GRUPO ENERGÍA DE BOGOTÁ

INVESTORS REPORT

III QUARTER 2016

Bogotá D.C., November 10th 2016

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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)	3Q 16*	3Q 15	Var. %
Thermal	212.4	320.0	-33.6%
Residential – commercial	116.2	182.0	-36.2%
Industrial – refineries	439.8	415.3	5.9%
Vehicle	79.2	91.7	-13.6%
Petrochemical	12.2	17.0	-28.5%
Others	31.6	24.2	30.3%
Domestic Demand	**891.4**	**1,050.3**	-15.1%
Export	-	-	
Total	**891.4**	**1,050.3**	-15.1%

Source: Concentra | *Figures do not include September

Domestic demand for natural gas during the third quarter of 2016 decreased by 15.1% compared to the same period in 2015. The two main causes of the decrease in domestic demand were the residential-commercial sector and the thermoelectric sector. Thermoelectric consumption experienced a decrease in demand due to: i) Termocentro was in major maintenance from July 1 to August 20, 2016; and ii) Between August 1 and 7 Cupiagua field was in full maintenance With zero productions of natural gas. Also, the thermal generation has evidenced a lower consumption of around 140.9 mmcfd compared to what was evidenced in the first months of 2016

1.2. Summary of Financial Results TGI 3Q 2016

In 2015, the company adopted the International Financial Reporting Standards –IFRS–, following schedules set by the Colombian Government as to convergence into these standards. Due to the relevant analysis (IAS 21), the company has adopted the US Dollar (USD) as its functional currency. Notwithstanding the foregoing, Colombian regulation also requires the company to deliver its financial statements in presentation currency, which is the Colombian Peso (COP).

This report presents comparative financial statements as of 2016-2015 according to International Financial Reporting Standards –IFRS– and, since its implementation was throughout 2015, the intermediate monthly financial statements for that year were preliminary, as a result some figures may change compared to previous report.

Table Nº 2 – TGI Selected indicators

	3Q 16	3Q 15	Var %
Operating revenue – USD Thousands	**332,308**	**327,186**	**1.6%**
Operating profit - USD Thousands	213,618	206,395	3.5%
EBITDA YTD - USD Thousands	**281,229**	**274,502**	**2.5%**
Net Profit - USD million	62,678	11,683	436.5%
Transported volume - Mm cfd	457.8	555.3	-17.6%
Firm Contracted capacity - Mm cfd	671.3	672.0	-0.1%
Latest international credit ratings:			
S&P - Sep. 16:	BBB-, Stable		
Fitch - Sep. 16:	BBB, Stable		
Moody's – Jun. 15:	Baa3, Stable		

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- Operating revenue for the third quarter 2016 showed a 1.6% increase compared to the same period of the previous year, mainly due to higher sales upon using other operational services, such as rolling and short-term parking.
- As compared with the same period in 2015, as of the closing of September 2016, operating profits increased by 3.5%, because operating costs and expenditure decreased by 0.9%, mainly due to a decrease in rental costs and personal services expense.
- Net profits increased by USD 50.9 million, closing at USD 62.7 million, mainly due to higher exchange differences and higher deferred tax income.[1]

1.3. Highlights

- The current method used for the calculation of WACC rate for rate purposes in connection with electric power distribution and transmission activities, and for natural gas transportation and distribution activities upon Resolution CREG 095 of 2015 was issued. Through Resolution CREG 090 of 2016, a methodological proposal for the remuneration of natural gas transportation activity was issued for comment. To date this proposal is under discussion and according to CREG's preliminary agenda, the firm methodology will be issued during the first quarter of 2017.
- On July 27, 2016, the Board of Directors approved Contugas capitalization for USD 2 million, where TGI'S shareholding in this company closed at 31.2%, in the medium term the participation of TGI will return to 25% and EEB will remain with 75%.
- On September 27, 2016, the Board of Directors approved the submission to the General Shareholders Meeting the release and allocation of partial resources in the amount of COP 57,000 million from the Reserve of article 130 of Tax Regulation.
- Regarding debt ratings, on September 30, Standard & Poor's ratified the corporate and issuer debt ratings as "BBB-", improving from a negative to a stable perspective, getting TGI perspective in line with that of its parent company as EEB. On the other hand, on October 19, Fitch Ratings ratified the corporate and issuer debt ratings as 'BBB', with a stable perspective.
- During the year, average transported volume through TGI's infrastructure amounted to 458 Mmscfd, keeping a market share of 48.5% as of the end of Q3-2016.

