bond issuance in the 144A market, which amounted to US$ 1.36 billion In 2012, TGI conducted a debt management operation to reduce coupon rate by 380 bps and extend debt term by five additional years.
- As of 2009, EEB's share is traded in the Colombian stock market

Annex 4: TGI Outlook



- TGI is a key player in EEB's growth strategy, it is the largest natural gas transport company in Colombia and operates a natural monopoly in a sector with high growth potential and which development is of special interest to the National Government. TGI is the only natural gas transport in Colombia connecting main supply sources - Guajira and Cusiana – with main consumption centers.
- TGI is subject to regulations from the Ministry of Mines and Energy and CREG. CREG defines the maximum rates that TGI may charge its uses based on financial viability and economic efficiency principles. The rate scheme is designed so investor may receive adequate return on investment and recover cooperation and maintenance costs. Part of the rate the provides the return on investments is expressed in the COP/US$ exchange rate, providing the company with natural hedging vis-à-vis its obligations in foreign currency.
- Almost all company sales are supported in in-firm and long-term contracts entered into with sound companies operating in Colombia.
- In 2013, TGI completed the most ambitious expansion plan of natural gas infrastructure in Colombia: the enhancement of the Guajira and Cusiana gas pipelines, which cost amounted to US$650 million.
- TGI has a stock of 25% in the Peruvian company ConTUgas – the remaining 75% is property of EEB-. This company has been awarded the concession to build the natural gas transport and distribution network in the south of Peru – Ica department, estimated cost amounted to US$ 346 million. ConTUgas began full commercial operation of the project on 30 April 2014.

Annex 5: Terms and Definitions

- ANH: Agencia Nacional de Hidrocarburos, National Hydrocarbons Agency. Colombian entity responsible of defining hydrocarbon related policies.
- BR: Banco de la República. Colombian Central Bank, responsible for monetary and exchange rate policies in the country.
- Bln or bln: Billion of US$. Factor 109
- BOMT: Build, Operate, Maintain and Transfer Contract.
- COP / COP: Colombian pesos.
- CREG: Comisión de Regulación de Energía y Gas de Colombia – Colombian Energy and Gas Regulatory Commission. State owned agency in charge of regulating electric power and natural gas household utilities in Colombia.
- Cuota de Fomento – Development Quota: Relates to resources Ecogas collected from users to carry out new natural gas infrastructure projects.
- DANE: Departamento Administrativo Nacional de Estadística. National Administrative Department of Statistics. Is the entity in charge of planning, surveying, processing, analyzing and disclosing official statistics in Colombia.
- DNP: Departamento Nacional de Planeación – National Planning Department. Entity in charge of Economic Planning in the country.
- EEB: Empresa de Energía de Bogotá. Holding shareholder of TGI.
- GNV: Gas natural vehicular – Vehicle natural gas.
- GPC: Giga cubic feet. Factor 10^9
- IED: Foreign direct investment.
- IPC: Colombian consumer price index.
- Km: Kilometers
- MEM: Peruvian Ministry of Energy and Mines.
- Mi: US miles.
- Mm/mm: million
- Mlm / Mlm: trillion
- PBS: Basic points, equivalent to 0.01%
- Pcd or pcd: cubic feet per day.
- SF: Superintendencia Financiera. Financial Superintendence. State agency in charge of regulation, oversight and control of the Colombian financial sector.
- TGI: Transportadora de Gas del Internacional
- Tpc / tpc: Tera cubic feet. Factor 10^{12}
- TRM: Tasa representativa del mercado – Market Representative Rate; is an average of prices in which peso-dollar transactions are traded, calculated on a daily basis by the SF.
- R/P: Reserves production ratio
- UDM: Last twelve months
- UPME: State entity in charge of planning in the mines and energy sectors in Colombia.
- USD: US$

Annex 6: Footnotes to Tables

Footnote delinquent portfolio index table

(1) Delinquent index is calculated measuring in arrears portfolio – exceeding thirty days – on amounts invoiced in the past twelve months.

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Footnotes Table Nº 3: Contractual structure

(1) Contractual modality ensuring maximum volume of transported gas during a specific period of time. Remuneration of this type of contract may be per capacity and/or variable.

(2) Contractual modality in which transport service may be interrupted by any of the Parties, irrespective of the reason behind such interruption, without giving rise to a compensation from the Party suspending service.

