

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



STATEMENTS OF CASH FLOWS (\*)  
FOR THE PERIOD FROM JANUARY 01, 2015 TO MARCH 31, 2015 AND FROM JANUARY 01, 2016 TO MARCH 31, 2016  
[Expressed in Colombian pesos (Col\$) and U.S. dollars (\$USD)]

	As of March 31, 2015		As of March 31, 2016	
	\$USD	Col\$	\$USD	Col\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Net income				
Reconciliation between net income and net cash provided by operating activities:				
Depreciation and amortization	17,322,012	68,153,629,421	21,572,832	86,153,629,421
Exchange (gain) loss	2,853,637	(8,388,438,532)	11,283,941	(8,388,438,532)
Hedging operations	528,761	(6,466,842,581)	1,156,633	(6,466,842,581)
Employee benefits	-	194,504,487	99,220	194,504,487
Amortized cost assets	(14,720)	(336,657,515)	(143,376)	(336,657,515)
Amortized cost liabilities	33,142	(69,367,628)	116,871	(69,367,628)
Deferred tax	37,066,333	(11,593,968)	(11,593,968)	(37,669,264,816)
Net gain from sales of property, plant and equipment	1,537,330	869,211	869,211	2,704,072,333
Impairment assets (accounts receivable, inventories)	(1,563)	-	-	-
Recovery provision	(744,196)	(152,717)	(152,717)	(1,191,396,944)
Provisions	79,319,170	92,669,406	92,669,406	251,785,320,566
Changes in assets and liabilities of operation, net:				
Current Assets				
Accounts receivable	10,763,874	45,276,457	45,276,457	149,683,967,768
Inventories	(912,995)	(46,512)	(46,512)	(153,770,160)
Other assets	1,612,040	53,459,270	53,459,270	176,736,347,347
Other non-financial assets	-	2,327,193	2,327,193	7,693,700,256
Non-Current Assets				
Long-Term Accounts receivable	664,808	(180,090,179)	(180,090,179)	(565,378,130,948)
Other assets	(874,861)	(100,080)	(100,080)	(330,866,034)
Current liabilities				
Accounts payable	13,766,060	26,624,015	26,624,015	88,018,992,929
Labor obligations	(17,724)	1,540,289	1,540,289	5,092,193,913
Collections in favor of third parties	445,821	1,180,833	1,180,833	3,903,832,377
Revenue received in advance	-	2,563,181	2,563,181	8,473,877,874
Estimated liabilities	(416,062)	(18,468,860)	(18,468,860)	(61,058,052,185)
Other liabilities	-	(10,816,984)	(10,816,984)	(35,760,948,906)
Long-Term Liabilities				
Accounts payable	-	0	0	-
Provisions	(367,765)	1,589,211	1,589,211	5,286,992,326
Net cash provided by operating activities	103,982,365	54,654,960	54,654,960	126,109,561,495
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Investments in controlled entities	(1,049)	(1,372,438)	(1,372,438)	(4,537,280,755)
Property, plant and equipment	(14,371,462)	(2,699,232)	(2,699,232)	(8,923,661,488)
Other assets	-	-	-	-
Net cash used by investing activities	(14,372,511)	(4,071,670)	(4,071,670)	(13,460,942,243)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Pay dividends	-	-	-	-
Capital additional	-	-	-	-
Financial obligations	106,917	(635,940)	(635,940)	(2,102,418,301)
Net cash provided by (used in) financing activities	106,917	(635,940)	(635,940)	(2,102,418,301)
Foreign exchange difference	(154,978,761)	(22,154,197)	(22,154,197)	(72,467,748,706)

TRANSPORTADORA DE GAS INTERNACIONAL S.A. E.S.P. - TGI S.A. E.S.P.  
 BALANCE SHEETS AS OF MARCH 31, 2016 AND MARCH 31, 2015 (\*) - IFRS  
 (Expressed in Colombian pesos (Col\$) and U.S. dollars (\$USD))