2. Commercial performance

2.1. Sales by sector

The distribution sector –which includes residential consumption–, continues to be the first revenue generator in the company, with 64%. An increase in vehicle sector related income is noted, increasing its share in the total income of the company, from 3% to 7%, as compared to Q3-2015. This increase in NGV consumption resulted from the fact that companies in the sector have promoted the fuel vehicle to natural gas vehicle conversion, such as TGI by providing a benefit per converted vehicle in influence zones such as Bogota, Medellin and Western Colombia. Finally, there is less use by the thermal sector, which has decreased because of less demand in thermal generation.

[1] Income tax increased for Q3-2016 as compared to the same period of the previous year because of an increase in the deferred tax reserve.

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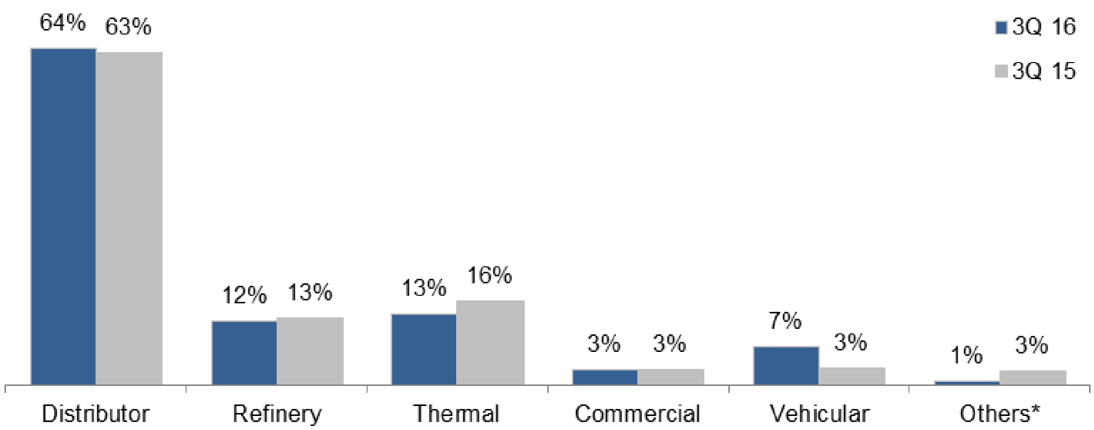
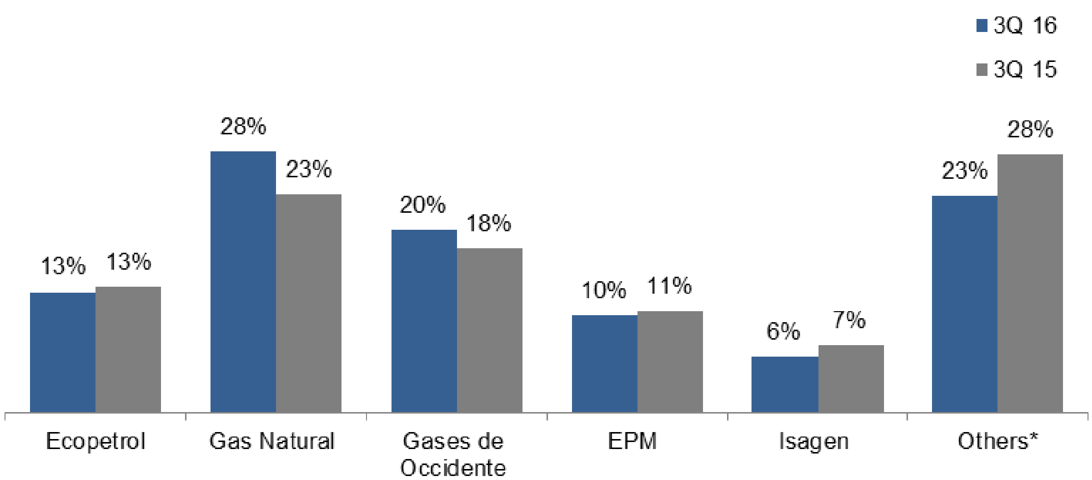
Graph Nº 1 – Revenues by Sector

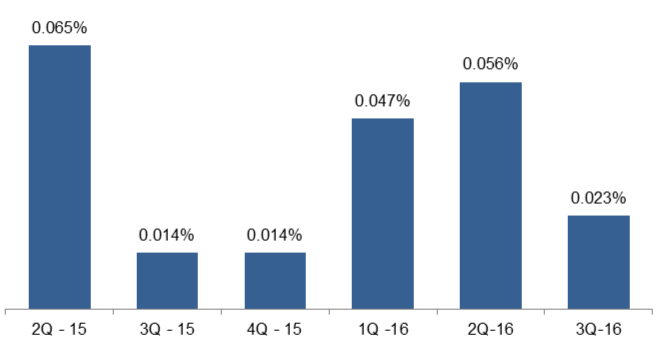


Its main customer in terms of sales did not experience significant changes during the period, therefore Gas Natural, Gases de Occidente, Ecopetrol, EPM and Isagen continue being TGI's main clients, with a share in operational revenues in the company amounting to 77%.