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Footnotes table Nº 4: Revenue structure

(1) Regulation for gas transport in Colombia divides the rate to users, one part acknowledges investments and the other administration, operation and maintenance costs and expenses - AOM. The portion acknowledging investments is expressed in US$ it's adjusted annually with IPP "Capital Equipment" from the USA and payable in COP at the TRM at the end of each month. Portion acknowledged by AOM is defined in pesos and expressed annually with Colombian IPC.

(2) Capacity charges or fixed charges make carrier maintain an available transport capacity in the event the client so requires. On the other hand, the client commits to paying such capacity irrespective of the volume transported.

(3) Variable charges make carrier maintain an available capacity in the event the client so requires. However, and contrary to the foregoing, the client only pays what was transported but at a higher rate. In general terms, TGI clients maintain contracting schemes combining fixed and variable charges.

(4) Occasional charges are the result of a scheme that does not generate an obligation in firm for the carrier. In other words, carrier has the right to interrupt when, for example, it deems fit to service in firm contracts.

(5) Additional services render by the company, such as new connections or odorization.

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Footnotes table Nº 6: Debt indicators

(1) According to the international notes contract, company's net debt only takes into account TGI senior debt less cash value and temporary investments.

(2) The sum of operational profit, amortizations, depreciations and reserves.

(3) Interests incurred derived from TGI's financial debt.

(4) The value of notes issued by TGI Internacional and endorses by TGI.

(5) Corresponds to intercompany loans between TGI with EEB.

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Footnotes table Nº 9: Operational indicators in Colombia

(1) Nominal system transport capacity.

(2) Average of actual volume transported.

(3) A contracting modality binding TGI to maintain a determined volume available in its transport capacity when the client so requires.

(4) It is the percentage usage of the gas pipeline and it is obtained as the ratio between nomination and transport capacity.

(5) Is the actual gas transport capacity in a specific period vis-à-vis nominal capacity.

(6) It is the difference between gas volumes received less gas delivered taking into account changes in inventories. It is measured in percentage terms as regards the volume received from clients. CREG acknowledges through its rates maximum losses of 1%.

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Footnotes table Nº 11: Capex

(1) Corresponds to those investments aimed at increasing the company's transport capacity.

(2) Correspond to those investments aimed at maintaining the adequate status of company assets to allow normal working thereof and maintain transport capacity at its current levels.

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Annex 7: Results Statement and EBITDA LTM

Table N° 13 – Detailed income of statement[2]

	COP Million		Var		USD Million		Var	
	2014	2013	COP	%	3Q 14	3Q 13	USD	%
Operating revenue	**960,346**	**874,645**	**85,701**	**9.8**	**477.2**	**465.2**	**12.0**	**2.6**
Cost of sales	**-254,611**	**-271,508**	**16,897**	**-6.2**	**-126.1**	**-144.4**	**18.3**	**-12.6**
Operating and maintenance	-131,911	-150,799	18,888	-12.5	-65.0	-80.1	15.0	-18.8
Provisions, depreciation and amortization	-122,700	-120,709	-1,991	1.6	-61.1	-64.3	3.2	-5.0
Gross margin	**705,735**	**603,137**	**102,597**	**17.0**	**351.1**	**320.8**	**30.3**	**9.4**
Operating and Admin. Expenses	**-112,146**	**-135,080**	**22,934**	**-17.0**	**-54.5**	**-71.0**	**16.5**	**-23.3**
Personnel and general services	-58,324	-49,684	-8,641	17.4	-29.0	-26.4	-2.6	9.9
Provisions, depreciation and amortization	-37,109	-68,683	31,574	-46.0	-17.2	-35.8	18.6	-51.9
Equity tax	-16,713	-16,713	0	0.0	-8.3	-8.9	0.6	-6.3
Operating profit	**593,588**	**468,057**	**125,531**	**26.8**	**296.6**	**249.8**	**46.8**	**18.7**
Non operating revenues	**45,880**	**70,539**	**-24,659**	**-35.0**	**21.9**	**37.0**	**-15.1**	**-40.8**
Financial (1)	29,993	18,461	11,532	62.5	14.9	9.8	5.1	52.0
Foreign exchange (2)	0	0	0		0.0	0.0	0.0	
Hedging Valuation (3)	10,664	0	10,664		4.6	0.0	4.6	
Others	5,223	52,078	-46,855	-90.0	2.4	27.2	-24.8	-91.3
Non operating expenses	**-706,461**	**-324,219**	**-382,242**	**117.9**	**-320.8**	**-172.2**	**-148.6**	**86.3**
Financial (4)	-172,083	-141,610	-30,473	21.5	-84.4	-75.4	-9.0	11.9
Foreign exchange (5)	-488,438	-176,974	-311,465	176.0	-216.5	-93.5	-123.0	131.5
Hedging Valuation (6)	-44,192	-4,162	-40,031	961.9	-19.0	-2.5	-16.5	666.3
Others	-1,748	-1,474	-274	18.6	-0.9	-0.8	-0.1	12.8
Profit before income tax	**-66,993**	**214,377**	**-281,370**	**-131.3**	**-2.3**	**114.7**	**-116.9**	**-102.0**
Income tax	-35,589	-84,310	48,721	-57.8	-24.6	-44.7	20.1	-45.0
Net income	**-102,582**	**130,067**	**-232,649**	**-178.9**	**-26.8**	**69.9**	**-96.8**	**-138.4**

