




BALANCE SHEETS AS OF JUNE 30, 2010 AND JUNE 30, 2011

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

ASSETS	As of june 30, 2010		As of june 30, 2011		
CURRENT ASSETS:					
Cash and cash equivalents	Col\$	174.724	Col\$	390.553	\$USD 219.392
Restricted cash		25.145		7.242	4.068
Accounts receivable		109.393		152.160	85.475
Inventories		25.528		25.679	14.425
Prepaid expenses		123.023		82.269	46.214
Total current assets		457.813		657.903	369.575
Long-term accounts receivable		8.731		3.474	1.952
Permanent Investments		3.907		37.574	21.107
Property, plant and equipment, net		1.422.369		2.620.491	1.472.054
Other assets, net		1.919.620		1.270.908	713.929
Asset valuations		3.223		322.733	181.294
Total not current assets		3.357.850		4.255.180	2.390.336
Total assets	Col\$	3.815.663	Col\$	4.913.083	\$USD 2.759.911
Memorandum Accounts	Col\$	1.823.930	Col\$	2.072.598	\$USD 1.164.276
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Financial obligations		-		-	-
Accounts payable		69.314		93.670	52.619
Labor obligations		278		418	235
Collections on behalf of third parties		10.130		10.868	6.105
Deffered income		228		211	119
Provisions		17.233		18.926	10.632
Total current liabilities		97.183		124.093	69.709
LONG-TERM LIABILITIES:					
Financial obligations		2.189.964		1.993.779	1.120.000
Hedging		107.717		180.398	101.338
Accounts payable		-		50.140	28.166
Provisions		9.496		4.912	2.759
Other liabilities		68.476		82.635	46.420
Total long-term liabilities		2.375.653		2.311.864	1.298.683
Total liabilities		2.472.836		2.435.957	1.368.392
SHAREHOLDERS' EQUITY:					
Capital stock		775.500		1.139.054	639.860
Additional paid-in capital		24.703		426.433	239.548
Reserves		540.820		429.951	241.524
Heritage valuation investment		-		(2.808)	(1.577)
Heritage revaluation		114		-	-
Asset valuations		3.223		322.733	181.294
Previous years' losses		(180.700)		-	-
Accumulated results		179.167		161.763	90.870
Total shareholders' equity		1.342.827		2.477.126	1.391.519
Total liabilities and shareholders' equity	Col\$	3.815.663	Col\$	4.913.083	\$USD 2.759.911
Memorandum Accounts	Col\$	1.823.930	Col\$	2.072.598	\$USD 1.164.276


GABRIEL TURBAY MARULANDA
 Legal Representative


MARTIN ALONSO MALDONADO RAMIREZ
 Accountant - PC 46851-T



INCOME STATEMENTS

FOR THE PERIOD FROM JANUARY 01, 2010 TO JUNE 30, 2010 AND FROM JANUARY 01, 2011 TO JUNE 30, 2011

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

	As of June 30, 2010		As of June 30, 2011			
			IMPLEMENTED			
OPERATING REVENUES:						
Sales:						
Capacity charges	Col\$	192.352	Col\$	244.304	\$USD	137.237
Variable charges		59.660		37.041		20.808
Non-recurring charges		15.096		18.451		10.365
Other revenues		10.574		7.693		4.322
		<u>277.682</u>		<u>307.489</u>		<u>172.731</u>
OPERATING COSTS:						
Operation and maintenance		47.809		49.958		28.064
Depreciation and amortization		40.882		46.365		26.045
Other operating costs		3.359		5.606		3.149
		<u>92.050</u>		<u>101.929</u>		<u>57.258</u>
Gross Margin		185.632		205.560		115.473
OPERATING AND ADMINISTRATIVE EXPENSES:						
Personnel and general services		11.636		17.936		10.075
Provisions, depreciation and amortization		5.415		4.198		2.358
		<u>17.051</u>		<u>22.134</u>		<u>12.434</u>
Operating income		168.581		183.426		103.039
NON-OPERATING INCOME						
Foreing exchange gain		146.350		135.012		75.843
Valuation coverage operating		-		-		-
Other non-operating income		6.213		10.668		5.993
		<u>152.563</u>		<u>145.680</u>		<u>81.835</u>
NON-OPERATING EXPENSES						
Interest expenses		103.101		95.339		53.556
Foreing exchange gain						
Valuation coverage operating		21.064		49.747		27.945
Other non-operating expenses		6.199		9.489		5.330
		<u>130.364</u>		<u>154.575</u>		<u>86.832</u>
Income before income tax		190.780		174.531		98.042
INCOME TAX		11.613		12.768		7.172
Net income (loss)	Col\$	179.167	Col\$	161.763	\$USD	90.870