Graph Nº 2 – Revenues by Customer



Graph Nº 3 – Delinquency Ratio



See footnotes in annex 6

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Collection operations relating to permanently developed portfolio allowed for a delinquency ratio of 0.023% over invoiced income during the past twelve months. There is a marginal increase in this ratio as compared to the same period in the previous year, but in general terms it remains significantly low, with no relevant effects on the company's cash flow.

2.2. Contractual structure

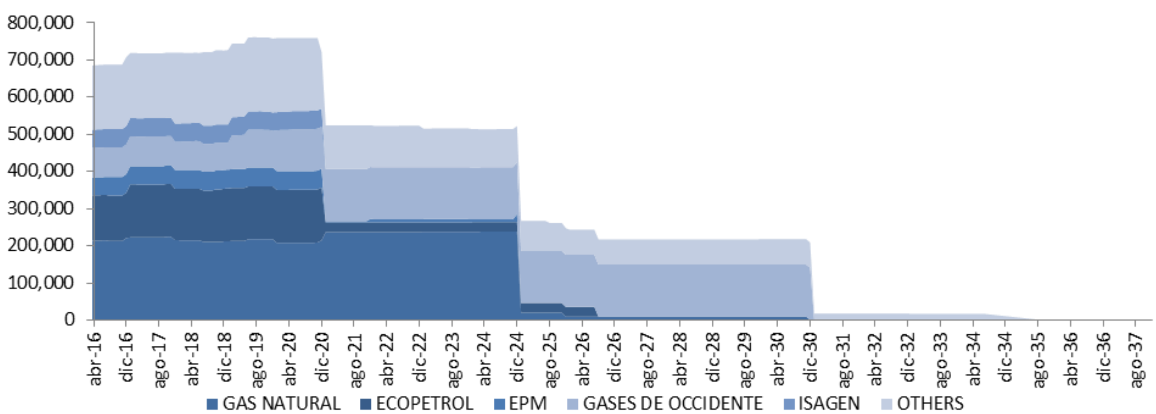
The main sectors served by TGI show stable consumption levels, only with multi-year seasonality caused by the Niño phenomenon. 100% of contracts are final contracts and have been agreed to under a pair of fixed 90% charges and 10% variable; so that only approximately 10% of TGI's remaining revenues from gas transportation, revenues are affected by the fluctuations in the demand of natural gas. At the end of the quarter, the total final contracted capacity of the company increased to 671.3 MMSCFD, which is equivalent to 91% of the available capacity.

Table N° 3 – Contractual structure

	3Q 16			3Q - 15		
Type of contract	No.	Contracted capacity (MMSCFD)	Remaining term (average in years)	No.	Contracted capacity (MMSCFD)	Remaining term (average in years)
Take-or-Pay (1)	1,169	671.3	9.58	1,278	672.0	9.51

See footnotes in annex 6

Graph Nº 4 – TGI Contractual Lifespan



During the third quarter 2016, 37 natural gas transport contracts expired; however, this demand continues being serviced by means of new contracts or other contracts with the same carriers. On the other hand, to date, the company currently has 1,169 take-or-pay natural gas transport contracts, of which 388 correspond to transport contracts of enhancement projects proposed by the company (108 Cusiana – Apiay Ocoa Project; 171 Cusiana Phase III; 109 Cusiana Phase IV). It is worth stating that the increase in the number of contracts vis-à-vis the same period of the previous year is explained by regulatory related changes affecting the company (Resolution CREG089-2013), pursuant to which, carriers must contract per every stretch in the system with standard capacities in each of those stretches.

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3. Financial performance

3.1. Financial Results

As of the end of Q3-2016, operating revenue increased to USD 332.3 million, with an increase of USD 5.1 million (+1.6%) versus operating revenue from the same period in 2015. As regards TGI's revenues from natural gas transportation services, 85% resulted from fixed charges under final contracts; 2.8% of revenues correspond to non-regulated revenues; and 11.9% of revenues correspond to variable charges. Thus, only the latter might be affected by possible demand fluctuations.