(1) Includes financial yields for temporary investments.

(2) Reflects impact of the revaluation of the peso as regards the valuation in pesos of assets and liabilities in foreign currency.

(3) Reflects the valuation of hedging contracted by the company to reduce risk of paying the capital of debt in foreign currency.

(4) Financial expenses related to company's debt.

(5) Reflects the impact of the devaluation on the valuation in pesos of assets and liabilities of the company in foreign currency.

(6) Reflects the valuation of hedging contracted by the company .

Table Nº 14 – EBITDA LTM Breakdown

COP MM	1Q - 14	2Q - 14	3Q - 14	4Q - 14
Operating profit LTM	505,191	526,623	518,086	593,588
Dep- Amortization and prov. LTM	204,461	214,588	215,832	176,522
EBITDA LTM	**709,652**	**741,211**	**733,918**	**770,111**
EBITDA Margin LTM	**78.7%**	**78.9%**	**78.8%**	**80.2%**
Quarterly Revenue.	233,089	253,792	218,355	255,109
(-)Operating and maintenance exp. Quarterly	54,955	67,120	59,767	72,769
(-)Personnel and general expenses. Quarterly	15,313	32,142	19,142	45,550
(+)Equity Tax	4,178	4,178	4,178	4,178
(+)Dep- Amortization and prov. Quarterly	31,767	41,392	33,258	53,392
Quarterly EBITDA	**198,767**	**200,100**	**176,882**	**194,361**
EBITDA Margin Quarterly %	**85.3%**	**78.8%**	**81.0%**	**76.2%**

[2] TGI conducted an interim financial statements closing as of 31 August 2014 in order to distribute dividends to shareholders. This report presents accumulated results for a twelve-month period from 1 January to 31 December 2014, only for comparison purposes vis-à-vis the same period in 2013.

Annex 8: Financial Information of TGI's Main Clients

Company	Overview	Main clients served
Ecopetrol	• Largest gas producer in Colombia. • Integrated Company of the hydrocarbon sector • Publicly traded company controlled by the Colombian government • It is part of the Group of 40 of the world's largest oil companies. • Shares listed on the public market in Colombia, New York and Toronto Stock • Ratings: Foreign: Baa2 (Moodys) / BBB(Fitch) / BBB(S&P) ; AAA local • Firm contract for 7 years	• Refineries • Thermal generators • Trading
gasNatural Colombia	• Main gas distributor in Colombia • Controlled by Spanish Gas Natural Fenosa; EEB holds 25% of the company's shares. • Ratings: AAA local • Firm contract for 11 years	• Residential (1) • Small businesses. • Industries • Natural Gas for Vehicles • 2.7 Million users
Gases de Occidente energía natural	• Gas distributor in the Southwest region of Colombia • Private company controlled by Promigas • Provides its services to more than 900,000 users. • Ratings: AAA local • Firm contract for 7 years	• Residential (1) • Industries • Natural Gas for Vehicles • 937K users
epm	• Main electricity generator in Colombia and gas distributor in the Northwest region of the country • Integrated company with interests in electricity and natural gas. • Ratings: Foreign: Baa3 (Moodys) / BBB(Fitch) / BBB- (S&P) ; AAA local. • Firm contract for 7 years	• Residential (1) • Thermal generation • 877K users
ISAGEN energía productiva	• Third electricity generator in Colombia • 57% controlled by the Colombian government • Ratings: Foreign: Baa3 (Moodys) / BBB- (Fitch); AA+/BB+ local • Firm contract for 7 years	• Thermal generation • Trading

Source: Company information.
(1) Residential users refer to the number of residencies served, not the population, which would be approximately five times larger.