GABRIEL TURBAY MARULANDA
Legal Representative

MARTIN ALONSO MALDONADO RAMIREZ
Accountant - PC 46851-T



STATEMENTS OF CASH FLOWS

FOR THE PERIOD FROM JANUARY 01, 2010 TO JUNE 30, 2010 AND FROM JANUARY 01, 2011 TO JUNE 30, 2011

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

	As of June 30, 2010		As of June 30, 2011		
	Col\$		Col\$	\$USD	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net income	Col\$	179.167	Col\$	161.763	\$USD 90.870
Reconciliation between net income and net cash provided by operating activities:					
Depreciation and amortization		43.675		51.929	29.171
Exchange (gain) loss		(146.865)		(152.619)	(85.733)
Equity method		378		(67)	(38)
Hedging operations		21.064		49.747	27.945
Deferred tax		6.731		7.253	4.074
Net gain from sales of property, plant and equipment		-		-	-
Provision accounts receivable		-		49	28
Provision inventories		177		1.062	597
Provision Property, plant and equipment		-		-	-
Provision BOMT right		-		-	-
Provision permanent investments		-		-	-
Provisions		15.695		15.222	8.551
		120.022		134.339	75.465
Changes in assets and liabilities of operation, net:					
Current Assets					
Restricted cash		-		-	-
Accounts receivable		17.037		(64.660)	(36.323)
Inventories		(531)		(563)	(316)
Prepaid expenses		4.245		(11.046)	(6.205)
Non-Current Assets					
Long-Term Accounts receivable		(168)		5.412	3.040
Other assets		(8.859)		(56.077)	(31.501)
Current liabilities					
Accounts payable		(970)		28.074	15.771
Labor obligations		(515)		(644)	(362)
Collections in favor of third parties		(5.832)		(26)	(15)
Other liabilities		-		(10)	(6)
Provisions		(5.076)		(8.489)	(4.769)
Long-Term Liabilities					
Accounts payable		-		50.140	28.166
Provisions		-		22	12
Net cash provided by operating activities		119.353		76.472	42.958
CASH FLOWS FROM INVESTING ACTIVITIES:					
Permanent investments		(1.679)		0	0
Property, plant and equipment		(180.234)		(530.510)	(298.012)
Other assets		(35.768)		189	106
Net cash used by investing activities		(217.681)		(530.321)	(297.906)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Transcogas, fusion		28.781		-	-
Capital additional		-		765.284	429.896
Heritage revaluation		-		(114)	(64)
Financial obligations		43.530		(49.858)	(28.008)
Net cash provided by (used in) financing activities		72.311		715.312	401.825
NET INCREASE IN CASH		(26.017)	Col\$	261.463	Col\$ 146.876
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		225.886		136.332	76.584
CASH AND CASH EQUIVALENTS AT END OF PERIOD	Col\$	199.869	Col\$	397.795	\$USD 223.460

GABRIEL TURBAY MARULANDA
Legal Representative

MARTIN ALONSO MALDONADO RAMIREZ
Accountant - PC 46851-T