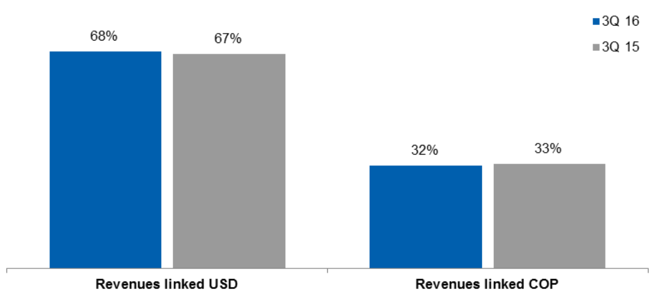
Table N° 4 - Revenues Structure

	USD Thousands		Variation		Share	
	Q3 16	Q3 15	USD	%	Q3 16	Q3 15
Operating Revenue	332,308	327,186	5.1	1.6%		
By currency						
Revenues linked to USD (1)	225,559	219,823	5.7	2.6%	67.9%	67.2%
Revenues in COP (1)	106,750	107,363	(0.6)	-0.6%	32.1%	32.8%
By type of charge						
Capacity and AO&M charges (2)	283,384	288,759	(5.4)	-1.9%	85.3%	88.3%
Variable charges (3)	39,505	32,688	6.8	20.9%	11.9%	10.0%
Complementary services (4)	9,420	5,739	3.7	64.2%	2.8%	1.8%

See footnotes in annex 6

The current tariff scheme remunerates the investment and costs of AOM, are denominated in dollars, USD, and in Colombian pesos, COP, respectively. Dollar-denominated sales increased by 2.6% compared to the third quarter of 2015 and represent 67.9% of TGI's total sales to date. The portion of sales denominated in Colombian pesos, COP, decreased by 0.6% compared to the same period of the previous year, as a result of the fact that the average exchange rate in the first 9 months of the year is higher In 2016, that in 2015 (devaluation of the Colombian peso between the two periods).

Graph Nº 5 – Revenues by currency



Fixed charges cover investment and administration, operation and maintenance costs. Such costs are expressed in American Dollars and in the local currency, respectively. Both costs decreased by USD 5.4 million, for a closing amount for Q3-2016 of USD 283.4 million. The average contracted capacity for this period was 671.3 MMSCFD –a slight decrease of 0.1%– as compared to the same period of the previous year. The decrease in fixed charges is due to the behavior of charges covering administration, operation and maintenance costs, as expressed in Colombian Pesos, which decreased when converted to Dollars because of the local currency performance between both periods, aforementioned.

Regarding the variable charges –even though the transported volume decreased by 17.6% as compared to the transported volume during the same period in 2015–, they increased by 20.9%, from USD 32.7 million in

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Q3-2015 to USD 39.5 million in Q3-2016. This increase was due to the recognition of non-recurring income corresponding to the award in a dispute with a consignor –which events took place particularly during Q1 of this year.

Complementary service revenues for the third quarter grew by USD 3.7 million (+ 64.2%) compared to the third quarter of 2015, explained by services such as interruptible parking, short-term services and collection Of gas losses, among others, demanded extensively in the first 4 months of the year.

Graph Nº 6 – Revenues by charges type

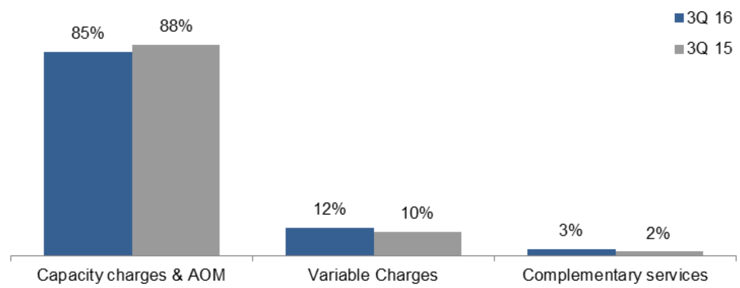

Table N° 5 – Financial Results 3Q 2016 [2]