	As of March 31, 2015		As of March 31, 2016	
	\$USD	Col\$	\$USD	Col\$
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Cash and cash equivalents	128,130,113		74,380,472	224,803,820,607
Restricted cash	-		-	-
Accounts receivable	57,651,791	150,126,894		453,736,017,809
Inventories	10,755,321	10,316,012		31,178,597,961
Other assets, net	149,002,819	3,581,071		10,823,250,300
Total current assets	345,540,043	238,404,449		720,541,686,677
<b>LONG-TERM ASSETS:</b>				
Long-term accounts receivable	9,092,286	9,523,907		28,784,580,775
Investments in controlled entities	18,032,322	382,526,269		1,157,337,209,475
Property, plant and equipment, net	2,318,548,998	2,266,169,494		6,849,157,370,433
Other assets, net	182,823,444	176,219,352		532,596,558,003
Deferred tax	56,877,603	269,209,064		813,644,015,366
Total not current assets	2,585,374,653	3,104,048,086		9,381,519,734,052
<b>Total assets</b>	<b>2,930,914,697</b>	<b>3,342,452,536</b>	<b>\$USD</b>	<b>10,102,061,420,729</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable to related parties and affiliates	8,234,174	8,196,271		24,771,999,143
Accounts payable	24,294,176	56,448,647		170,607,569,318
Current provisions for employee benefits	2,800,783	4,714,416		14,248,616,558
Current tax liabilities	10,129,644	8,883,004		26,847,546,021
Provisions	11,696,198	12,366,693		37,376,474,891
Total current liabilities	57,154,974	90,609,031		273,852,205,931
<b>LONG-TERM LIABILITIES:</b>				
Accounts payable to related parties and affiliates	370,000,000	370,000,000		1,118,269,500,000
Bonds issued	747,387,326	747,703,826		2,259,822,659,599
Hedging	107,241,950	108,732,853		328,628,737,630
Other financial obligations	9,048,992	19,646,615		59,378,945,667
Provisions	39,849,306	32,865,764		99,331,841,795
Deferred tax	358,033,565	660,374,113		1,995,881,701,695
Total long-term liabilities	1,631,561,138	1,939,323,171		5,861,313,386,386
<b>Total liabilities</b>	<b>1,688,716,112</b>	<b>2,029,932,203</b>		<b>6,135,165,592,317</b>
<b>SHAREHOLDERS' EQUITY:</b>				
Capital stock	703,867,948	703,867,948		1,565,466,780,000
Premium on stock issuance	56,042,643	56,042,643		196,119,215
Reserves	205,727,310	228,489,667		465,983,081,819
Retained earnings	(34,275,938)	(35,438,871)		57,139,010,998
First-time adoption	290,098,187	290,098,187		442,084,585,376
Net income	20,738,434	69,460,759		234,845,417,150
Difference in conversion	-	-		1,201,160,833,854

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



INCOME STATEMENTS (\*) - IFRS

FOR THE PERIOD FROM JANUARY 01, 2015 TO MARCH 31, 2015 AND FROM JANUARY 01, 2016 TO MARCH 31, 2016  
(Expressed in Colombian pesos (Col\$) and U.S. dollars (\$USD))

	As of March 31, 2015		As of March 31, 2016		
<b>OPERATING REVENUES:</b>					
Sales:	\$USD	109,991,964	\$USD	117,783,722	COL\$ 376,712,050,703
Gas transportation service		109,991,964		117,783,722	376,712,050,703
<b>OPERATING COSTS:</b>					
Operation and maintenance		10,383,347		14,038,896	44,060,579,487
Depreciation		18,550,288		19,617,440	63,737,848,167
Amortization		1,349,200		1,249,179	2,713,637,312
		<u>30,282,834</u>		<u>34,905,515</u>	<u>110,512,064,966</u>
<b>Gross Margin</b>		<b>79,709,130</b>		<b>82,878,207</b>	<b>266,199,985,737</b>
<b>OPERATING AND ADMINISTRATIVE EXPENSES:</b>					
Personnel and general services		11,416,101		8,560,269	26,916,968,240
Provisions		(73,406)		58,583	254,072,333
Depreciation		92,540		115,349	374,774,717
Amortization		587,657		590,864	1,327,369,225
		<u>12,022,892</u>		<u>9,325,065</u>	<u>28,873,184,515</u>
<b>OTHER INCOME</b>		<b>97,359</b>		<b>25,727</b>	<b>82,369,618</b>
<b>OTHER EXPENSES</b>		<b>473,753</b>		<b>320</b>	<b>1,078,000</b>
<b>Operating income</b>		<b>67,309,843</b>		<b>73,578,549</b>	<b>237,408,092,840</b>
Financial income		2,364,912		4,744,324	27,627,813,439
Interest expenses		16,582,615		16,627,716	52,271,364,766
Valuation coverage operating (net)		(466,492)		(425,887)	(3,757,945,355)
Foreing exchange gain (net)		(15,708,228)		(1,687,515)	(5,482,805,100)
Other financial expenses		2,030,311		694,209	3,085,704,056
<b>Income before income tax</b>		<b>34,887,107</b>		<b>58,887,545</b>	<b>200,438,087,001</b>
<b>INCOME TAX</b>		<b>14,148,673</b>		<b>(10,573,214)</b>	<b>(34,407,330,149)</b>
<b>Net income (loss)</b>		<b>20,738,434</b>		<b>69,460,759</b>	<b>Col\$ 234,845,417,150</b>
	\$USD	<u>20,738,434</u>	\$USD	<u>69,460,759</u>	<u>Col\$ 234,845,417,150</u>

(\*) the company adopted International Financial Reporting Standards - IFRS to comply the rules defined by the Commission of the Financial Markets of the Government of Colombia.