	USD Thousands		Var		COP Million		Var	
	3Q 16	3Q 15	USD	%	3Q 16	3Q 15	COP	%
Operating Revenue	**332,308**	**327,186**	**5,123**	**1.6%**	**1,009,763**	**874,033**	**135,731**	**15.5%**
Operating costs and expenses	(118,828)	(119,894)	1,066	-0.9%	(356,081)	(314,068)	-42,013	13.4%
Others Revenues/(Expenses)	137	(896)	1,033	-115.3%	417	(2,668)	3,085	-115.6%
Operating Profit	**213,618**	**206,395**	**7,222**	**3.5%**	**654,099**	**557,297**	**96,802**	**17.4%**
Operating Margin %	**64%**	**63%**			**65%**	**64%**		
EBITDA	**281,229**	**274,502**	**6,728**	**2.5%**	**856,715**	**732,986**	**123,729**	**16.9%**
EBITDA Margin%	**84.6%**	**83.9%**			**84.8%**	**83.9%**		
Profit/(Loss) Non Operational Net	(54,908)	(49,824)	(5,084)	10.2%	(147,953)	(142,744)	(5,209)	3.6%
Foreign Exchange	12,657	(49,309)	61,966	-125.7%	38,766	(130,029)	168,796	-129.8%
Income Tax	(108,100)	(4,761)	(103,338)	2170.5%	(311,212)	(12,260)	(298,952)	2438.4%
Deferred Tax (IFRS)	(589)	(90,818)	90,229	-99.4%	(1,803)	(239,490)	237,687	-99.2%
Net Profit	**62,678**	**11,683**	**50,995**	**436.5%**	**231,898**	**32,773**	**199,124**	**607.6%**

On the other hand, costs and operating expenses together decreased by 0.9% at the end of the third quarter of 2016, mainly due to a reduction in the costs of Operational Balancing Agreements (OBA's), the decrease in personnel costs and the reduction of maintenance and repair costs. As a result, the operating income for the quarter ended at USD 213.6 million, representing growth of 3.5% compared to the same period of the previous year.

[2] TGI'S functional currency is the American Dollar. In addition, information is expressed in the Presentation Currency (Colombian Peso-COP). For information purposes, figures contained in the income statement expressed in USD are converted into COP at the Representative Exchange Rate (TRM) as at the date such items are accounted for.

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The non-operating result for the period presented a higher expense of USD 5.1 Million compared to the same period in 2015, mainly due to higher financial expenses Due to the debt received in the merger with IELAH, whose balance at the time of the merger was USD 219.7 million. Likewise, during the third quarter of 2016 the Colombian peso revalued 8.6% against the dollar. Since in the same period of the previous year there was a devaluation of 30.5%, there is an income in the exchange rate difference of USD 61.9 million. As for taxes, the changes in the exchange rate explained, generated an increase in the provision of income tax and a decrease in the deferred tax, which in the net generates an increase in the total provision of USD 13,109 million.

Therefore, net profits as of the end of Q3-2016 show an increase of USD 50.9 million, as compared with net profits from the same period in 2015, with USD 62.7 million[3] as of the end of this semester.

It is to note that figures contained in the income statement expressed in the presentation currency –Colombian Pesos– also show significant increases, as compared to the situation with the functional currency –US Dollar[4]. There are significant increases in operating revenue (15.5%), operating profits (17.4%), and EBITDA (16.9%) under the presentation currency.

3.2. Debt metrics

Table Nº 6- Debt Indicators

	3Q 16	2015*	Units		
Senior Net Debt (1) / EBITDA LTM (2) OM: < 4,8	2.4	1.7	Times		
EBITDA LTM (2) / Interest LTM (3) OM: > 1,7	5.6	6.1	Times		
Debt Structure	Amount		Currency	Coupon(%)	Maturity
Senior – international bonds (4)	750		USD Mm	5.700%	20-mar-2022
Subordinated Intercompany (5)	370		USD Mm	6.125%	21-dec-2022
Syndicated Loan	184		USD Mm	Libor 6M + 2.25%	11-sep-2019

See footnotes in annex 6 | * As of December 2015

Table Nº 7 – Metrics breakdown

	USD Thousands	
	3Q 16	2015*
EBITDA LTM	367,781	361,053
Total debt	1,047,436	868,635
Cash and temporary investments[5]	163,751	256,145
Net Debt	883,685	612,490
Interest LTM (1)	65,283	59,130

See footnotes in annex 6 | * As of December 2015

The company continues to comply with the provisions of the Note Indenture 2022 as to credit metrics. Covenants for TGI Notes 2022 have been suspended because there are investment ratings by 3 major rating agencies. On September 11, 2016 TGI made another prepayment in the amount of USD 35 million against the syndicated loan of IELAH, wherefore its balance as of September 30, 2016 is USD 184 million.

In 2015, TGI provided three (3) intercompany loans to its main shareholder, EEB, for COP 430,841 million, which were fully repaid in the months of March and October 2016. The board of directors of the company approved the granting of one or more intercompany loans to EEB, for up to COP 400,000 million.

[3] For further information on the income statement, please see annex 7
[4] Historical rate means the actual exchange rate as at the date transactions are completed.
[5] It includes short-term loans with related parties and associates.

4. Operational performance

TGI is the leader in the Colombian natural gas transportation market, holding 48.5% of market share. By the end of the third quarter 2016 the total transported volume through the national system showed significant variations, with lower averages than those experienced during the same period in 2015, mostly due to lesser thermal generation consumption.

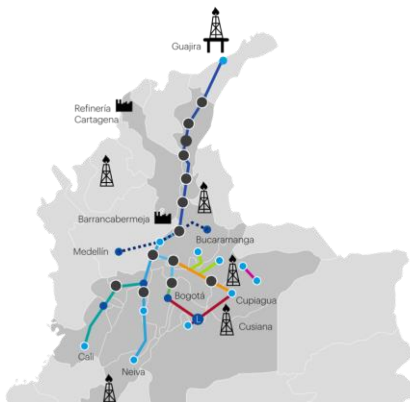

Table Nº 8 -Volume by transporter - Mmcfd

	3Q 16	Part. %	3Q 15	Part. %
TGI	457.8	48.5%	555.7	55.1%
Promigas	340.5	36.1%	308.0	30.5%
Others*	144.8	15.4%	145.3	14.4%
Total	**943.1**	**100.0%**	**1,009.1**	**100.0%**

Source: Concentra
* Industries directly connected to transport

Table Nº 9 - Selected operational indicators

	3Q 16	3Q 15	Var %
Total capacity – mm cfd (1)	733.8	733.8	
Transported volume – mm cfd (2)	457.8	555.3	-17.6%
Firm contracted capacity – mm cfd (3)	671.3	672.0	-0.1%
Load factor - % (4)	56.7	66.6	-14.8%
Availability - % (5)	100.0	100.0	0.0%
Losses - % (6)*	0.07	-	
Gas pipeline length – Km	3,957.0	3,957.0	
Total capacity – mm cfd (1)	2,459.0	2,459.0	

See footnotes in annex 6

As of the end of this period, final contracted capacity holds similar levels to those from the previous period, due to the business management of the company in looking for new contracts. Also, the system expansions during the past years and its operational enhancement have allowed for an increase in transportation capacity. Finally, system loss remains below the maximum level of 1% accepted by the law.

Table Nº 10 – TGI Total capacity by section 3Q 2016

By tranche - Mmcfd	Transport Capacity	Transported Volume Average
Ballena – Barrancabermeja	260.0	86.0
Mariquita – Gualanday	15.0	14.3
Gualanday – Neiva	11.0	8.7
Cusiana – Porvenir	392.0	311.8
Cusiana – Apiay	33.0	29.7
Apiay – Usme	17.8	3.8
Morichal – Yopal	5.0	3.2
Sur de Bolívar	N.A.	0.3
TOTAL	**733.8**	457.8

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5. Capital Investment

Table Nº 11 - Capex

	USD Million	
	3Q 16	3Q 15
Investment (1)	7.8	22.1
Maintenance (2)	4.1	2.7

See footnotes in annex 6

Table Nº 12 – Status of expansion projects in Colombia – 3Q 2016

	Description	Capex (USD mm)	Enhancing Compression (Mmcfd)	Execution (%)	Comming of stream
Cusiana Phase III	Enhancement compression capacity by means of supplying and starting up three new units.	31.0	20	72.3%	3Q 16
Cusiana – Apiay - Ocoa	The project will increase transport capacity of the gas pipeline Cusiana – Apiay by 32 Mcfd and the Apiay – Ocoa branch by 7 Mcfd.	48.0	39	22.0%	4Q 17
Loop Armenia	Construction of the Loop Armenia of 28 Km in 8”	24.3	8.7	31.0%	2Q 17
Cusiana Phase IV	Transport enhancement capacity in the Cusiana-Vasconia gas pipeline: **I.** 43 Mmcfd for the stretch Cusiana - Vasconia with the construction of a 49.6 Km loop in 24” **II.** 17 Mmcfd for the stretch Puente Guillermo - Vasconia, by means of the enhancement of Puente Guillermo Compressor Station.	78.0	43	0%	I. Cusiana - Vasconia 4Q 2018 II. Puente Guillermo – Vasconia 3Q 2017
Replacement and Maintenance Regulatory –	10 gas pipelines of the TGI system complete their useful regulatory life spam. TGI decided to substitute (4) stretches and continue operating the other six (6)	49.0	N.A.	0%	N.D

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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

- As of 2015, TGI's functional currency is the USD. All figures in the statement of results of 2014 and 2015 appearing in USD are converted to COP at the TRM at the date in which the different line items are accounted for.
- Only for information purposes, we have converted Capex figures in this report to its USD equivalent using the end of period representative rate as published by the Colombian Financial Superintendence. Exchange rates used are as follows:
  - TRM as of September 30th 2015: 3,121.94
  - TRM as of September 30th 2016: 2,879.95
- 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 3Q 2016:

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.

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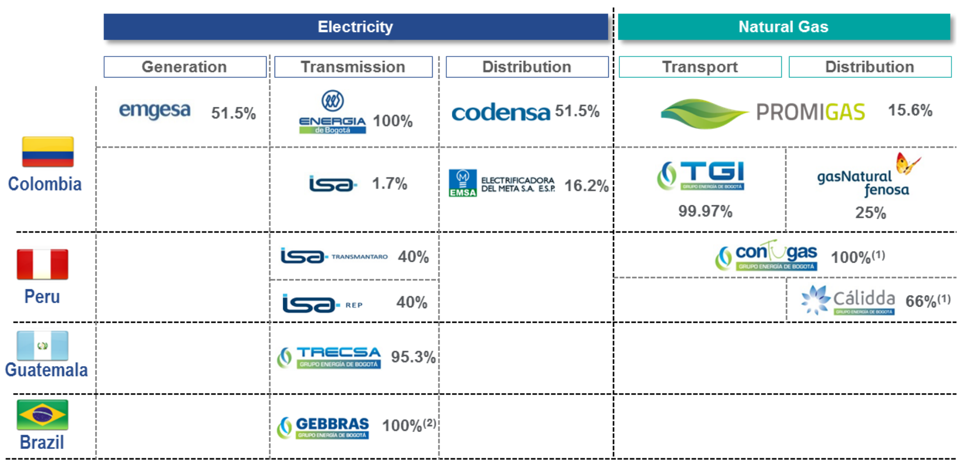
- EEB has in place an expansion strategy focused on transport and distribution of electric power in Colombia and other countries within the American region.
- EEB participates in the entire power value chain and in almost the entire value chain for natural gas; it does not participate in E&P activities 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's Overview



(1) EEB through direct or indirect holding. (2) EEB through the acquired SPV GEBBRAS on August 21, 2015 for ~ USD158 mm, 51% of shareholding in 4 transmission concessions.

- 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 that 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$650 million.
- TGI has a stock of 32.24% in the Peruvian company ConTUgas – the remaining 67.76% is property of EEB-. This company has been awarded the concession to build the natural gas transport and distribution network in the south of Peru – Ica department, estimated cost amounted to US$ 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.

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- BR: Banco de la República. Colombian Central Bank, responsible for monetary and exchange rate policies in the country.
- Bln or bln: Billion of US$. Factor 109
- BOMT: Build, Operate, Maintain and Transfer Contract.
- COP / COP: Colombian pesos.
- CREG: Comisión de Regulación de Energía y Gas de Colombia – Colombian Energy and Gas Regulatory Commission. State owned agency in charge of regulating electric power and natural gas household utilities in Colombia.
- Cuota de Fomento – Development Quota: Relates to resources Ecogas collected from users to carry out new natural gas infrastructure projects.
- DANE: Departamento Administrativo Nacional de Estadística. National Administrative Department of Statistics. Is the entity in charge of planning, surveying, processing, analyzing and disclosing official statistics in Colombia.
- DNP: Departamento Nacional de Planeación – National Planning Department. Entity in charge of Economic Planning in the country.
- EEB: Empresa de Energía de Bogotá. Holding shareholder of TGI.
- GNV: Gas natural vehicular – Vehicle natural gas.
- GPC: Giga cubic feet. Factor 109
- IED: Foreign direct investment.
- IPC: Colombian consumer price index.
- Km: Kilometers
- MEM: Peruvian Ministry of Energy and Mines.
- Mi: US miles.
- Mm/mm: million
- Mlm / Mlm: trillion
- PBS: Basic points, equivalent to 0.01%
- Pcd or pcd: cubic feet per day.
- SF: Superintendencia Financiera. Financial Superintendence. State agency in charge of regulation, oversight and control of the Colombian financial sector.
- TGI: Transportadora de Gas del Internacional
- Tpc / tpc: Tera cubic feet. Factor 1012
- TRM: Tasa representativa del mercado – Market Representative Rate; is an average of prices in which peso-dollar transactions are traded, calculated on a daily basis by the SF.
- R/P: Reserves production ratio
- UDM: Last twelve months
- UPME: State entity in charge of planning in the mines and energy sectors in Colombia.
- USD: US$

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.

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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.
(6) Corresponds to IELAH's syndicated loan

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Footnotes table Nº 7: Indicators detail

(1) The net financial expenses are net of revenues from the treasury and the coupons received by Opposite Swaps contracted.

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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: Financial Results Statement and EBITDA

Table N° 13 – Detailed Financial Results

	USD		Var	
	3Q 16	3Q 15	USD	%
Operating Revenues	**332,308,365**	**327,185,545**	**5,122,820**	**1.6%**
Costs of Sales	**(99,796,222)**	**(98,436,912)**	**(1,359,310)**	**1.4%**
Operating and maintenance	(38,378,102)	(39,939,141)	1,561,039	-3.9%
Provisions, depreciation and amortization	(61,418,120)	(58,497,771)	(2,920,350)	5.0%
Gross Profit	**232,512,143**	**228,748,633**	**3,763,510**	**1.6%**
Operating and Admin. Expenses	**(19,031,966)**	**(21,457,485)**	**2,425,519**	**-11.3%**
Personnel and general services	(12,700,776)	(12,744,521)	43,745	-0.3%
Provisions, depreciation and amortization	(1,965,068)	(2,011,743)	46,675	-2.3%
Equity tax	(4,366,123)	(6,701,221)	2,335,099	
Other Revenues / (Expenses) Net	**137,336**	**(895,925)**	**1,033,261**	**-115.3%**
Operating Profit	**213,617,513**	**206,395,223**	**7,222,290**	**3.5%**
Non-operating revenues	**9,228,117**	**8,923,134**	**304,984**	**3.4%**
Financial (1)	7,755,639	7,308,657	446,982	6.1%
Hedging Valuation (2)	1,472,478	1,614,477	(141,999)	-8.8%
Non-operating expenses	**(64,135,861)**	**(58,747,281)**	**(5,388,580)**	**9.2%**
Financial (3)	(58,900,872)	(51,021,827)	(7,879,045)	15.4%
Permanent Investments Valuation	(2,312,706)	(4,112,129)	1,799,424	-43.8%
Hedging Valuation (2)	(2,922,283)	(3,613,324)	691,042	-19.1%
Net Foreign Exchange (4)	**12,656,716**	**(49,308,844)**	**61,965,560**	**-125.7%**
Profit before income tax	**171,366,486**	**107,262,232**	**64,104,254**	**59.8%**
Income Tax	(108,099,547)	(4,761,086)	(103,338,461)	2170.5%
Deferred Tax (IFRS)	(588,528)	(90,817,737)	90,229,209	-99.4%
Net Profit	**62,678,411**	**11,683,409**	**50,995,002**	**436.5%**

(1) Includes financial yields for temporary investments.
(2) Reflects the valuation of hedging contracted by the company to reduce risk of paying the capital of debt in foreign currency.
(3) Financial expenses related to company's debt.
(4) Reflects the impact of the devaluation/revaluation on the conversion to USD of assets and liabilities of the company in Colombian pesos.

Table Nº 14 – EBITDA Quarterly Breakdown

USD	1Q - 16	2Q -16	3Q -16
Revenues.	117,783,722	111,507,024.24	103,017,620
(-)Operating and maintenance exp.	14,038,896	11,757,875.32	12,581,331
(-)Personnel and general expenses [6]	4,194,146	4,416,825.41	4,089,804
Quarterly EBITDA	**99,550,680**	**95,332,324**	**86,346,485**
Quarterly EBITDA Margin	**85%**	**85%**	**84%**

[6] Estos gastos no incluyen el impuesto al patrimonio

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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 (Moody's) / BBB(Fitch) / BBB(S&P) ; AAA local ▪ Firm contract for 11 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: BBB (Fitch) / AAA local ▪ Firm contract for 10 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 15 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 (Moody's) / BBB+(Fitch) / BBB- (S&P) ; AAA local. ▪ Firm contract for 9 years	▪ Residential (1) ▪ Thermal generation ▪ 877K users
ISAGEN energía productiva	▪ Third electricity generator in Colombia ▪ 57% controlled by the Colombian government ▪ Ratings: Foreign: Baa3 (Moody's) / BBB- (Fitch) BBB- (S&P); AA+/BB+ local ▪ Firm contract for 5 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.

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